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From Editor's Desk...

Welcome to the Vol IV, Issue XXIX of Jamshedpur Research Review! In this issue, sixteen research paper from the different fields of social sciences, commerce and management have been chosen for the publication. Political advertising, school education, cloud accounting, Human Trafficking, Financial Inclusion, Tribal issues etc. have been comprehensively discussed in these research articles. We hope that like our previous issues, 29th issue will also be able meet your expectations.

Keep sending us your suggestions and feedback.

With Regards.

A handwritten signature in black ink, appearing to read 'Mithilesh K. Choubey'.

Dr. Mithilesh K. Choubey
Editor-in-Chief
Date: 01-04-2018

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POLITICAL ADVERTISING IN INDIA

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Director, Gyanjyoti Educational and Research Foundation, Jamshedpur, Jharkhand

Abstract

Political advertising is a kind of advertising or marketing communication, used by political parties to communicate with public. Such information have political relevance and public interest. Political advertising attempts to influence or comment upon a matter which is currently the subject of extensive political debate. Political advertising becomes election advertising when it aims to affect the voting in upcoming election. Advertising or marketing communications are generally regarded as “election advertising” where they contain material intended or likely to affect voting in an upcoming election. Election advertising is not necessarily limited to advertising by parties or candidates contesting an election and may include advertising outside of an election period where there is a relevant connection to an election. Generally, it will not include government information or education campaigns outside of an election period. The paper presented here, gives a comprehensive picture of emerging trends in political advertising in India in the backdrop of social media revolution where a passive voter has become active party supporter. The paper suggests that illegal access to the personal details of millions of Indian voters is dangerous for Indian democracy because marketing agencies are misusing the information for unethically influencing the voter behaviour. India needs strict laws for social media and data leaks. With the help of the examples of some old political advertising campaigns of Congress and BJP, the paper tries to establish that political advertising is only an effective marketing communication tool and it cannot hide ground realities and that political advertising can create false gods in politics but for a very short time period only.

Political advertising is as much an art as it is a science. Get it right, and you'd be a winner. Get it wrong, and your political fortune could take a nosedive! **Political Advertising services** can offer an edge over the competitors. Political Parties hire advertising agencies for designing high impact political advertising strategy and execute powerful political advertising campaign for the party and its candidates.

Well planned investment in political advertising can enable political parties and political candidates to influence their electorate or voters; or to comment on, or create a political debate on any issue through innovative political advertising strategies. Political advertising may also include advertising that informs or creates awareness about relevant political issues, or issues of public interest, and advertising related to create awareness about, or to promote government policies. Such advertising forms the core of **political advertising campaign strategy in India**.

Today political advertising services includes print advertising, television advertising, radio advertising, outdoor

advertising, online advertising, mobile advertising and social media advertising services. They also help formulating a comprehensive **political advertising strategy in India** through comprehensive media research, media selection, media buying and design and production of all advertisements and advertising material, keeping in mind their campaign objectives and advertising budget.

The main function of a political advertising agency is to sketch a well thought out **political advertising strategy**, execute it in an **advertising campaign** and persuade the voters to in favour of the political party.

The appropriate media mix available for execution include: FM Radio Channels, TV Channels, Magazines, Newspapers, SMS, Voice Messages, Whatsapp, search engines, news search, video search, regular online search, e-zines, online news sites, blogs, forums and communities, social networks like Facebook, Twitter, Google+, LinkedIn, YouTube etc.

Recent developments

Political advertising is now passing through a transformation phase in India due to media revolution and amalgamation of behavioural science, marketing management politics and most importantly their access to personal profile of millions and millions of Indian voters through leaked documents of Facebook, Twitter and Aadhar. Now, political parties are in better position than ever before to study the likes, dislikes, preferences etc. of Indian voters and influence their voting behavior through appropriate marketing communication.

A passive supporter becomes active social media campaigner

Now, messages are created in a very sensational manner to create buzz. Apart from party workers, millions of unknown party supporters communicate, share, like, defend and support these messages on social media and help get it viral. Such messages ignite chain reactions and unknown party followers share/reproduce/create similar messages on social media. It is a new type of political advertising where unknown followers become not only carrier but also creator of messages. To start and accelerate the chain reaction, political parties hire well trained social media teams who sometimes create fake accounts on social media and share sensitive messages/hate messages. **These messages mainly create fear factor in voters' mind.** Literally afraid, millions of social media users share and forward these messages. But new political advertising is quite uncontrolled, uncensored and can be multiplied quickly and quite often spread riots and social tensions.

Advertising budget is growing

In India, expenditure on advertisement is growing 10% annually since 2013. During the election time it may multiply up to 200%. 2014 general elections was the turning point. Now no political party can afford to overlook the importance of advertisement in political battlefield. For ad agencies, politics is a new potential market. Demand for marketing experts and smart brains of IIM passouts is high in Indian political battle field. Today political parties spend millions of rupees as a fee's to political advertising agencies. On this front,

ruling party BJP was miles ahead of its rivals. But now main opposition party of BJP, Indian National Congress has also joined the league. Not only the BJP and Congress, but all the leading Indian political parties are spending heavily on advertisement. Advertising agencies Soho Square, Ogilvy and Mather, and media buying agency Madison World helped Narendra Modi's Bharatiya Janata Party (BJP) sweep to power in the 2014 Lok Sabha elections with the biggest election victory in 30 years. The creative backbone of the party's campaign was Piyush Pandey, executive chairman and creative director for South Asia at Ogilvy and Mather.¹

According to the CMS pre-post poll study, upwards of Rs 5,500 crore were spent by major political parties in 2017 Uttar Pradesh assembly elections.² Every vote cast in UP involved a cost of about Rs 750. During the elections much of the budget was allocated to regional newspapers and TV news channels, FM radio, Aakashvani and out-of-home (OOH) categories. The cost of a per ten second ad spot on a regional news channel ranges between Rupees 300-500. A full front jacket in all editions of Dainik Jagran in UP is priced at around Rs 25-30 lakh during the 2017 assembly elections.³

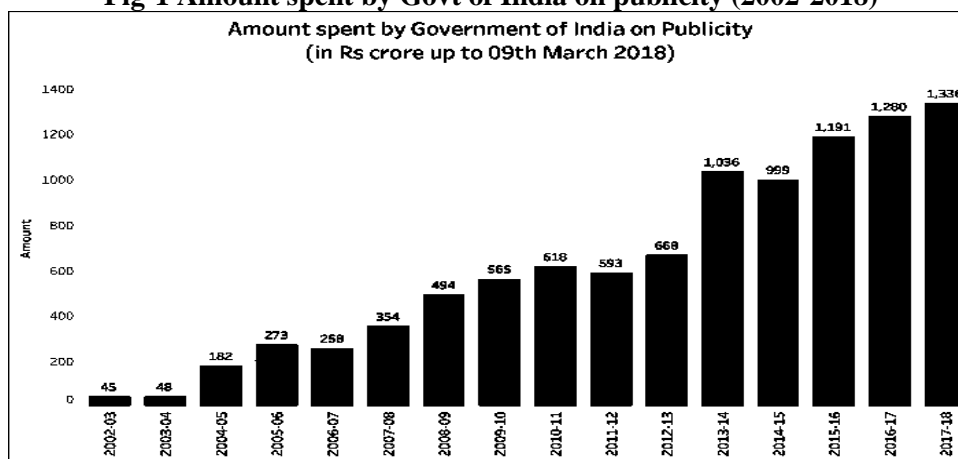
A couple of decades ago, political parties would start their advertisement campaign just before six months to the elections. But now trend is totally changed. Now political parties run their campaign throughout the year and spend lavishly on advertisement and publicity. Government expenditure on advertisement have also been increasing double digits over the last 3-4 years. All the schemes that are announced, the public sector, all put together, it is growing over 10 percent. The figures may shoot up dramatically in 2019 when 15th Lok Sabha elections are scheduled to be held on.

DAVP is the nodal agency of the central government for advertising on behalf of various ministries, departments, public sector firms and autonomous organizations funded by the government. In total, DAVP has spent close to Rs 3,473 crore in three years (that ended 31 March 2017) of Prime Minister Narendra Modi-led NDA government on advertising and publicity across print, television, radio and digital mediums.⁵ For 2016-17, DAVP's advertising expenditure stood at Rs 1,285.77 crore. There is expected to be an increase in the

money that goes to DAVP from I&B ministry to around Rs220 crore, given that 2018 will be dominated by assembly elections and general elections are on the horizon as well. The overall budget of DAVP, which is estimated at Rs1,350 crore this year, is also expected to increase as other ministries will (expectedly) advertise more. Between 2002-03 and 2017-18 central government spent Rs 10000 crore in 16 years from 2002-03 to 2017-18 on advertisement. Expenditure on publicity increased

significantly during election years. For instance, the amount spent from 2004-05 to 2007-08 (4 years) is equal to the amount spent in just two years (2008-09 & 2009-10). Same is the case with 2013-14 & 2014-15. On average, the publicity expenditure in an election year was 40% more than the preceding year. The overall publicity expenditure has been at least Rs 1000 crore in each of the years starting 2013-14.

Fig-1 Amount spent by Govt of India on publicity (2002-2018)



Political advertising- life line for print media in India

Government is the main advertiser for the newspaper. To announce welfare schemes, and get connected with public state and central governments spend on newspapers and electronic media. Interestingly Indian print media is growing 4.3 percent annually contrary to the global trend where ad expenditure on print media is shrinking in favour of online and electronic media. Financially, many newspapers in the country are totally dependent on govt advertisements today. Financial dependency upon government advertisements is affecting the independence of policies of news media.

Mind mapping of voters through behavioural studies

Today politics is very much like business, where focus is upon influencing of targeted groups. This type of politics is executed through well-planned marketing strategy. It starts with dividing the voters on the basis of

their demographic profile. Caste, community, religion, age, gender etc. are the primary bases of voter segmentation. After the voter segmentation, potential winning combinations are identified. For that personal data of all the voters are collected through ADHAR, social media and other sources. In the last century 'voter list' was the main source of this kind of analysis. It was a very complex and time taking process. But Facebook and Cambridge Analytica scams have indicated how political parties are using personal data of social media users for during elections.

Once the targeted group of voters are identified, hired ad agency study their voting behavior through field survey, social media trends, media reports etc. Such studies aim to develop insight into voting decision making process and also the parameters and criteria being used by voters during their voting decision making process. Degree of impact of various factors like: religion, caste, gender, unemployment, etc are also studied. Decision making factors may vary, depending upon the demographic, psychographic and local conditions attributes. Take for example, caste

factors are less effective in urban areas. But are quite influential in the rural areas. Chances of communal polarization can be very high just after the communal riots.

Individual Branding of party leader

In Indian politics, brand building is personality based and it revolves around top most party leader. Branding of party's top leaders and providing him a specific image through social media, electronic media, print media, posters & banners is an important function of a political advertising campaign. J. Jialalitha, K. Karunanidhi, Mamta Banerjee, Mayawati, Lalu Prasad, Lal Krishna Advani, and Narendra Modi all have specific images in contemporary Indian politics. Creation of brand 'NaMo' is one of the best example of individual branding, where media management, brand building and tactical marketing all acted together. All this started with Gujarat state tourism department advertisement campaign during the Narendra Modi tenure as a chief minister. This advertisement campaign gave Narendra Modi national Coverage.

Later on media created NaMo Brand-a Hindu hardliners. Somehow opposition parties also strengthened A Hindu Hardliner image of Narendra Modi. An interesting case study on creation of Brand NaMo explains⁷- "from a humble background as a Chaiwala (Tea Seller), Prime Minister Narendra Modi's (Modi) personal brand, Brand Modi or 'NaMo' had turned into a mass brand and enjoyed credibility among the people of India for the development of his home state, Gujarat, when he was heading that state. The transition from a politician to a Brand was well chartered out and the evolution of Brand NaMo was spectacular. Brand NaMo scored due to the efforts of a team of marketing experts hired by Bharatiya Janata Party (BJP) that had created a successful media, marketing and branding campaigns ever witnessed in India's electoral history. BJP had adopted a '360 degree, full-fledged campaign which included mass media like print, television, radio and outdoor, new media such as online and social media, events and on-ground activities'. Apart from that, rallies, appearances, consumer touch points at tea stalls were very effective in delivering Brand NaMo to the target electorate in the Lok Sabha elections of 2014."

During 80s, images of top political

leaders were created by the people of the country. Images were real and permanent. But now images are strategically created and communicated. They are mostly artificial, non-permanent and essentially induced through professional advertising agencies and supportive news media groups

In 1990s, Lalu Prasad cleverly used electronic media to build his image of pro-backward class politician, a champion of social justice & secularism and a common man who does not hesitate to spend time with his cows and buffalos. Poor and backward caste people liked his avatar and voted for him heavily. In 2005 his pro-poor imaged partly destroyed after his alleged involvement in Fodder Scam. Political opponents further damaged his image with 'Chara Chor' and 'Jangal Raj' Campaign. Sometime when glamorous image of Lalu was fading His college day friend Nitish kumar, was building his image of 'Vikash Purush' and 'Susasan Babu'.

Everything possible in political warfare:

Unlike business sector, where competitors do not directly attack the rivals, in politics it is quite common. Allegations, attacks and counter attacks are the main weapons of modern politics. Parties counter attack the brand image building drive of opponents through well-planned array negative branding. Skilled, trained and outspoken media spokespersons are today more important than ever before. Team of professional strategists are hired to give them back office support and to assist during media debates.

Social Media- Fake News

Now social media is playing a very important role in Indian politics. Unlike print and electronic media, social media is not well regulated. So political parties can use social media more freely. Millions of Fake accounts are created and fake news are spread through IT cells. Fake news is a propaganda that consists of deliberate disinformation or hoaxes spread via traditional print and broadcast news media or online social media.

There is no ethical boundaries or code of conduct fake news in India today. Fake news are dangerously spread to ignite communal riots, caste violence etc. for the polarization of voters. With emergence of political advertising

agencies and paid campaigners, role of party workers is gradually changed. Now paid workers are hired by the IT cell to open multiple accounts on twitter, Facebook, What's App etc, to create share and spread favorable/fake messages. Now Political advertising campaigns are highly centralized and controlled. Party workers are expected to create BUZZ around these campaigns.

With the evolution of new digital offset printing technology banners, posters, hoardings, pamphlets, flags, etc. are printed and duplicated in a very short period of time. It is an end of an era when party workers would spend sleepless nights writing slogans on cardboard for next day processions. Indeed, it is totally a new kind of political scenario where battle is fought on social media and electronic media. Now door to door campaign is replaced by MMS, SMS and tweets, whatsapps etc. Indian voter is still very emotive.

Ethics at the backseat

Use of new technology in political battlefield is inevitable, but main concern is unethical and illegal use of it to create hoax, rumor, fake brand image, trashing others' image, spreading hatred, igniting riots, communal violence for voter polarization and manufacturing false mandate through misleading the voters. They can easily be misguided by communal and caste based slogans and statements. Advertisement helps political parties to bypass the real issues and take political debate on trivial matters. Virtual world is the new real world of this type of political discourse. Role of new technology in politics is inevitable. But, is it good for Indian democracy? Apprehensions are there. Concerns are many, but main issue is 'control on fake news, political lies and fake image building with the help of fake accounts'. Lawmakers have power to control it but they themselves are the reprobates and beneficiaries.

History suggests advertisements cannot hide ground realities

In 1989, Bofors Gun Scam had already grabbed the minds of Indian voters. Mr. Clean Campaign of Congress party failed to create magic. In 1983 Indira Gandhi was killed by her bodyguards. There was a shock wave in the country. In the 1984 general elections, the party got unprecedented landslide victory as it

projected her assassination as a threat to the unity and integrity of the country and urged the people to vote for it when terrorism was raising its head. To communicate this message to the voters, Congress had hired Reinfusion. But Reinfusion can not be credited for the Party's victory.

In 1989, Rajiv Gandhi ventured into formal political advertising and hired professional agencies to carry out the election campaign of the order of Rs 20 crores. The campaign brought the 'Mr Clean' concept for the Prime Minister. Despite heavy campaigning through electronic and print media, Congress lost the general election to the third front headed by Vishwanath Pratap Singh.

In the same election in 1989, there was the 'My Heart Beats for India' series of print advertisements created by Rediffusion for Rajiv Gandhi and the Congress. It had images of scorpions, masks, broken dolls and other horrific images - all intended to show what would befall India if it were to choose an option other than the Congress. If anything the campaign lent itself to lampoons and parodies at the cost of the Congress. The party, as is well known, lost the election, India today reported.⁹

In 2012 Congress hired Percept/H and film maker Pradeep Sarkar of Apocalypso Filmworks. Advertisements were certainly pleasant looking and better crafted than those of 1989, but hardly the kind that would swing public mood, given the prevailing anti-incumbency sentiment. In any case, the large ad budget - said to be Rs. 100 crore - failed to achieve the goals.⁹

India Shining ad campaign of 2003/04 was started by BJP-led NDA when it was in power. The campaign failed because it exposed the BJP's disconnect with ground reality at the time. India Shining was the brainchild of Grey Worldwide. But in 2009, Congress purchased the rights to AR Rahman's famous track 'Jai-Ho' ahead of Lok Sabha polls and using it extensively, worked too.

It means ad agencies can only communicate actual achievements. Their role is limited to effective communication only. They cannot manipulate ground realities. If political party has worked well, a good advertising campaign can give it an edge. Best advertisement campaigns can be failed, if party fails to perform at grassroots level. Take the example of Narendra Modi and Arvind Kejriwal. It is purely Modi's own persona that

has stood out. Arvind Kejriwal's personal equity and ability succeed to generate faith among voters.

There are many advertising agencies in our country who claim that they can change the mind of the voters with the help of magical advertisements and PR. Keen to win the election, political parties spend millions of rupees on such advertising agencies. Fake brand images are created and communicated by these advertising agencies. They attempt to create fake gods in Indian politics. But these fake gods are mortals, and have very short life span.

Election results often dismay their claims. Marketers take political parties as 'product' and voters as 'customers'. But voters are not customers and voting is not like buying TV, fridge or air cooler. It is proved time and again that voters are smarter than ad agencies. Voters' mind is enigma and cannot be predicted easily. *Good Advertisements cannot hide bad governance.*

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STATUS OF SCHOOL EDUCATION IN KOLHAN REGION OF JHARKHAND

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This article is focused on *the* poor condition of school level education in Kolhan region of Jharkhand. The study shows that schools located in rural areas of Kolhan region are facing huge scarcity of teachers. Surprisingly, in the urban areas, schools have surplus teachers. Rationalizing the teacher- student ratio is a big challenge for the education department. Now state government has decided to merge those schools having 'low students admission' with other schools located in rural areas. Teachers will be transferred to other schools to balance the teacher student ration.

Key words: School education, teacher-student ratio, merger of schools, urban and rural schools

Kolhan region of Jharkhand is comprised of three districts: East Singhbhum, West Singhbhum and Saraikela-Kharsawan district. West Singhbhum and Saraikela Kharswan district are tribal populated districts. Schools located in urban areas of Kolhan region of Jharkhand have more teachers than actually they needed. But in the rural areas, picture is just opposite. Percentage of teachers is even 50 percent of the total teacher requirement. There are 1532 primary schools and 148 high schools in the Eastern Singhbhum, where 5,335 teachers are employed. There are 2253 schools in the West Singhbhum, wherein 3161 teachers are working currently. There are 1385 schools in Saraikela where a total of 4135 teachers are working. The strength of teachers in the government schools, located in the urban areas of the East Singhbhum, West Singhbhum and Saraikela Kharsawan- the three districts of the Kolhan division- out numbers their actual requirement in these schools. Consequently, the availability of teachers in the schools of rural areas is much less than what is actually required. This situation prevails at the Primary, Middle and High school level. Everyone, right from the local officials of the Education Department to the State Education Minister, is aware of the crisis resulting from the paucity of teachers in the schools located in the rural pockets of the Kolhan region. However, the problem remains unresolved as yet.

According to Arvind Vijay Vilung, the Deputy Director, Regional Education, Coal Division, there is a problem. The mergers and the shifting of schools have been taken up to

address this problem. The teachers will now be posted on the basis of the student-teacher ratio in schools. This will automatically resolve the problem. This policy is being executed in accordance with the instructions of the commission.

East Singhbhum: Approximately one-third of the total teachers working in government schools of East Singhbhum are placed in urban areas. There are 1532 primary and middle schools in East Singhbhum district. A total of 3119 teachers are working in these schools, in which only Jamshedpur and Potka are being merged, so 1255 teachers are employed in these two blocks. Not only this, 627 teachers are employed in 219 schools of the Jamshedpur urban area. There are 148 high schools in the district. There are 234 teachers in these schools. A total of 91 teachers out of 234 teachers are posted in different high schools of Jamshedpur only. It can be easily understood that the availability of teachers working in the high school of the rural areas is pathetically low- ranging from one to two teachers per school.

West Singhbhum: There are 2253 schools in the West Singhbhum. A total of 3161 teachers are working in these schools. According to the information received from the education department of West Singhbhum, about 900 teachers are also working in the urban area of Chakradharpur subdivision around Chaibasa city. If the strength of the teachers is rationalized on the basis of the student-teacher

ratio, more than 500 teachers will not be required in the schools of the urban areas.

Saraikela: There are 1385 government schools in Saraikela district. A total of 4,135 teachers are working in these schools. More than 600 teachers are posted in the schools of Saraikela's urban areas like Adityapur, Ghamaria and District Headquarters. At the same time, the number of teachers in Naikalala affected schools of Saraikela is very low. Besides, the teachers appointed in these areas do not even go to schools regularly.

Now government has struck with a new idea. The schools with very few students will be merged with other schools. So far, a total of 766 schools have been merged in the Kolhan Region. The teachers working in these schools have also been shifted to other schools for rationalizing the Teacher Student Ratio.

Mergers in these districts:

- No. of schools merged in East Singhbhum – 393
- No. of schools merged in West Singhbhum – 278
- 95 schools have been closed in Saraikela-Kharsawan district.

Primary and secondary school education in Kolhan Region of Jharkhand

Primary school statistics in East Singhbhum----

- Total No. of Primary Schools- 1532
- Total teachers working in these schools 3119
- Elementary students studying in primary schools - 1.49 lakh students.
- Salary is released in the item amount per month - 16 crores
- The Primary teacher working in the district- 2216.
- The amount released for the salaries of Primary teachers - 1.10 crore rupees.

High school statistics in East Singhbhum

- Total number of high schools in the district:148
- Total teachers working in these high schools: 234
- Total students studying in government high schools - 20,149 students
The total amount released as salary :- Rs. 10 million Approx)

West Singhbhum

- Number of Government Schools- 2253 Schools
- Total number of students in government schools - 2.57 lakh
- Total sanctioned posts of teachers in government schools- 4626
Total teachers working in government schools – 3161
- Vacant posts of teachers – 1465
- Total amount paid to government teachers as salary – Rs. 14 crore (Approx)

Saraikela-Kharswan

- Number of Government Schools- 1385
- Number of teachers employed in government schools – 4135
- Number of Government Teachers – 1757
- Number of Primary teachers working in the district – 2378
- Total students studying in government schools - 1.24 lakh students
- Amount paid as salaries to Government Teachers – Rs. 8 crore (Approx)

With data available from the respective district education departments of Kolhan region of Jharkhand state in India that comprises three districts- East Singhbhum, West Singhbhum and Saraikela-Kharswan, there are only 3.4 teachers per primary school on an average. According to East Singhbhum district education department, there are a total 1532 primary schools with 3119 government and 2216 para teachers. The scenario in high schools is even worse. For 148 government schools including Kasturba Gandhi Awasiya Vidyalaya, Upgraded and Project schools, there are just 1.5 teachers per high school. It seems difficult to believe but that's just mathematics. There are many schools in parts of the East Singhbhum district that have got no teachers. There are schools where teachers from primary school manage subjects in classes IX and X. The result is obvious. According to Jharkhand Academic Council about 40 per cent of the total students appeared in class X board examinations this year could not clear the examinations. The data have been similar in the past many years. According the West Singhbhum and Saraikela district education departments, there are a total sanctioned post of 4626 out of which 1465 posts are vacant.

The ASER (Annual Status of

Education Report) by well known social organization Pratham Education Foundation reveals more details about primary education and the quality of teaching in schools of the state. As compared to 2014 ASER survey more children in Class V in Jharkhand could read simple English sentences in 2016 but the state's percentage is much lower than the national average.

In 2014, of the Class V children surveyed by ASER, 14.6 per cent could read simple sentences in English. In 2016, the percentage has increased to 14.8 per cent children. However, the national percentage of Class V children who can read simple sentences is 24.5.

Interestingly, the ASER survey also checks children's competence in subtraction and division. In 2016, 23.6 per cent students enrolled in Class V could divide and 20 per cent could subtract numbers. In 2014, 21.4 per cent schoolchildren could divide and 19.5 per cent subtract numbers. The marginal improvement wasn't too impressive though. With problems in tow, the Jharkhand state government in 2018 took an interesting step to curb the teacher availability problem with school merger. A total of 3728 schools were merged this year followed by rationalization of teachers in schools that needed them the most. The figure has undergone a marginal improvement.

It is clear that the large vacuum created by super annulation and non-recruitment of teachers have adversely affected the future of the state. From poor ability to read to poor results in secondary exams, the complete cycle of school education is in doldrums. A look at data of school education and literacy mission department reveals all 1,336 sanctioned posts of headmasters in state-run high schools are vacant. Though Jharkhand State Staff Selection Commission (JSSC) is entrusted to fill up 668 vacancies and the education department has been asked to fill up the remaining 668 vacancies through internal promotions, no significant progress has been made on this front. The number of sanctioned posts of assistant teachers in 2,627 secondary schools is 28,892. Of this, as many as 18,674 posts are vacant. Last November, the staff selection commission held recruitment exams for these vacancies. The results are yet to arrive, though political parties demand no new appointments till the local residents' policy is revised. At the 510 plus-two schools, the sanctioned posts of

postgraduate trained teachers (PGT) are 5,610, but only 1,707 work. The commission held recruitment tests to appoint 3,080 PGT teachers but results haven't been published yet. All 979 sanctioned posts of PGT teachers in 89 model schools are vacant. In November 2017, the commission was asked to fill up these vacancies. At 203 Kasturba Gandhi Balika Vidyalayas too, all 2,030 sanctioned posts PGT teachers are lying vacant. Teachers are scouted locally and paid on a per-class basis. What we derive is that the state governments ought to recruit teachers for its schools as soon as possible. For teachers too are stakeholders in the entire education system and without them, the entire education system will fall like house of cards in spite of huge promises made by the government? The basic things shall be taken care of first.

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MOMENTUM JHARKHAND: A CASE STUDY OF INDUSTRIAL INITIATIVE OF JHARKHAND

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ABSTRACT

Momentum Jharkhand, an ambitious industrial drive of government of Jharkhand, started in June 2016. The main objective of this initiative was to establish Jharkhand as a premier investment destination for both foreign as well as domestic investors. The state government has organized three investment summits since June 2016. In these summits large number of investors from all over the country were invited to participate. First large scale ground breaking summit was organised in Ranchi, followed by Jamshedpur and Bokaro. The authors of this paper attended the second ground breaking ceremony of Momentum Jharkhand at Jamshedpur on 19th August 2017. The event was considered as a mark of success and reaffirmation of its commitment of providing all necessary support, facilitation and encouragement to investors. Department of Industries, Mines & Geology of Jharkhand government was the main organizer of the second Momentum Jharkhand Ground breaking ceremony at Gopal Maidan, Jamshedpur.

Key words: Momentum Jharkhand, Industrialization. Investment. Employment, industrial environment etc.

Introduction

In this research paper an attempt has been made to evaluate the performance of Momentum Jharkhand in terms of, number of MSME's set up in Jharkhand after the Momentum Jharkhand initiative was taken in June 2016,, how much investment came to the state, how many people got direct employment, and, what is the overall opinion of these investors regarding the momentum Jharkhand as Jharkhand government has promised them to provide a very smooth and corruption free business environment.

Areas:

- Trouble that investors faced while setting up their business
- Behavior of Govt officials – Red tapes
- Law and order condition
- Locals attitude and perception- Attitude towards industrials
- Infrastructure for business- Water, Electricity, land, road, railways, airport, etc.
- Marketing support
- Availability of skilled labor force etc.

Research Methodology

Required secondary data for the study was collected through the official website of the Govt of Jharkhand. Newspapers, magazines, Jharkhand state government's publications, books, and other sources of secondary data has also been used for collection of required secondary data. In order to study the views of those entrepreneurs who recently have established their business units, a survey with the help of formally designed questionnaire was conducted. Sample size for the survey was 50. All the samples were the entrepreneurs who recently have established their business units in Jharkhand (after the 16th February 2017.).All the samples were picked up randomly from all over the state. Required data from the respondents was collected with the help of formally designed Questionnaire.

MOMENTUM JHARKHAND: Make in Jharkhand:

Indian Prime Minister Narendra Modi launched the 'Make in India' campaign to encourage multinational, as well as national companies to manufacture their products in India. Inspired from this initiative, Government of Jharkhand has started its own version of Make in Jharkhand campaign and has branded it as "Momentum Jharkhand" on side-lines of Make in India. Following are the objectives of momentum Jharkhand.

- To establish Jharkhand as a premier investment destination for both Indian and foreign investors
- To showcase Jharkhand's resourcefulness, pro-business environment and progressive policies to the investors
- To provide a platform for networking to business community, government representatives, financiers and other stakeholders

Logo of Momentum Jharkhand is a young elephant that has learnt to fly. The elephant is Jharkhand's state animal and the style reflects one of the oldest tribal art forms native to Jharkhand.

First Summit - Ranchi

Jharkhand got investment commitments to the tune of over Rs 3 lakh crore with 210 MoUs being signed on February 16 and 17 during the two-day Momentum Jharkhand Global Investors Summit in Ranchi. A total of 121 proposals were received by the industry, mines and geology departments. Most of the proposals were in the mining sector. This was followed by the IT and e-gov department with 30 proposals.

Second Summit: Jamshedpur

- Foundation stones of about 74 projects were laid. These projects have an estimated direct investment inflow of more than Rs 2100 crore and a potential of generating over 10,000 direct jobs, including sectors across food processing, automobile, manufacturing, education, Healthcare and textile.

Third Summit: Bokaro

- A third important event was held in Bokaro on December 20 when foundation stones for 105 companies were laid.

Table 1
TOTAL INVESTMENT THROUGH MOMENTUM JHARKHAND

Ground Breaking Ceremony	Foundati on stone	Investment	Direct Employment	Indirect Employment
First May 2017, Ranchi	21	7000Cr 210(Estimate: 3,10,000 cr(Global Investment Summit Ranchi.	4,000	20,000
Second August 2017, Jamshdpur	70	2100Cr	10,000	50,000
Third December 2017, Jamshedpur	105	3475Cr	15,000	55000

Source: Jharkhand state govt.

SURVEY FINDINGS

(Values in percentage)

Types of problems faced while starting a new enterprise in Jharkhand					
Bureaucratic indifference	Lack of knowledge among officials	Lack of experience among officials	High level of corruption	Unclear policy guidelines	Not any such problem
4	10	12	6	6	58
Behavior of Office staffs					
Very unfriendly	Indifferent	Very mechanical	Friendly	Very friendly	
2	4	14	76	4	
Law and order situation at the work place					
Very poor	Poor	Average	Good	Excellent	
2	4	36	54	4	
Type of law and order problem at the work place					
Local criminals demanded money	Local criminals demanded supply orders	Pressure from locals in recruitment of manpower	High crime rate in the surrounding residential areas	High crime rate in the surrounding residential areas	Not any such problem in the area
2	34	26	6	3	32
Infrastructure facilities – Water supply					
Excellent	Good	Average	Poor	Very poor	
52	48	0	0	0	
Infrastructure facilities – Electricity supply					
Excellent	Good	Average	Poor	Very poor	
8	12	16	56	8	
Infrastructure facilities – Availability of land for industrial purposes					
Excellent	Good	Average	Poor	Very poor	
12	8	56	16	8	
Availability of road transport					
Excellent	Good	Average	Poor	Very poor	
24	58	6	6	6	
Availability of Air services					
12	12	22	46	8	
Attitude of local towards the startups					
Very positive	Positive	Neither positive nor negative	Negative	Very negative	
8	8	68	10	6	
Viability of suitable human resource					
Very satisfactory	Satisfactory	Neither satisfactory nor dissatisfactory	dissatisfactory	Very dissatisfactory	
18	34	16	16	16	
Marketing support from the government					
Very satisfactory	Satisfactory	Neither satisfactory nor dissatisfactory	dissatisfactory	Very dissatisfactory	
6	18	58	12	6	
Availability of raw material					
Very satisfactory	Satisfactory	Neither satisfactory nor dissatisfactory	dissatisfactory	Very dissatisfactory	
6	60	22	6	6	
Industrial Peace					
Very satisfactory	Satisfactory	Neither satisfactory nor dissatisfactory	dissatisfactory	Very dissatisfactory	
8	80	8	2	2	
Overall Rating					
Very satisfactory	Satisfactory	Neither satisfactory nor dissatisfactory	dissatisfactory	Very dissatisfactory	
6	62	16	16	0	0

Table No.1 summarizes the types of problem investors faced while setting up their business units in the state. Momentum Jharkhand, as mentioned in pervious chapters aims to attract investment in Jharkhand for employment and overall socio economic development of the state. In India, Bureaucratic indifference, Lack of knowledge among officials, Lack of experience among officials, High level of corruption, unclear policy guidelines etc. have long been identified as major bottlenecks. My study shows that investment in Jharkhand is not fully free from these bottlenecks. Although 58 percent of all the respondents have not had any complaint about above mentioned obstacles but alarmingly 42 percent respondents faced any or many of these obstacles while investing in Jharkhand after the Momentum Jharkhand initiative of Jharkhand Govt.

Our survey findings shows that the Jharkhand government was totally committed to protecting and securing the wellbeing of investments, public life and property. I found that ever since the incumbent government came to power in December 2014, there has been not a single major incidence of industrial conflict. Through highly responsive governance systems, the state government has ensured near perfect industrial harmony. The DIPP assessments on Business Reforms proved unparalleled progress on labour reforms. It is testimony to the culture of the State's people and their outlook towards organized systems of livelihood. We found that most investment-ready opportunities are adequately presented to prospective investors in the form of a "Shelf of Projects" publication. The project categories spanned across the spectrum of focus sectors.

The proposed Greenfield smart cities in Ranchi and Barhi promise to speed up urbanization in the state while ensuring sustainability through comprehensive planning. I found that Investors were enthusiastic about the services sector which would form the urban ecology.

Jharkhand's single window system is one in every sense of the word. Investors found that that they never required escalating matters or visiting any other department. The State Investment Promotion Board is an excellent

consultation platform to provide strategic inputs to the top echelons led by the Chief Minister's Office.

It is found that the lack of experience among officials (12%), lack of knowledge (10%) and reluctant bureaucracy (8%) are the key obstacles. My study shows that 6 percent respondents faced problems due to high level corruption. 6 percent opined that they found policy guidelines vague and unclear that led them to confusion.

The above findings clearly indicate the implementation lacuna at ground level. Officials lack experience, knowledge and sometimes shows lack of motivation. These issues can be addressed with the help of proper training and management.

It is found that nature and dimensions of the business units being setting up in the state are very wide and highly variant in nature. They are from education, textile, hospitality, health and many other emerging sectors. Officials of the state government have very little experience to these new entrepreneurship initiatives. Hence, problems are quite naturally

Indian bureaucracy is known for its arrogance and unfriendly gesture, but in Jharkhand, condition looks to be much better now. 80 percent respondents opined that the behavior of office staffs of Jharkhand Government was quite friendly. However, 14 percent respondents thought that the behavior of government staffs was very mechanical. Disappointingly, 8 percent respondents experienced very unfriendly (2%) and indifferent behavior (6%) from the government staffs. We may infer that office staffs treated the investors in a much programmed manner and they failed to incite E.Q. in their attitude towards investors. Local criminals, supporters of political parties and miscreants terrorize industrialists. They may have different objectives behind their offensive behavior. They demand donations for party fund, and also demand ransom for working in their area. But, my study shows that the current state government of Jharkhand has been successful to some extent controlling such criminal and anti- industry activities. On the basis of respondent's opinions, it can be said that almost

92 percent work sites are protected from the illegal extortions and criminal activities. Only 8 percent respondents opined that their work sites have been facing serious law and order problems. It is found that although nature of extortion and criminal offences have been controlled but business units face a different type of pressure. 36 percent respondents opined that local criminals and political activist want their favour in seeking supply orders for construction materials like bricks, sand, rods etc. (36%). They also get pressure for the employment of locals. View of an entrepreneur on this matter is very important. He said "Nothing is wrong in giving employment to local community. But eligibility is the matter of concern. Now a days skilled human resources are needed for all types of jobs. Unfortunately locals are not well trained for the positions we have." It means, ball is in the government side. Government requires to start new ITI's for the local communities to enhance their employment opportunities and rip the benefits of investment in the state.

Our study further shows that 32 percent respondents did not experience any such problem. But 6 percent looked to be bit worried of high crime rate in their surrounding areas. Our study shows that infrastructure facilities are quite good for industries and business units in Jharkhand. As per Our survey findings, 48 percent respondents opined that water facilities are 'good' and; 52 percent rated it excellent.

When Jharkhand came into existence as a new state in the year 2000, it had surplus production of electricity. Famous Damodar Valley Corporation is situated in Jharkhand. Tenughat Hydroelectric project is also situated in the state. But electricity distribution system is not very well developed. At the same time, many substations are facing poor maintenance and scarcity of man power. This is the reason that 12 percent respondents rated the availability of electricity at the work place "Not Satisfactory." I found that 56 percent respondents the availability of electricity at the work place, 'average.' But, only 10 percent rated it 'above average.'

Acquisition of land for industrial purposes is the biggest challenge in the state. In last 15 years many MoUs between government

and private conglomerates have come to an end due to this problem. Many ambitious iron and steel plants did not come to existence due to land acquisition problem.

There are many tribal groups and local villagers' associations are against the alteration of agriculture lands into industrial fields. Tata Steel, Mittal Steel, and many other companies have decided to scrap the ambitious projects due to problems in land acquisition. In momentum Jharkhand drive, government has put focused on small and medium sized industries that do not require enormous land area. Focus is on projects that need 5-10 acre land with enormous employability potential. Big projects take 3-5 years of startup time. But small projects start in 6-12 months.

Our study shows that 68 percent respondents have not faced any serious land acquisition problem for their startups. Considering the previous records, land acquisition rate is quite encouraging. Recently, Jharkhand govt made an attempt to bring some amendments in Chotanagpur Tanacy Act(C&T Act) to ease the tribal land acquisition process, however, failed, and has put some negative impact the government's industrial drive. The following table shows the respondents opinion about the availability of land for the industrial units, they started up after the Momentum Jharkhand drive of the state govt.

Jharkhand is a rich state as far as road transportation is concerned. In recent past the state government has successfully connected remote villages and suburban areas with well-made concrete roads. There are many high ways that connect Jharkhand to rest of the country. Jharkhand is connected with Odisha, West Bengal, Utter Pradesh, Madhyapradesh and Chattisgarh via road transport. In an attempt to enhance business with adjoining states, Jharkhand government invested Rs 900 crore between 20015-18 fiscal to develop road connectivity in the state. Keeping in view the potential of Jamshedpur and copper and uranium townships of Musaboni and Jadugora under Ghatsila sub-division, the state government to invested Rs 300 crore to build six roads in rural pockets to link the state with adjoining West Bengal and Odisha.

Our survey shows that most of the respondents (82%) firmly supported that their startups are well connected through road networks. But in certain industrial and semi

urban pockets where insurgent groups are active, roads are either not built or not well maintained. But, in nutshell it can be said that road construction is well supportive to industrial projects of Momentum Jharkhand initiative

Our study shows that 68 percent of the respondents have rated the 'Rail Transportation' in the state 'above average' and 16 percent have rated it below average. These respondents are from Hazaribagh, Dumka and Lohardagga districts.

The findings are indicator of uneven development of rail network in the state. Our study shows that rail tracks are developed mainly in the districts where ore mines are located and also across the industrial cities like Jamshedpur and Dhanbad.

For the overall development of all the districts of Jharkhand and to support the non-ore and mineral based industries, we need to address this issue more seriously. Good transportation system is mandatory for sustainable industrial growth of the state and role of railways cannot be overlooked.

Air services are not developed in Jharkhand. Except Ranchi, the capital city of Jharkhand none of the cities of Jharkhand including Jamshedpur has passenger air bus facilities. It is one of the reasons that many businesses avoid Jharkhand. So, far Jharkhand is suitable for ore and mineral based industries but it has not work upon and develop infrastructure for other industries. Ore and minerals have limited life span. So as the ore and mineral based industries too. Now Jharkhand needs to give more focus on industries having unlimited life span and less dependent on natural resources. It is good for the future of the state. If this new wisdom is not followed, in next 50 years Jharkhand will become dessert and all the ore and mineral based industries will either closed down or sifted to other state. This process has begun in some areas of Jharkhand. Existence of these industrials are dependent on availability of iron ore, coal, etc. Is Jharkhand ready for the black day when its ore mines will stop production?

It is not unusual that only 24 percent respondents have rated the "air services of Jharkhand, above average, instead most of the respondents have rated it 'Below Average'

Jharkhand is a land locked state. It is dependent upon Odisha and West Bengal for Ports. Tata Steel has developed a port in Gopal

Pur Odisha and also setup an industrial plant there. Our study shows that 74% of the respondents have rated the port facilities 'below average' and 44 percent 'Average.'

But, we need to emphasize upon the fact that, its two port rich neighboring states Odisha and West Bengal can be advantageous for the state and solve the problem. Ports are important for export of prepared goods and import of raw materials and machineries. So, state government should take appropriate steps to develop cost efficient, convenient connectivity with the closest ports suitable not only for big businesses but also for small and medium sized units

It observed that most of the respondents (68%) have opined that local community has neither positive nor negative attitude towards their startups. Whereas, 16% said that local communities have positive/very positive and 16% said that local communities have negative /very negative attitude towards their startups. It is a well-known fact that certain sections of tribes are against the industries due to their past experiences. They believe that big industries failed to improve their socio-economic conditions. So it is quite likely that they have their apprehensions in their mind considering their Past experiences. So, it is the responsibility of the startups to work in the direction to groom their business as a socially responsible business enterprise.

Jharkhand is full of unskilled unorganized sector cheap labors. This kind of work force is suitable for ore and mineral based industrial where low cost workers are crucial. But now unskilled labour force is fast replaced by machines. Now companies need skilled human resource to operate these machines. Our study shows that Jharkhand still lacks a pool of skilled human resource. It is evident from the inference derived from the following table that only 52 percent respondents believed that they managed to get skilled human resource for their startups. It is quite unfortunate that 36 percent startups are literally not satisfied with the availability of skilled labour force need by their startups. It is a matter of profound significance that state machinery take appropriate initiatives to prepare skilled human resource for the new gen of industries which are essentially looking for highly skilled personnel with special training to meet their business needs. As far as "marketing support from the government" is concerned, Our study

indicate, government has largely been failed to provide any marketing support to the new startup. It is observed that Jharkhand is doing great in promotion of Handi crafts, silk, honey, and other products prepared by tribal through JHARCRAFT and swadeshi Melas but for other industries, its marketing promotion departments are not well functional. It is well augured in Our survey findings that only 24 percent startups observed government's marketing support 'satisfactory' Jharkhand itself is a big market for consumer and industrial products. Startups can tap the huge market potential. Key areas are hospitality, tourism, and medical and education sector. But, this market is yet to be explored. Every year thousands of students migrate to other states for higher education. Similarly, for the medical treatment, patients go to Kolkata, Delhi, Mumbai and Vellore. As per Our survey findings only 20 percent respondents have rated the local market potential for their products "satisfactory". It means, many startups lacks marketability wisdom. They need to initiate market research with the help of experience

marketing agencies to identify the hidden marketing opportunities in the state. As per Our survey findings raw material is easily available in the state for startups. it is evident from the survey findings that 66 percent respondents have opined that they are satisfied/very satisfied with the availability of raw materials. But at the same time 12 percent are 'not satisfied' and 22% are 'neither satisfied nor dissatisfied' on this matter. Perhaps the issue is concerned more with the nature of industry and type of raw material needed. So, appropriate strategy can be developed in accordance with the nature of raw material needed. Opinions of 80 percent respondents indicate that Jharkhand is an industrially peaceful state. That means, new startups face very little labour trouble. As per Only 16 percent respondents opined that they were not satisfied with the government support and growth rate of their business in Jharkhand. It means 84 percent startups who started after Momentum Jharkhand initiative of Jharkhand state government are doing well in Jharkhand.

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EDUCATIONAL STATUS OF SCHEDULED TRIBES IN ANDHRA PRADESH: A STUDY OF VISAKHAPATNAM AND WEST GODAVARI DISTRICTS

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Abstract

Scheduled Tribes (STs) and Scheduled Castes (SCs) and denotified tribes constitute the weakest segment of the poor in India. In the present scenario, the development paradigm has shifted towards people-centered approach which recognises human and social capital for leading to sustainable development and health and education are regarded as the most important indicators for human development. Tribal people encounter different problems in the context of socio-economic, cultural and political development because of their poor educational status. In India imbalance in the development front is conspicuous because economic growth has not been properly tuned to established social justice. Lack of equal opportunities in education and employment and poor access to resources hinders their overall development. In this study, an attempt has been made to identify the educational characteristics of the sample households like literacy levels, dropout rates, and reasons for dropouts. It was concluded that the literacy levels of the respondents in the study area are higher in the Visakhapatnam than in the West Godavari district. But the literacy rates to total population are more in West Godavari (56.61%) than in Visakhapatnam District (53.80%). The dropout rates in the age group of 6-11 years of sample households are almost negligible in both the districts.

1. Introduction

In the present scenario, the development paradigm has shifted towards people-centered approach which recognises human and social capital for leading to sustainable development. Health and education are also most important indicators for the human development. Tribal people encounter different problems in the context of socio-economic, cultural and political development. Hence they are considered to be weaker sections of the society. In India imbalance in the development front is conspicuous because economic growth has not been properly tuned to established social justice. The societal righteousness is declared to the equal chances in society to access the improvement efforts and own the same. Before speaking about the progress of STs, it is important to study their background physiognomies of education. The deprived educational attainments of Scheduled Castes and Scheduled Tribes can be best implicit in the perspective of deeply entrenched caste and social hierarchies that are endorsed and articulated in unremarkable social connections of society, school and economic life. Purposeful from pre-colonial times, the system

of communally authorized discernment and preconception against communities labelled as outside the castes system has had far-reaching impacts on the self-worth, poise and pecuniary life of SC and ST groups. As we enter the twenty-first century, caste is no longer the conclusive mode of organizing economic and social relations in India, but it continues to have an enduring influence on the economic, political and societal life of communities. Recent studies show that caste-based discrimination continues to be an influential factor in the low educational mobility of both Scheduled Caste and Scheduled Tribe groups, despite government programmes that selectively target aid to children from these communities. This paper addresses the educational characteristics of the sample households like literacy levels, dropouts, and reasons for dropouts, distance of educational institutions and conclusions.

2. Methodology and Sample Design

This Study is based on both primary and secondary data collected from various sources. The state of Andhra Pradesh is the study area,

which has significant tribal population in almost all districts. By using multi-stage purposive sampling technique, in the first stage among all the districts of the Andhra Pradesh, West Godavari and Visakhapatnam have been selected. In the second stage one Mandal has been selected from each district viz, Polavaram from West Godavari and Gudemkothaveedhi from Visakhapatnam districts. Two Panchayats from each of the Mandals have been selected viz, Kommugudem and Molagalagudem from Polavaram and Sankada and Pedavalasa from Gudemkothaveedhi. In the final stage 100 ST households have been selected from each Panchayat by using simple random technique. A pre-tested and well-designed schedule has been canvassed among the selected sample Households to elicit information on demographic characteristics and educational status. The secondary data have been collected

from various issues of Statistical Abstracts of Andhra Pradesh, District Handbooks of West Godavari and Visakhapatnam and Census reports of India. The reference period of the Study was from May 2010 to April 2011.

3. An Analysis Demographic

Characteristics:

District wise distribution of sample respondents according to their religion in the study area has been presented in table –1. It can be observed from the table that almost all the respondents belong to Hindu religion. In percentage terms around 97 per cent of the sample respondents belong to Hindu religion in total study area, around 96 per cent in Visakhapatnam District and around 98 per cent in West Godavari District. The remaining respondents belong to only Christian religion.

Table-1

District wise Distribution of sample respondents according to their Religion in the study area

District	Hindu	Christian	Total
West Godavari	197 (98.50)	3 (1.50)	200 (100.00)
Visakhapatnam	193 (96.50)	7 (3.50)	200 (100.00)
Total	390 (97.50)	10 (2.50)	400 (100.00)

Note: Figures in the parenthesis indicate the percentages with their totals.

Table –2 furnishes the district wise distribution of sample respondents according to their tribe and study area. For this purpose six major tribe groups, viz., Sukhali, Koyadora, Bhagatha, Valmiki, Kondhu, and Kondakapu have been observed in these two districts and the distribution of sample respondents according to these six groups have been analysed. It is evident from the table that the tribal groups to which most of the sample respondent have been belonged to Bhagatha Tribal group. In percentage terms, around 43 per cent of the sample respondents are belonging to Bhagatha, followed by Koyadora

(around 38 per cent), Sukhali (around 13 per cent), Valmiki (around five per cent), Kondhu and Konda kapu (One per cent each). District level analysis reveals different picture, which shows that all the respondents from West Godavari District are belonging to only two tribe groups viz., Koyadora (75 per cent) and Sukhali (25 per cent), while the respondents from Visakhapatnam District have been scattered among five tribe groups viz., Bhagatha (85 per cent), Valmiki (around 10 per cent), Sukhali (0.50 per cent) Kondhu and Kondakapu (two per cent each).

Table -2

District wise Distribution of sample respondents according to their tribe in the study area

District	Sukhali	Koyadora	Bhagatha	Valmiki	Kondhu	Konda kapu	Total
West Godavari	50 (25.00)	150 (75.00)	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)	200 (100.00)
Visakhapatnam	1 (0.50)	0 (0.00)	170 (85.00)	21 (10.50)	4 (2.00)	4 (2.00)	200 (100.00)
Total	51 (12.75)	150 (37.50)	170 (42.50)	21 (5.25)	4 (1.00)	4 (1.00)	400 (100.00)

Note: Figures in the parenthesis indicate the percentages with their totals.

District wise distribution of sample respondents according to gender in the study area has been presented in table –3. It is very clear from the table that around 80 per cent of the sample respondents belongs to male category and the remaining 20 per cent belongs to female category. A more or less similar picture with

slight variations in the percentages can also be found at disaggregate level i.e., at West Godavari (around 75 per cent are male and 25 per cent are female) and Visakhapatnam (around 85 per cent are male and 15 per cent are females) Districts.

Table-3
District wise Distribution of sample respondents according to Gender in the Study area

District/ Village	Male	Female	Total
West Godavari	149 (74.50)	51 (25.50)	200 (100.00)
Visakhapatnam	169 (84.50)	31 (15.50)	200 (100.00)
Total	318 (79.50)	82 (20.50)	400 (100.00)

Note: Figures in the parenthesis indicate the percentages with their totals.

Table –4 furnishes the details pertaining to the district wise distribution of sample respondents according to their age in the study area. It is apparent from the table that only around five per cent of the sample respondents are in the unproductive age group i.e. above 60

and the remaining 95 per cent are in the productive age group i.e., 15 to 60 years. Disaggregate level analysis also shows the same picture with negligible variations in the percentages.

Table-4
District wise Distribution of sample respondents according to Age in the Study area

District/Village	20-25	26-35	36-50	51-60	60 Above	Total
West Godavari	25 (12.50)	66 (33.00)	77 (38.50)	22 (11.00)	10 (5.00)	200 (100.00)
Visakhapatnam	29 (14.50)	74 (37.00)	67 (33.50)	19 (9.50)	11 (5.50)	200 (100.00)
Total	54 (13.50)	140 (35.00)	144 (36.00)	41 (10.25)	21 (5.25)	400 (100.00)

Note: Figures in the parenthesis indicate the percentages with their totals.

District wise distribution of sample households according to their family size in the study area has been presented in table –5. It is clear from the table that around 64 per cent of the

sample households can be treated as small family, while around 30 per cent of the families can be treated as large families with the family size of more than five members and the remaining six per

cent of the households have only one family member without any support in times of urgent needs. District wise analysis also reveals that in West Godavari District 70 per cent of the households are small families, 20 per cent are

large families and the remaining 10 per cent of the household have only one member. In Visakhapatnam District 58 per cent are small families, 40 per cent are large families and the remaining 2 per cent are with only one member.

Table -5

District wise distribution of sample households according to their family size in the study area

District	1	2-4	5-7	8-10	Total
West Godavari	21 (10.50)	139 (69.50)	39 (19.50)	1 (0.50)	200 (100.00)
Visakhapatnam	4 (2.00)	116 (58.00)	72 (36.00)	8 (4.00)	200 (100.00)
Total	25 (6.25)	255 (63.75)	111 (27.75)	9 (2.25)	400 (100.00)

Note: Figures in the parenthesis indicate the percentage with their totals.

District wise distribution of population of the sample households according to their Gender and Sex ration in the study area has been presented in table –6. It is evident from the table that the percentage of male and female to total population is almost same in the study area.

Districts wise analysis also reveals the same picture with slight variations in the percentages. In terms of sex ratio, it can be said that a better condition is prevailed both at the Disaggregate level and aggregate level.

Table -6

District wise distribution of population of the sample households according to gender and Sex ratio in the study area

District	Male	Female	Total	Sex ratio
West Godavari	326 (48.08)	352 (51.92)	678 (100.00)	1080
Visakhapatnam	435 (50.00)	435 (50.00)	870 (100.00)	1000
Total	761 (49.16)	787 (50.84)	1548 (100.00)	1034

Note: Figures in the parenthesis indicate the percentage with their totals.

The particulars pertaining to the District wise distribution of family members of the sample households according to Age and gender in the study area have been presented in Table –7. It is evident from the table that around 31 per cent of the family members of the sample households are in the unproductive age group i.e., below 14 years and above 60 years and the remaining 69 per cent are in the productive age group i.e., 15 to 59 years of age. The percentage of productive population to total population is 69 per cent and 68 per cent for West Godavari and Visakhapatnam Districts respectively. Gender wise analysis reveals that the percentage of productive female population to productive male population is higher both at District Level and in the Study area. With regard to sex ratio, the study area

recorded a positive sex ration with 1034 females per 1000 males. These figures are 1080 and 1000 for West Godavari and Visakhapatnam District respectively. District wise distribution of family members of the sample respondents according to their marital status in the study area has been presented in table – 5.8. It can be seen from the table that around 45 per cent of the family members of the sample respondents are married, while around 47 per cent are unmarried, eight per cent are widowed and only around 0.3 per cent are divorced. A more or less similar picture with slight variations in percentages can also be found at district level analysis also.

Table -7

District wise distribution of family members of the sample households according to Age and gender in the study area

District	West Godavari				Visakhapatnam				Total		
	Male	Female	Total	Sex ratio	Male	Female	Total	Sex ratio	Male	Female	Total
Up to 14 years	93 (28.53)	85 (24.15)	178 (26.25)	914	123 (28.28)	105 (24.14)	228 (26.21)	854	216 (28.38)	190 (24.14)	405 (26.16)

District wise Distribution of family members of the sample respondents according to their marital status

District	Married	Unmarried	Divorced	Widowed	Total
West Godavari	300 (44.25)	304 (44.84)	1 (0.14)	73 (10.77)	678 (100.00)
Visakhapatnam	398 (45.75)	421 (48.39)	3 (0.34)	48 (5.52)	870 (100.00)
Total	698 (45.09)	725 (46.83)	4 (0.26)	121 (7.82)	1548 (100.00)

Note: Figures in the parenthesis indicate the percentage with their totals.

Table –9

District wise Distribution of sample respondents according to various levels of literacy in the study area

District	Primary	Secondary	Higher	Illiterate	Total	Literacy rate
West Godavari	23 (11.50)	37 (18.50)	15 (7.50)	125 (62.50)	200 (100.00)	37.50
Visakhapatnam	23 (11.50)	30 (15.00)	30 (15.00)	117 (58.50)	200 (100.00)	41.50
Total	46 (11.50)	67 (16.75)	45 (11.25)	242 (60.50)	400 (100.00)	39.50

Note: Figures in the parenthesis indicate the percentage with their totals.

The Educational Characteristics:

District wise distribution of sample respondents according to the various levels of literacy in the study area has been presented in table –9. It can be observed from the table that around 60 per cent of the sample respondents are illiterates without any informal education also. Out of the remaining 40 per cent, around 12 per cent are having primary level education,

around 17 per cent are secondary level education and around 11 per cent are higher level education. With slight variations in percentages, a more or less similar picture can be seen from disaggregate level analysis also. With regard to the literacy rate, the total study area recorded 39.5 per cent, whereas West Godavari and Visakhapatnam Districts registered 37.50 and 41.50 per cent respectively.

Table -10

District wise and Gender wise distribution of family members of the sample households according to various levels of literacy

District	West Godavari			Visakhapatnam			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Primary level	57 (19.72)	49 (14.80)	106 (17.09)	91 (21.82)	75 (17.73)	166 (19.76)	148 (20.96)	124 (16.45)	272 (18.63)
Secondary level	91 (31.49)	78 (23.56)	169 (27.26)	91 (21.82)	76 (17.97)	167 (19.88)	182 (25.78)	154 (20.42)	336 (23.01)
Higher level	42 (14.53)	34 (10.27)	76 (12.26)	73 (17.51)	46 (10.87)	119 (14.17)	115 (16.29)	80 (10.61)	195 (13.36)
Total literates	190 (65.74)	161 (48.64)	351 (56.61)	255 (61.15)	197 (46.57)	452 (53.81)	445 (63.03)	358 (47.48)	803 (55.00)
Total illiterates	99 (34.26)	170 (51.36)	269 (43.39)	162 (38.85)	226 (53.43)	388 (46.19)	261 (36.97)	396 (52.52)	657 (45.00)
Total(literates+illiterates)	289 (100.00)	331 (100.00)	620 (100.00)	417 (100.00)	423 (100.00)	840 (100.00)	706 (100.00)	754 (100.00)	1460 (100.00)

Note: 0-6 years population is not included in the literacy levels.

Note: Figures in the parenthesis indicate the percentage with their totals.

The particulars pertaining to the District wise and Gender wise distribution of family

members of the sample households according to various levels of literacy have been presented

in table –10. It can be seen from the table that the percentage of literates to total population is 55 per cent in the study area out of which 63.03 per cent are males and 47.48 per cent are females. The percentage of literates to total population is 56.61 and 53.81 per cent for West Godavari and Visakhapatnam respectively. With respect to gender wise analysis, 65.74 and 48.64 per cent for West Godavari District and 61.15 and 46.57 per cent for Visakhapatnam District.

District wise and gender wise distribution of family members of the sample households according to literacy rates has been presented in table –11. It is evident from the

table that the total literacy rate in the study area is 55 per cent. It is also evident from the table that the male literacy rate (around 63 per cent) is higher than the female literacy rate (around 47 per cent) in the study area. District wise analysis reveals that the total literacy rate in West Godavari District is around 57 per cent, whereas in Visakhapatnam, it is around 54 per cent. In West Godavari and Visakhapatnam Districts also the male literacy rate is higher (around 66 per cent and 61 per cent respectively) than that of female literacy rate (around 49 per cent and 47 per cent respectively).

Table -11

District wise and gender wise distribution of the family members of the sample respondents according to the Literacy rates in the study area

Gender/district	West Godavari	Visakhapatnam	Total
Male	65.74	61.15	63.03
Female	48.64	46.57	47.48
Total	56.61	53.80	55.00

Note: Figures in the parenthesis indicate the percentage with their totals.

District wise distribution of sample households according to their response to whether they are sending their 6-11 years aged children to schools has been presented in table – 12. It is evident from the table that around 35 per cent of the sample respondents have reported that they are sending their 6 to 11 children to schools while two per cent have reported that they are not able to send their children to school and the remaining 65 per cent of the sample respondents have no 6 to 11 year aged children.

In West Godavari District, around 25 per cent of the sample respondents have

reported that they are sending their 6 to 11 children to schools while one per cent has reported that they are not able to send their children to school and the remaining 74 per cent of the sample respondents have no 6 to 11 year aged children.

In Visakhapatnam District, around 40 per cent of the sample respondents have reported that they are sending their 6 to 11 children to schools while 3 per cent have reported that they are not able to send their children to school and the remaining 57 per cent of the sample respondents have no 6 to 11 year aged children.

Table-12

District wise distribution of sample households according to their response to whether they are sending their 6-11 years aged children to schools

District	Yes	No	NA	Total
West Godavari	51 (25.50)	2 (1.00)	147 (73.50)	200 (100.00)
Visakhapatnam	80 (40.00)	6 (3.00)	114 (57.00)	200 (100.00)
Total	131 (32.75)	8 (2.00)	261 (65.25)	400 (100.00)

District wise distribution of sample households according to their perception on Reasons for not able to send their children to school has been presented in table –13. It can be seen from the table that out of the two per cent of the sample

households who are not able to send their 6 to 11 years children to schools have opined that Household works and financial problems are the reasons for the situation.

Table-13
District wise distribution of sample households according to their perception on Reasons for not able to send their children to school

District	Household work	Finance	NA	Total
West Godavari	0 (0.00)	2 (1.00)	198 (99.00)	200 (100.00)
Visakhapatnam	2 (1.00)	4 (2.00)	194 (97.00)	200 (100.00)
Total	2 (0.50)	6 (1.50)	392 (98.00)	400 (100.00)

Note: Figures in the parenthesis indicate the percentage with their totals.

Table –14 furnishes the particulars pertaining to the District wise distribution of sample households according to the Distance to various governmental educational institutions from their house in Kms. It can be observed from the table that 50 per cent of the sample households have a primary school within one kilo meter from their house, 25 per cent have to travel 2 Kms and the 25 have to travel 4 Kms. In West Godavari District, the distance between house and primary school is 2 Kms for 50 per cent of the households and 4 for the remaining 50 per cent of the households. In Visakhapatnam, all the sample households have a primary school within one

kilometer distance. It can also be observed from the table that 25 per cent of the sample households have a secondary school within one km from their house, whereas another 25 need to travel 5 Kms, another 25 per cent need to travel 6 Kms and the another 25 per cent need to travel 12 Kms for secondary school. In West Godavari District, 50 per cent need to travel 5 Kms and 50 per cent need to travel 6 Kms. In Visakhapatnam District, 50 per cent of the sample households have secondary school within one km whereas the remaining 50 per cent need to travel 12 Kms for secondary school. With regard to Junior College, same picture can be found.

Table-14
District wise distribution of sample households according to the Distance to various governmental educational institutions from their house

	West Godavari	Visakhapatnam	Total
(in Kms)			
Primary school			
0-1	0 (0.00)	200 (100.00)	200 (50.00)
2	100 (50.00)	0 (0.00)	100 (25.00)
4	100 (50.00)	0 (0.00)	100 (25.00)
Total	200 (100.00)	200 (100.00)	400 (100.00)
Secondary school			
0-1	0 (0.00)	100 (50.00)	100 (25.00)
5	100 (50.00)	0 (0.00)	100 (25.00)
6	100	0	100

	(50.00)	(0.00)	(25.00)
12	0 (0.00)	100 (50.00)	100 (25.00)
Total	200 (100.00)	200 (100.00)	400 (100.00)
Junior college			
0-1	0 (0.00)	100 (50.00)	100 (25.00)
5	100 (50.00)	0 (0.00)	100 (25.00)
12	0 (0.00)	100 (50.00)	100 (25.00)
17	100 (50.00)	0 (0.00)	100 (25.00)
Total	200 (100.00)	200 (100.00)	400 (100.00)

Note: Figures in the parenthesis indicate the percentage with their totals.

Table-15 shows about the 0 to 6 years children size in the study area. It can be observe that, nearby 90 per cent families in West Godavari district and 95 per cent families in Visakhapatnam have no male & female children between the age group of 0 to 6 years. Overall 92 and 94 per cent families have no

male and female children between the ages of 0 to 6 years respectively. In West Godavari 6 per cent families have 1 male child and 5 per cent families have 1 female child. In Visakhapatnam 2 per cent families have 1 male child and 3 per cent families have 1 female child.

Table -15
0 to 6 years children size by sex wise in the study area

Sex	West Godavari		Visakhapatnam		Total	
	Male	Female	Male	Female	Male	Female
Zero	177 (88.50)	185 (92.50)	190 (95.00)	191 (95.50)	367 (91.75)	376 (94.00)
1	12 (6.00)	10 (5.00)	4 (2.00)	6 (3.00)	16 (4.00)	16 (4.00)
2	8 (4.00)	4 (1.50)	4 (2.00)	3 (1.50)	12 (3.00)	7 (1.750)
3	3 (1.50)	1 (0.50)	2 (1.00)	0 (0.00)	5 (1.25)	1 (0.25)
Total	200 (100.00)	200 (100.00)	200 (100.00)	200 (100.00)	400 (100.00)	400 (100.00)

Note: Figures in the parenthesis indicate the percentage with their totals.

Summary

This paper mainly discussed about the demographic characteristics like religion, specific tribe, size of the population, sex ratio, marital status,

literacy levels, and educational facilities. It is clear that the sample respondents are very traditional, and belong to Hindu religion with an average of 97.50 and remaining 2.50 are belongs to Christianity. It can be found that in the study area most of the respondents belong to Bhagatha tribe (42.50 per

cent) and followed by Koya Dora (37.50 per cent), Sukhali (12.75 per cent) and remaining households are Valmiki, Kondhu and Kondakapu. It is clearly pragmatic that in the study area 80 per cent of the respondents are male headed that means the dominance of males is predominant. The male headed families comparatively are higher in Visakhapatnam district with 85 per cent and where as in the matter of West Godavari it is only 75 per cent. The size of the family in the Study area is ideal and 69.50 per cent from West Godavari and 58 per cent from Visakhapatnam households are in the ideal size family of 2-4. Only 30 per cent of the families are in the range of 5 and above. This is the reason for that the sample population are separated from joint families after their marriages immediately. Most of the population in the study area is belong to productive age group with 70 per cent. It is similar for both the districts. The sex ratios to total population in the study area are 1080 and 1000 for West Godavari and Visakhapatnam districts respectively. West Godavari has more female population than the Visakhapatnam district but both districts reported more than the national average of 933 females for 1000 males. As per age wise sex ratio it is a precarious situation that the sex ratio for the age group of below 15 years is only 880. Most of the respondents are married and the population is mostly in the productive age group and it is similar for the both districts, though with slight variations. The literacy levels of the respondents in the study area are more in the Visakhapatnam than the West Godavari district. It is practical that the female literacy in the study area is lower than the male literacy to the total sample households and as well as to both districts population. From the observation of the Study the dropout rates in the age group of 6-11 years of sample households is almost negligible. The size of 0-6 year's population is very low in the both districts with 8.55 per cent in West Godavari and 3.45 per cent in Visakhapatnam respectively to their total populations. Availability of educational facilities has more favourable in Visakhapatnam than in West Godavari district.

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SELF EMPLOYMENT OF TRIBAL WOMEN THROUGH STREET VENDING IN NALGONDA DISTRICT OF TELANGANA: A BRIEF STUDY

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Abstract

Tribal societies generally view gender as complimentary and egalitarian, where each role is defined but complimentary to the other. Men focus on cultivation and women on planting and gathering the foods, thus both roles are necessary and complimentary in the holistic relationship of the family. Traditionally tribals are depending on agriculture and forest resources. But after Globalization & liberalization have often destroyed indigenous subsistence economies and displaced tribals from their land. Therefore, tribals are migrating to towns/cities for searching employment. Today, vending is an important source of employment for a large number of poor as it requires low skills and small financial inputs. This paper studies the self-employment of tribal women through street vending. The street vendors are not financially self-sufficient to meet their financial needs for the business; this is more prominent in the case of women street vendors. The data has been collected through proper designed schedule, interview 120 women street vendors in the study area. It is concluded that the majority of the women street vendors get finance from their own source. Bank and other financial institutions hesitated to provide finance to the women street vendors on the ground that they are unable to provide security against credit. The government should take initiative to include women street vendors through its various schemes for financial and non-financial needs. There is no doubt that women street vendors are integral part of our society.

Key words: Women street vendors, financial, tribals, employment

Introduction

A high proportion of socially and economically underprivileged sections of society are concentrated in the informal economic activities. Especially low level income group families largely depend on these sectors. Faster and inclusive growth needs special attention to informal economy. Looking at the history of our country; street vending has been a part of our culture and tradition. Traditionally, during the times of the Vijayanagar Empire, street vending mostly in the form of selling of gold and silver ware. The folk tales said that children also speak of vending on streets in one form or the other. More recently, street vending includes selling of eatables, to vegetables, to even carpets. Street vendors form an important part of the socio-cultural and economic life since time immemorial. Traditionally, these vendors have been a part of our lives, which still it, continues. And nowhere in history have they been considered as obstructions to public space till colonial rule entered the country. Street Vendor means it is broadly defined as a person who offers products for sale to the public

without having a permanent built-up structure from which to sell goods. The street vendors may be stationary in the sense that they occupy space on the pavements of other public/private spaces or, they may be mobile in the sense they move from place to place by carrying their wares or push carts or in basket on their heads. Now a day the vendors carrying vegetable and fruits till night in front of our house making it very convenient. There are others who keep the healthy refreshing tender coconut under the shade of a tree which are very energizing after having walked or driven in the sun. And there are still others who carry roasted or steamed groundnuts which is a nice snack to munch on. Many a time we are blessed by a cobbler on the street when our footwear snaps and we have a long way to go. These are small things we all enjoy and have taken for granted that little do we think about the services they provide and the harsh conditions under which they function. Scheduled Tribes (STs), the socially and educationally disadvantaged groups are one of the most exploited and deprived sections of the population in India.

The tribal women, constitute like any other social group, about half of the total population¹. Tribal societies generally view gender as complimentary and egalitarian, where each role is defined but complimentary to the other. Men focus on cultivation and women plant and gather the foods, thus both roles are necessary and complimentary in the holistic relationship of the family. Telangana with a population of 351.9 lakhs (according to the 2011 census) accounts for about 3.6% percent of the total population of India. Telangana State Tribal population of 32,86,928 (constitute 9.3%) of which male and female were 16,59,963 and 16,26,965 respectively. The literacy rate among the tribal's 49.51 percent is found to be far below the overall literacy of the state (65.11%). The female literacy rate among the tribal's is far lower 20.5 percent as compared with overall female literate rate (39.44%) of the state. In Telangana state 32 tribal sub groups in Telangana state out of them five tribal groups are Lambadas, Koyas, Gond, Yerukala and Pradhan are dominated around 91 percent of tribal population. The Lambadi sub group constitutes the largest component of around 62 percent, of the entire tribal community in Telangana. Traditionally tribals are depending on agriculture and forest resources. But after Globalization & liberalization have often destroyed indigenous subsistence economies and displaced tribals from their land. Tribal women have lost their livelihoods. Poverty has contributed to displacement of indigenous communities. There has also been an increase in migration of tribal women in search of employment to cities, where they face the danger of exploitation and inhumane treatment². Hence, they are given more preference to enter into the self-employment route. Especially women prefer employment in informal sector (street vending) because of the nature of work involved. Women can balance their family life as well as work life. Informal sector has its own role to play especially for women. The ST

women, who face discrimination in terms of social opportunities and in the job market, prefer to remain in informal sector. On the other side probably because of widening social opportunities a good number of women are seeking for jobs in the formal/ organized market. However the desire of ST women on one side to remain in the informal sector because of flexibility of timings, no acquiring of skills is a proof in itself about their revealed preference for the sector. On the other hand the increasing unemployment rate of ST women is also an indication of more women desiring to enter this sector³.

Materials and methods

The present paper studies the nature and characteristics of socio-economic status of tribal women in the study area. And also nature of finance used by the women street vendors and problems faced by them. The study is based on both primary and secondary data. Secondary data collected from published books, journals and related websites etc. In the present study was carried out in two tribal dominated Revenue Divisions in Nalgonda district of Telangana State namely Miryalaguda, and Devarakonda. In the present study sample size is 120 respondents. In each Revenue Division 60 respondents were selected, while giving equal importance to all the parameters. The simple random technique applied for the purpose of selecting women street vendors with the help of personal interview method through well designed schedule from various areas such as roads, in front of parks, temples, hospitals, Railway station, Bus stand School/College and markets of selected area.

Location of the study area

The district was situated between 78° 40' and 80° 05'E, of the eastern longitudes and 16° 25' and 17° 60'N, of northern latitudes. The

¹ Dipankar Oraw & Daly Toppo (2012) Socio-Cultural Traditions and Women Education in Tribal Society A Study of Tribal Population, International Journal of Current Research, Vol, 4, Issue,12, December,2012, pp.307-312.

² Madhurima Verma (2015) "Changing Status of Tribal Women in Bastar district of Chhattisgarh",

International Journal of Development Research, Vol, 5, Issue, 03, March, 2015.

³ Rupali Tamuly,Urvi Naik and Gaura K.Pandey (2013) "The Tribal Women and their linkages to informal

Sector in Goa" working paper, 2013.

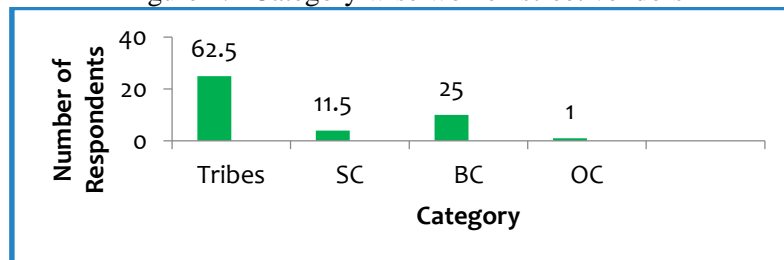
Boundaries of Nalgonda district are Krishna and Khammam districts in the East, Mahabubnagar and Hyderabad districts in the West, Mahabubnagar and Guntur districts in the South and Medak and Warangal districts in the North directions. Nalgonda spread an area of 14240 sq. kms and has population of 34,88,809 (as per 2011 census) in which male 17,59,772 and female 17,29,037. The population of Scheduled Tribes (ST) in the district 3,94,279 of which male and female were 2,03,876 and 1,90,403 respectively. The ST Population constitutes 11.3 percent of the total population of the district. The district literacy rate is 64.20 percent. The literacy rate among the SCs and

STs are 60.25 percent and 48.08 percent. The overall sex ratio of the district population is 983 females per 1000 males which among SC and ST are 965 and 934 respectively. 92.9 percent of tribals are living in rural area and 7.1 percent in urban area of the district.

Socio-economic characteristics of street vendors:

The socio-economic characteristics of the women street vendors of the sample areas of Nalgonda district in Telangana state have been discussed in the following paragraphs with a view to study their selling practices.

Figure 1.1 Category wise women street vendors

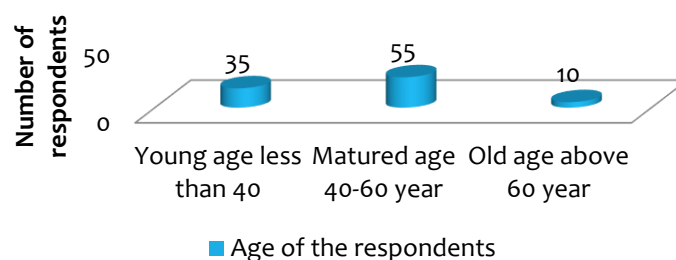


Source: Field data

In the above table it shows that the caste wise distribution of women street vendors attending market. It indicates majority (62.5 percent) of the street vendors are Tribal Women while 11.5

percent are Scheduled Caste and 25 per cent sellers are BC Community. And only one percent of respondent is belonging to (OC) other category.

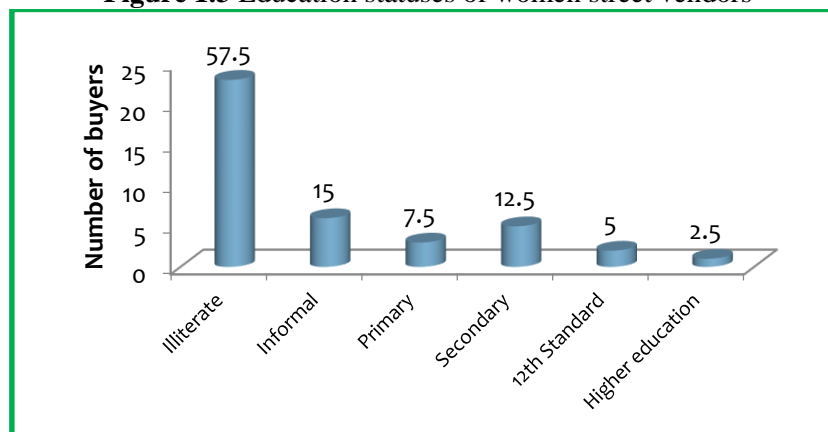
Figure 1.2 Age distribution of women street vendors



Source: Field data

The Sellers age groups under the present study have been placed in three groups viz. the young age group, the mature age group and the old age group. The young age group consists of the Sellers who were less than 40 years of age. 35 percent sellers belonged to this category. The sellers aged between 40-60 years were placed in the matured age group. 55 percent sellers belonged to this group. 10 percent

sellers were in the old age group who were more than 60 years of age. It indicates that young and matured people are attending the market. The reasons for the young people to attend the market are that they could withstand the stress and strain of having to carry the produce from their home to the market. Perhaps it is also because they are more enthusiastic to visit the market.

Figure 1.3 Education statuses of women street vendors**Source: Field data**

In view of Education, majority (57.5%) of the respondents are illiterate. 35 percent of the respondents studied up to secondary level

education. But in case of Intermediate and Higher education level only 7.5 percent of respondents who is engaged in selling.

Table 1.1 Types of business

Business	Number of sellers	Percent
Vegetable	39	32.5
Fruits	15	12.5
Readymade dresses	6	5
Spices	3	2.5
Food items	27	22.5
Kitchen items (cookerries)	6	5
Cosmetics	6	5
Others	18	15
Total	120	100

Source: Field data

In weekly market, sellers are selling different types of products such as vegetables, fruits, readymade dresses, spices, food items, Cookeries, kitchen items (cookerries), cosmetics etc. Type of products brought to the weekly markets for sale depends on the invested capital of the sellers. Traders selling vegetable do not have to invest heavy amount, since they procure the commodities locally and sold the products during the markets hours. Again tribal sellers who brought perishable commodities like meat and fish brought by them are in limited quantities. It has been seen from the table that 32.5 percent sellers engaged in selling vegetables followed by food items (22.5%),

fruits (12.5%), readymade dresses (5%), Cosmetics (5%), spices (2.5%), and kitchen items (cookerries) (5%). It is obverted the above table 15 percent of sellers selling others products. Its means meat, fish, liquor, livestock, agricultural inputs seller, medicine, forest based produce, pot, tobacco and bamboo baskets sellers are under this category. Majority of the respondents are selling seasonal fruits and vegetables throughout the year having great demand in the local market. Some of the fruits and vegetables are cultivated by them and in the off season they purchase vegetables from other vendors and sell it.

Table 1.2
Where do you get investment

Experience	Number of sellers	Percent
Own capital	99	82.5
Friends/Relatives	3	2.5
Wholesale credit	15	12.5
Money lender	3	2.5
Loan taken from society	0	0
Other source	0	0
Total	120	100

Source: Field data

From the above table it is evident that 82.5 per cent of traders are depending on their own capital because they can't bare high risk and also this type of business requires very less amount of investment. 12.5 Percent sellers are getting a wholesaler credit facilities for dealing their business activities with local and urban products. A few numbers of sellers are depending on money lender and friends/relatives. The interaction with some of the respondents brings into light that they want to expand their size of the business but due to shortage of capital they are not in a position to take the necessary steps for it. On the other hand, they also feel insecure and risky to take loan from any financial institutions as they will not be able to redeem the loan. Moreover, the lengthy and complicated procedure for seeking loan from financial institutions also discourages them to get capital to expand their business. In this case, the competent authority has to share their hands in availing sufficient funds to the respondents at an easy process and at a reasonable cost.

Conclusion

On the basis of the interaction with the Women Street Vendors it may be ascertained that majority of the women vendors were prompted to take up selling profession because of employment. Few were ancestral business, which was done by their father or fore father etc. But among the tribal sellers they were forced to participate in the market. As there is no other employment avenues were available and they

firmly attached to their roots, they were not willing to safe guard the boundaries of their village. Moreover, they do not have the required education qualification to get employment and also these businesses does not huge require amount in order to start the business. The street vendors are facing problems from different categories of people and authorities such as police department, officer bearers concerned, shopkeepers, co-vendors in and around the place when they are vending. Also selling goods at roadside has been facing rain and heat throughout the year. There is a complaint from licensed street vendors to those non-licensed vendors who are selling vegetables have affected their business tremendously as street vendors prevent the customers as they sell vegetables on the street. Moreover, traffic police drives them away, throw out their goods mercilessly on the street; they have been enduring such difficulties. There is no other option but to endure the inconveniences. Further, since there is no proper shelter home for women from hill districts, they could not sold their goods in a good rate rather give away at cheaper rate for whole sale just to go back home before dawn. These minimize their income and thus remain poor.

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ADVERTISEMENTS- AS EFFICACIOUS A TOOL AS MARKETING ITSELF: A CASE STUDY ON TATA MOTORS INDIA

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Abstract

The nature and needs of business have drastically changed, and so has the concept and practice of advertising. This is an age of intense competition and to sustain in such a marketplace gets marketers on their toes. In an era where the customers actively seek information before making a purchase, advertisements can help them get one. And it is with this intent that marketers are leaving no stone unturned to convince and persuade the masses. They want to be more and more appealing to the customers. To enable this, they resort to a lot of promotional techniques, of which advertisements seem to be of real significance to the marketers and to customers, equally. Taking active cognizance of the growing impact that advertisements make, it becomes quite pertinent for any researcher or academician to bring out all the advantages and possibilities, advertisements accompany with them. The paper sheds light on the nexus between successful advertisements and branding. The paper also elaborately focuses on discussing how a marketer tries to introduce a product, how he tries to make an impact through advertisements, what degree of impact advertisements have on brand image and how trustworthy do customers perceive advertising as a promotional tool through a case of Tata Motors, India.

Keywords: Advertising, customized advertising, brand image, brand awareness, brand recall.

Introduction

In an increasingly competitive marketplace, greater emphasis is being placed on brand image development as the basis for consumer discrimination. Advertising has a central role to play in developing brand image. Though it is quite irrational and debatable to figure out the most vital element of promotion mix, advertising has its own vitality during the course of a marketing program. That good, effective, properly targeted and well accepted advertisements propel sales, is an obvious and a well-established marketing fact. It is with this simple understanding that marketers around the globe invest substantially in creating and developing advertisements of massive appeal. Not only this, advertisements also help develop a better connect with the product being advertised. The better the prospective customer connect, the greater is the possibility of it getting widely acclaimed and accepted, thereby leading to acceleration and growth of the sales, profits, etc of the organization.

With the advent of technology and the likes of social media, the rules of marketing have changed enormously and mass awareness

among consumers has been inordinately created. The customers are well aware about the products being marketed, the utility they deliver, the shortcomings they have, the multi-utility of a particular offering, and the after sales requirements, etc. For prospects and customers who are not well aware, advertising is an effective tool to help them create and build their awareness pool. For this very purpose of leaving a substantial impact on customers' minds, advertisements are a hit amongst the marketing fraternity. It is through meaningful, timely, convincing and well-connected advertisements and advertisement campaigns that consumers can be won over. Gone are the days when consumers knew little or absolutely had no idea of their purchases or after sales services of an offering. Courtesy to commendable technological acceleration and simultaneous mass awareness, consumers have umpteen sources to learn about anything and everything they want. And being a marketer in this highly updated and largely well informed society is no cakewalk. The role and impact that advertisements make has grown

exponentially because of the increase in the intensity of competition. For every offering a marketer is making, there is a substitute available. And such substitutes (read organization) never miss chances of putting their best foot forward through effective advertisement skills and thereby making attempts to snatch a bit of marketer's shares, if not all.

Therefore, advertisements and their impact are of crucial importance for marketers to understand, notify and apply to their marketing intelligence units (MIU) to improve upon their eventual marketing plans and strategies. Moreover it is important for good researchers and academicians to understand and reflect upon the essentiality of an advertisement as a part of marketing mix, its impact and its contribution in achieving growth and profits for a firm, its association with branding, etc that can further assist businesses in getting a knowhow about the level of impact advertisements make on existing and prospective customers.

LITERATURE REVIEW

Business exposure and marketing vividness grew post the year 2000. In fact that era saw the start of the evolution, the face of marketing changing forever. The age of digital looming, and with it marketing became a combination of precise, measurable science, deep strategy, leading edge technology, advanced psychology, education and of course execution through beautiful, engaging and creative art form. Successful marketing today is where science and art intersect to deliver superior results.

Gone are the days when businesses could have thought of relying on conclusions based on vague and imprecise relationships such as "we advertised last week and sales increased so it must have worked" or the common one that goes somewhat like this, "the objective was awareness and clearly many people are now aware of us". In today's world, this just does not cut it anymore.

No longer can businesses take the risk of defining its target market roughly and segment it in an uncategorized manner and then place an

advertisement hoping someone would purchase something. Today's marketing scenario enables businesses to identify the right links to work with to make a sale, right from the top most grades descending down to the individual level. To further the chances of advertising success, businesses can personalize and customize their advertising and messaging to each specific person, regardless of the number of persons there are. Furthermore, they can even customize and personalize website pages depending on who is viewing them. To enable this to happen, marketers must be very cautious in their approach to customized advertising. They need to be aware of their existing and prospective customers to personalize the advertisement plan. For instance, when Dell computers, offered customization to customers for its laptops, it was quite mindful of what prospective customers are expecting from it. And hence, Dell rather effectively succeeded. Having said this, businesses simultaneously ought to be highly aware and affirmative of the impact of sincere and effective advertising. Needless to mention that advertising, nowadays, is used as one of the chief techniques by majority of the marketing firms to build and nurture their brand image. It is by far the most vital communication tool in marketing and with every advertisement; brand personality is built suggested by Rajagopal et al (2006). This further helps in creating a brand image or even a distinctive brand image, depending on the differentiation of advertisements. Lambrecht and Tucker (2013) found out that on an average, dynamic retargeting is less effective than showing a generic advertisement for the company. This means that when firms aim to sell to customers who have been on their site before, they are, on average, better off advertising just their brand, rather than a specific product or service. Chait and March (2015) indicated that attracting the right people, converting them into leads, closing the sale and delighting the customer is about setting objectives, designing strategies and implementing scientific, measurable tactics that maximize goodwill, sales, revenue and profitability. This is all achieved through very intelligent, extremely cost effective digital techniques, advanced marketing automation, modern website technologies, social media, the convergence of inbound and outbound marketing and most importantly, encased in a

solid depth of understanding of the principles of marketing.

There have been umpteen examples where businesses have successfully managed strong brand image and brand equity out of their sheer focus on advertising of their offerings. And of course this is reason enough why prudent businesses should focus and commit their resources of all kinds, on this breakthrough phenomenon called advertising.

Objectives

The objective of the study is not confined to the hypothesis testing; instead the focus was on gaining insight about the effectiveness of advertising in informing, persuading and reminding customers. The study also discerns the role of advertising in building and sustaining brand image through the case study designed on Tata Motors India. By analyzing the case of Tata Motors, the study also sheds light on various challenges like: Cultural and demographic, that marketers face in deciding the mission, message and media for advertising.

Research Methodology

An exploratory research followed by cross-sectional descriptive was designed to assess the efficacy of advertisements. To get deeper insights of significance of advertisement in real practice, the case study of Tata Motors, India is constructed. The case shows how Tata Motors has wisely established the objectives of communication and designed advertisement for their new launch in India. Triandis & Gelfand (1998) scale of Horizontal & Vertical Individualism & Collectivism was used to determine the beliefs of Indians, further it was analyzed to assess the impact of culture on behavioral action. Triandis, Chen, and Chan (1998) developed the scale with 16 attitudinal items to ascertain the VI, HI, VC, and HC constructs. Triandis and Gelfand (1998) designed four studies to test the validity of the scale. All the four studies designed by Triandis and Gelfand (1998) supports the convergent and divergent validity of the measures.

This study was also carried out by using the above aforesaid scale. The questionnaire contained open ended questions and data was

collected through online survey. Respondents were selected on the basis of convenience sampling. The questionnaire was divided into two parts- first part consist of demographic information (age and gender) and second part consists sixteen questions to analyze the elements of culture orientation. The responses were obtained on 5 point Likert scale indicated as: 1- Strongly disagree, 2- Disagree, 3- Neutral, 4- Agree, 5- Strongly agree. Factor analysis was used to determine the important variables of culture in India. Correlation was used to examine the direction of relationship. Cronbach's Alpha was used to test the reliability of the study. The primary data was collected through online survey and secondary data was collected through research thesis, journals, websites and other published material which has been listed in the references part of the paper.

A CASE OF TATA MOTORS' INDIA ADVERTISING TACTIC AT A GLANCE

Tata motors has been losing market share in the Indian automotive industry which was decreased to 14.1% in 2014-2015 from 16.5% in the previous financial year. The loss for the year was Rs 4,738.95crores. In the financial year 2013-2014 the overall growth in passenger vehicle segment was negative by 4.7%. Its models- Indica and Indigo- have gradually fallen out of favor with car buyers. Tata, in its bid to achieve a turnaround, unveiled two new models of cars christened bolt and zest at the 2014 Delhi auto expo. This first exposure of the cars at the expo was followed by a teaser advertising campaign on television. In the short television commercial, the cars zoomed across the screen without allowing the viewers to get a chance to have a complete look at the vehicles zooming past from one end of the screen to the other. This campaign, which ran for a very short duration of time, teased unsuspecting customers into thinking what these cars were and left them very curious. The ambiguity of presentation in these television ads was deliberately used to cut through inertia and indifference of people watching television programmes as a deliberate strategy. Interest generation and inquisitiveness building is essential in boosting tempo before a product launch. On 26th August 2014, the print advertisement of Zest turned Tata Motors' key

to success; an innovative advertisement of Tata Zest on the front page of daily nationals, containing promotional key and eliciting readers for the test drive at any of their show rooms. Along with the tag line “key to drive home the new zest” the advertisement also contained umpteen reviews of the auto magazine with a message that “the experts have driven it, now it is your turn”. The readers were supposed to take that key to their Tata Motors showroom; each key carried a unique barcode by which the details of the person were registered. This also helped Tata in identifying their prospect customers.

In continuation with its launch strategy, Tata motors also carried a full cover page ad in major newspapers introducing its new ‘Revotron’ petrol engine. The ad technically could be classified as ‘informative’ for the amount of information it carried about the promoted engine. Another big launch by Tata motors was in February 2015 of Tata Bolt. This time the objective of advertisement was not only generating awareness but also to sustain the brand image of Tata Motors after the

outstanding response of the Zest. In order to hold the brand remembrance, Tata motors used social media as an advertising platform. Social media vehicle: Twitter, BlogAdda and Youtube were integrated to promote the launch. Sadly, because of some modification program facebook couldn’t be the part of this campaign. The hashtag #getsetbolt headed on Twitter and Tata Motors had received remarkable response at the day of launch. It has also pulled crowd through BlogAdda and has created history in the blogging guild.

ADVERTISING MODEL ADOPTED BY TATA MOTORS INDIA

Indeed, from both launches it is clear that Tata Motors’ has wisely set the communication objectives, designed communication and selected channels for informing, persuading and reminding customers about Zest, Bolt and the brand Tata. They have used Innovation-Adoption Model of advertising (Rogers, 1995) which focuses on consumers’ specific response of communication in the following way

Cognitive	Awareness
Affective	Interest Evaluation
Behavioral	Trial Adoption

Where, awareness is associated to the cognitive stage, interest and evaluation to the affective stage and trial and adoption to the behavioral stage. Tata not only created awareness about Zest and bolt through ads but also about the technology they were introducing in the market i.e. the Revotron Petrol Engine which did build conviction and penchant for trials vis-a-vis induced buying. Owing to their advertisements, the results of both the communications were outstanding. This gave Tata a kick to regain its market share in automobile industry mainly, in passenger vehicles.

This case observes and demonstrates the basicity and quintessentiality of advertising for marketers. It is one of the most widely used media especially when the market to be reached is widely scattered and awareness and persuasion is needed to develop market pull. This is the reason why billions of rupees are spent on advertising by companies to promote their offerings. Some of the top advertisers in

India include Unilever, Procter & Gamble, Tata motors, Bharti Airtel, ITC, Samsung and LG (Verma and Duggal, 2015)

CHALLENGES FACED BY TATA MOTORS

Having a glance on the demographic profile of India, the literacy rate is 74.04% and urbanization is 32% of the total population. As per the statistics of 2016, only 34.8% of the total population use internet which has increased by 30% since 2011. In 2015 there were only 118 million social media users in urban India among which most were college goers i.e. millennials, report by (*Social Media in India 2014' report by the Internet and Mobile Association of India (IAMAI) and Indian Market Research Bureau (IMRB) International*). This is significantly less as compared to any developed nation. With such demographics it is very strenuous to engage

people in social activities and persuade them to buy a product.

Culture also plays an important role in influencing consumer behavior broadly and deeply as it affects the cognitive process (Kotler, 1994). They interpret the information about the product; make opinion and persuasion according to the values, beliefs and norms of the culture they dwell in. Value is the core constituent of culture (Hofstede, 2001). A small descriptive research was conducted to assess the beliefs of Indians. Of the total 200 respondents, 126 were males (63%) and 74 were females. Respondents' groups aged between 30-34 years old and 35-39 years old accounted approximately 35% of the sample whereas, groups aged between 40-44 years old and 45-50 years old accounted approximately 18% and 12% respectively. Sixteen items were analyzed to determine the elements of cultural orientation.

(Triandis & Gelfand ,1998)explained that horizontal orientation emphasizes on equality, vertical orientation emphasizes on hierarchy, individualism emphasizes on independent self-perception, exchange relationships, attitude and personal goals and collectivism emphasizes interdependent self-construal, communal relationships, norms and in-group goals. It was found that all four elements have eigenvalues greater than 1 which indicates the factors are reliable enough with total variance 65.99 percent. Varimax rotation is used to support explication of the factors. The value of all the variables is ($> .50$) that means strongly loaded on the four factors. A positive correlation is seen for all the items ($> .05$). The value of cronbach's alpha (> 0.75) specifies the high reliability of the construct.

Survey Findings

Element, Titles and Items	Factor Loading	Eigenvalue	Percent Variance	Item-Total Correlation	Cronbach's Alpha
<i>Horizontal Individualist</i>		2.07	12.95		0.806
I depend on myself than on others	0.84			0.65	
My personal identity independent of others, is important to me	0.65			0.53	
I rarely rely on others	0.54			0.50	
I usually do my own things	0.83			0.69	
<i>Vertical Collectivist</i>		5.78	36.12		0.77
No matter what sacrifices are required, all family members should stick together	0.87			0.73	
Parents and children should live together	0.72			0.62	
Respecting the decisions made by my clique is important to me	0.82			0.66	
I don't mind sacrificing my wants for my family	0.62			0.50	
<i>Vertical Individualist</i>		1.62	10.16		0.78
I get stressed when another person performs better than me	0.78			0.55	
Competition is the law of nature	0.73			0.60	

Doing my job better than others is important for me	0.53			0.59	
Victory is everything	0.78			0.64	
Horizontal Collectivism		1.07	6.74		0.77
I feel proud if my co-worker gets a reward	0.84			0.54	
The welfare and happiness is important to me	0.59			0.61	
I feel good when I cooperate with others	0.60			0.60	
I find pleasure in spending time with others	0.53			0.60	

Thus, it can be said that India is a society of both individualistic and collective traits. Since, the value of factor loading is quite high for vertical collectivist this shows the actions of the individual are influenced by: opinion of one's family, extended family, neighbors, work groups and other such wider social networks that one has some affiliation towards. Hence, that means individual decisions and choices are not expected substantially for such a high involvement product like car i.e. where buying decision is generally taken by the head of the family. Also India is a culture of restraint. People with this orientation control the indulgence of desires, their actions are constrained by society norms and they don't put significance on the leisure time and activities (*Greet hofstede culture survey report*). Therefore, to generate affection among audience particularly for sedan segment was a gruesome task. But every coin has a flip side. On the parameter of uncertainty avoidance India scored medium low tendency to avoid risk (*Greet hofstede culture survey report*) which means people are optimistic and invite and accept change. This actually helped Tata in pulling the crowd on social media and making the campaign successful.

ADVERTISEMENTS AND THEIR BRAND RECALL AND RECOGNITION QUOTIENT:

In the early days of marketing, businesses used to thrive with even their minimal efforts and expenditures on advertising. Whenever companies committed their money and other resources in adverts, they had the primary and only objective of enabling the customers to make a purchase, with no further efforts and

deeper insights on how advertising can have many roles to play for the marketer himself. But as and by, the marketing paradigm continues to evolve and its tempo quite literally getting hastened, marketers are deriving more functions out of the advertisements they make and propagate, one of which is to enable customers, to have a decent brand awareness, following which they can have a strong brand recognition quotient and a potential brand recall value. Brand awareness includes brand recognition and brand recall. Brand awareness is the degree to which a particular brand is recognized by potential customers, and is correctly associated with a particular product. Brand awareness is the primary goal of advertising in the early days of a product's introduction.

Brand recognition on the other hand, as the nomenclature itself tells, is the ability of consumers to recognize one brand over other brands. Or when consumers can easily identify products by its features or design, then the company can be said to be having a strong brand recognition element. Maximum recognition with minimal customer effort is the central idea of brand recognition. For instance, when one thinks of a fast food restaurant chain with golden arches, Mc Donalds puts itself neatly into this very clear category.

Brand recall is the extent to which a brand is recalled with a product type or class of products by the consumers. It generally refers to the ability of consumers to correctly generate and retrieve the brand in their memory. To be specific, brand recall is the recollection the customer has of the brand. Common market research usage is that pure brand recall requires 'unaided recall'. Higher brand recall than those

of its competitors indicates that company investments can be reduced in brand awareness. Of all the other promotion mix elements, advertisements seem to be the most effective and long lasting. Products portrayed through good and effective advertisements generally receive a very warm introduction in the market and are able to manage a greater degree of regard and consumer connection for them. Offerings made through advertisements invoke more interest among consumers and such adverts are generally well preserved in their mindsets.

CONCLUSION:

Overall marketing and branding success depends on a number of factors, but advertising is of crucial importance to business everywhere around. It has served an important purpose by enabling and prompting businesses to efficaciously compete with their rivals, based on what they have to offer. Advertising broadens the knowledge of the consumers. With this level of exposure to advertising and ease of access to it, consumers do make decisions without much waste of time. It is an well admitted and widely consented reality that without the market stimulus of effective and blitzkrieg advertising, businesses would have faced a rather difficult, and may be daunting marketing aspirations for themselves. Once advertisements enable a business to gel well with their customers, the going gets smooth and swift. It is this understanding of customers which makes an otherwise, bare looking and locally established business, to become known and widely accepted brands in perhaps a short span of time. And of course this is how businesses have evolved over the years and thus have relied heavily on advertising and flourished through it. The study divulges that India, despite of having diverse socio-cultural facets, is a fast growing market. There is a substantial scope for marketers to take this distinctiveness as an indispensable factor for designing an effective marketing communication to reach their customers as Tata Motors India did.

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IMPACT OF MGNREGA ON SOCIO ECONOMIC FACTORS OF THE BENEFICIARIES IN VIZIANAGARAM DISTRICT OF ANDHRA PRADESH

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ABSTRACT

Rural India has seen numerous ups and downs since independence. Rural development has been a crucial issue for states with large number of rural population as various programmes were launched for the development of poor and marginal people living in rural areas. Role of rural areas in development of the country like India needs no proof as it is evident from the orientation of government policies that rural areas are acting as drive engines for growth of the country. The government in the recent past has framed numerous schemes and programmes for the development of rural areas of the country in order to tap the resources for betterment of rural masses.. The introduction of wage programmes like MGNREGA in the area have helped to provide a thrust to the development process and can therefore be termed as a boon for the rural people due to its demand oriented approach which makes the authorities responsible and as well as accountable for providing employment to individuals. With a mandate to provide at least hundred days of guaranteed wage employment in a financial year to every rural household whose members above the age of eighteen years volunteer to do unskilled manual work. The main focus of the act is to facilitate the social protection for the people living in rural India by providing employment opportunities and therefore contributing towards the overall development of the local people. The present study was attempted to figure out the impact of MGNREGA on overall economic and social development of beneficiaries in Vizianagaram district of Andhra Pradesh. The study was carried out in the villages of Mugada and Bhimavaram of Bodangi Mandal of Vizianagaram District with beneficiaries as respondents. The results found the MGNREGA has significantly improved their social and economic well being.

INTRODUCTION

In countries where the economy is primarily, rural with agriculture absorbing the major share of labour force, broad-based rural development programs hold the key to economic progress. Programs to create direct employment opportunities for wage workers through public works have in the past focused on the generation of supplementary employment opportunities, especially during lean periods. They have been considered as an important component of the anti-poverty strategy. These programs are expected to create durable assets for the community and thus enhance further economic activities. Wage employment program also pushes up demand for labour and thus exert an upward pressure on the market wage rates by attracting people to public works programs thereby reducing supply of cheap labour often at wages that would not even meet their bare basic needs. To deal with the unemployment problem, Government of India

has launched, from time to time, various employment programs and the government try to increase the felt needs of the socio-economic factors. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on September 5, 2005 and implemented in three phases covering all districts over time. Although the focus is on augmenting wage employment, it is ambitious in scope and aims to accomplish a number of things. Amongst other things, the Act envisaged that the works undertaken as part of the programme would strengthen natural resource management and address causes of chronic poverty like drought, deforestation and soil erosion, thereby encouraging sustainable development. While there is a fairly rich documentation of the impacts of the MGNREGA as a safety net programme on wages, income and consumption, very little is known about the nature of assets created and

their impacts on peoples' lives. Indeed, the MGNREGA is frequently thought of as a poverty alleviation scheme through the creation of wage employment for unskilled labour and not much else. The fact that it is not simply a work creation programme but derives its legitimacy from being an asset creation programme is often overlooked. When it is not, there is a widespread belief that assets created under MGNREGA are of dubious usefulness.

The focus of this study is the District of Vizianagaram of Andhra Pradesh. As is widely acknowledged, although the MGNREGA was inspired by the pioneering initiative of Andhra Pradesh, which had in place a successful Employment Guarantee Scheme in the state since 1972 (embodied in an Act since 1979), the state has only recently begun implementing the new scheme vigorously. In that context, this study seeks to accomplish two things. The first goal is to verify the assets that have been created under the MGNREGS by comparing with administrative data and recording its condition and quality. This is mainly to examine the concern that many of these works are only on paper and do not in fact exist. The second goal is to record the perceptions of impacts of these works through a systematic survey of beneficiaries identified specifically for each asset through spatial delimitation criteria. (AFRIDI, F., and V. IVERSEN. (2013).) This is to be able to get a perspective of the usefulness of these works to local communities. The study covers two villages of Bodangi Mandal of Vizianagaram district of Andhra Pradesh.

Objectives of the Study

- To assess the socio-economic status of the respondent in the selected villages
- To examine the impact of MGNREGA in generating employment in the selected villages

- To examine the impact of MGNREGA on an income of the respondent in the selected villages

Literature Review- MGNREGA being the largest public welfare program has drawn a lot of thought of the leading economists and researchers. Therefore, it is necessary to give the findings and recommendations of the most vital experts in this field. (Grosh et al 2008) Deininger and Liu, 2013; Dreze and Khera, 2009; Dreze, 2010; Reddy et al., 2010). examine the impact of MGNREGA on reducing rural poverty and improving the socioeconomic status of rural poor and found that MGNREGA has gradually raised the standard of rural livelihood and findings of the study indicate that the constraints limited the rural people accessibility towards achieving the benefits optimally.

Data Collection-The study is undertaken in the villages of Mugada and Bhimavaram of Badangi Mandal of Vizianagaram district of Andhra Pradesh. Both primary and secondary data are used. However, major emphasis is laid on Primary data, which is collected from a field survey in the study area. Secondary data is collected from websites, journals, reports and other documents. The period of data collection is May 2017- July, 2017.

Sampling Method- Convenient sampling is followed. The villages, which are easily accessible, have been chosen for the study. In this way, two villages have been selected from Bodangi Mandal. The following table shows the selected mandal, villages and respondents. The sample size of the study is 40 respondents in each village

Table 1: Assortment of Mandal, Village and Respondents

Name of the Mandal	Village selected	Total beneficiaries
Bodangi mandal of Vizianagaram	Mugada	40
	Bhimavaram	40

Statistical Tool :Frequency, Percentage and standard deviation have been used to test the hypotheses. Excel and SPSS software package were used for data analysis. The impact of MGNREGA in generating employment in selected villages in

Badangi mandal of Vizianagaram District has been measured by applying Frequency and Percentage. The independent variable is MGNREGA and the dependent variable is employment status of the respondents.

Table 2: Socio-Economic Profile of the Respondents

Socio-economic profile of the respondents		Mugada		Bhimavaram	
		Frequency	Percentage	Frequency	Percentage
AGE	Below 30	12	30.0	10	25.0
	31 -40	8	20.0	6	15.0
	41-50	20	50.0	24	60.0
Gender	Male	24	60.0	21	52.5
	Female	16	40.0	19	47.5
Caste	OC	13	32.5	18	45.0
	BC	22	55.0	17	42.5
	SC	2	5.0	5	5.0
Religion	Hindus	27	67.5	30	75.0
	Christians	10	25.0	9	22.5
	Muslims	3	7.5	1	2.5
Education	Illiterate	29	72.5	19	47.5
	Primary	14	35.0	17	42.5
	10 th	7	17.5	4	10.0

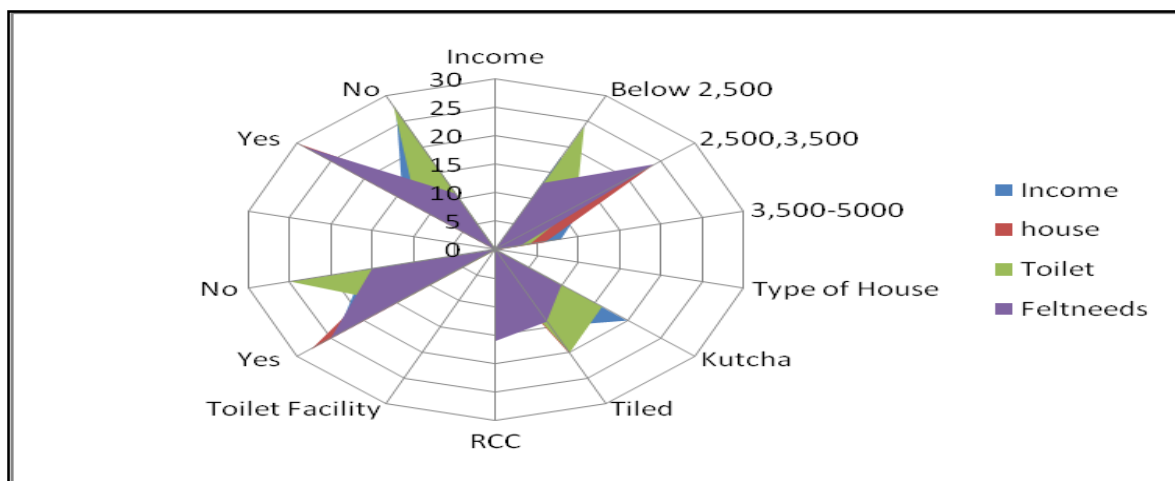
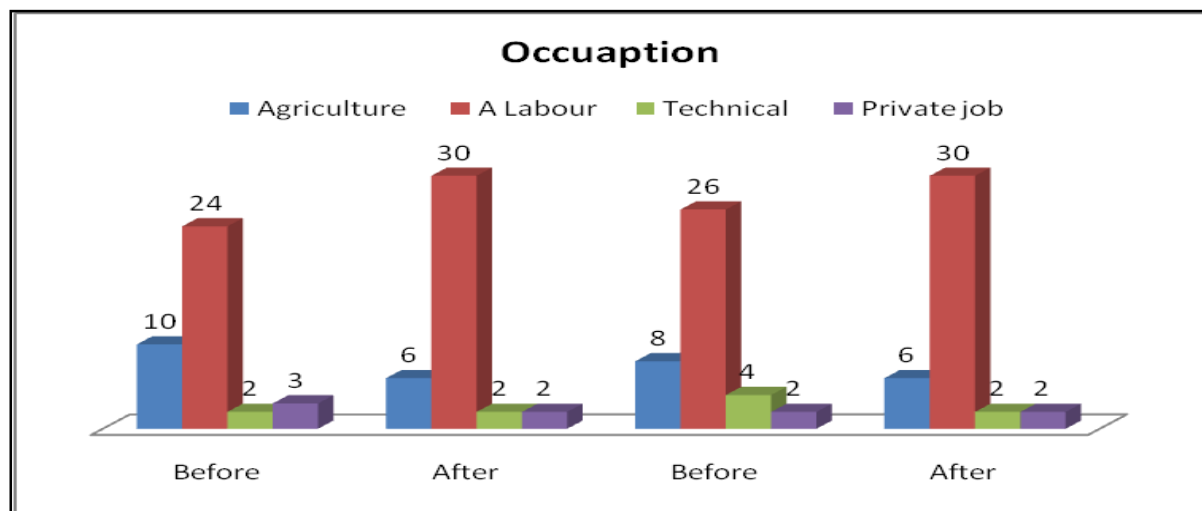
Above table shows that majority of the respondents were belonging to the age group of 41 -50. 60 percent respondent were male while 40 percent female in both the villages.. 55 percent of the respondents are belongs to backward caste in Mugada village whereas 45 per cent of the respondents were belongs to upper caste in Bhimavaram Village As

far as the religion of the respondents more than 65 of the respondents are belong to Hindus, As far as education of the respondents is concerned, majority were found to be Illiterate and Primary in both the villages.

Table 3: Impact of MNREGA on their Livelihoods

SEP	Mugada		Bhimavaram	
Occupation	Before	After	Before	After
Agriculture	10 (25.0)	6 (15.0)	8 (20.0)	6 (15.0)
A Labour	24 (60.0)	30 (75.0)	26 (65.0)	30 (75.0)
Technical	2 (5.0)	2 (5.0)	4 (10.0)	2 (5.0)
Private job	3 (10.0)	2 (5.0)	2 (5.0)	2 (5.0)
Income				
Below 2,500	18 (45.0)	10 (25.0)	24 (60.0)	13 (32.5)
2,500,3,500	14 (35.0)	24 (60.0)	12 (30.0)	24 (60.0)
3,500-5000	8 (20.0)	6 (15.0)	4 (10.0)	3 (7.5)
Type of House				
Kutcha	20 (50.0)	16 (40.0)	16 (40.0)	10 (25.0)
Tiled	15 (37.5)	20 (50.0)	20 (50.0)	14 (35.0)
RCC	5 (12.5)	4 (10.0)	4 (10.0)	16 (40.0)
Toilet Facility				
Yes	24 (60.0)	28 (70.0)	15 (70.0)	25 (62.5)
No	16 (40.0)	12 (30.0)	25 (30.0)	15 (37.5)
Benefit of Felt Needs				
Yes	14 (35.0)	30 (75.0)	12 (30.0)	29 (62.5)
No	27 (65.0)	10 (25.0)	28 (70.0)	11 (27.5)

Figure 1: Occupation



As far as the occupation concerned, more than 60 percent of the respondents are belongs to agricultural labour before MNREGA, after MNREGA, more than 75 per cent of the respondents choose the Agricultural Labor in Mugada & Bhimavaram villages. As far as the income concerned, more than 35 percent of the respondents were earning nearly Rs. 2,500 to 3,500 per month before MNREGA and after MNREGA, nearly 60 percent of the respondents in both the villages, they have earned Rs. 2,500 to 3,500 per month the However, 60 to 60 percent of them who are lived in Tiled and RCC Houses, like that 65 per cent of the respondents have get Awareness of Sanitation . As far as the toilets concerned, 60 percent of the respondents have toilets in both the villages. At an outset, socially and economically the respondents were

Generating income sources through MNREGA. It results that there is an significant impact of MGNREGA in generating employment and the alternate hypothesis states that there is a significant impact of MGNREGA in generating employment in selected villages

Conclusion

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is considered as a boon in exterminates rural poverty and joblessness by way of generating demand for productive labour force in. (Bhattacharya, R. and Sudarshan, R., 2007), From the above study, it is observed that the impact of MGNREGA in spawning employment and increase in income of the selected respondents in selected villages of Vizianagaram district. The results revealed

that there is a noteworthy sway of MGNREGA in forming work and increase in income of the respondents in the two blocks of Vizianagaram district. On the basis of data collected from different sources for the detailed study regarding this study, it can be concluded that MGNREGA has a great role and impact on rural development and it in the coming future and it is better to expand this program in other relevant area like agriculture, industry, construction etc.

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RURAL DEVELOPMENT PROGRAMMES IN INDIA

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ABSTRACT

To tackle the specific problems and also to meet changing requirements of rural areas the Government of India has initiated various programmes. These programmes have undergone considerable changes over a period of time since introduction of Community Development Programme in 1952. Structural reform strategy was aimed at bringing changes in the existing unequal socio-economic structures of the society; multipurpose strategy was adopted while initiating Community Development Programme in 1952 which aimed at bringing change in the economic, social as well as cultural life of the villages. Institutional strategy was adopted so as to ensure participation of rural people through creation of people's institutions like Panchayati Raj, cooperatives and financial institutions. The strengthening of the Panchayati Raj provides an opportunity for dealing with the management of local resources and local commons in a more meaningful and sustainable manner. During the late fifties, there was a realization that improvement of the living conditions of rural people was absolutely difficult without an agricultural transformation. Programmes like IADP, IAAP, HYVP, etc. were implemented during these periods. Taking into consideration the limitation of earlier rural employment programmes and to address the growing need of generating sustainable livelihood opportunities and poverty eradication in rural India, the government has taken a historic move by enacting the MGNREGA, which is perhaps the largest employment generating program in the world. An attempt is made in this paper to review the rural development programmes initiated by the Government of India since independence.

RURAL DEVELOPMENT PROGRAMMES IN INDIA

Rural development has been an integral part of nation's socio-economic development and accorded the highest priority in the country's planning process. Since country's independence various programs formulated to accelerate the rural development. The goal of rural development is the enrichment of the quality of human life in rural areas accompanied by bridging the rural-urban gap through provision of all amenities. The policy and programs of rural development aim at alleviating rural poverty, generating employment and removing hunger and malnourishment accompanied by the enrichment the quality of human life. But still rural areas are associated with poverty, unemployment and distress migration.

To tackle the specific problems and also to meet changing requirements of rural areas, the Government of India has initiated

various programmes. These programmes have undergone considerable changes over a period of time. Starting from Community Development Programme in first five year plan to MGNREGA there is a vast change in the design and implementation of various rural development programmes. The very approach towards rural development has evolved from structural reform strategy to rights based approach i.e. MGNREGA. An attempt is made in this article to review the implementation of the various rural development programmes initiated by the Government of India from time to time.

Rural development seeks to involve a process of transformation from traditionally oriented rural culture towards an accepted and reliance on science and technology⁴. It states that to what extent the target group farmers are expected to adopt and integrated the new technology into the existing farming system. The effectiveness of technology transfer depends on the support system as well as socio-

⁴ Ensminger, D., Rural Development What is it" Paper presented at East West Countries

Conference on Integrated Communication for Rural Development, Hondulu, 1974.

economic system in which other systems operate and also on the introduced new technology to some extent which ignores the enormous potential of peasants' innovations and resourcefulness. The transfer of new agricultural practices and its allied technology depends on the active participation of young agricultural scientists and their role in research and extension system is very essential for effective transfer of technology.⁵

So the problem of rural development is the provision of trained manpower to create and staff the institutions necessary for serving the farmers and effort to increase production⁶. It focused the need for the development of human resources and its role to create awareness towards the newly introduced new technology and also how to utilize the existing opportunities and potentialities for their well being.

Objectives of Rural Development

The main objectives of rural development are:

- Improvement of the living standards of the rural poor by ensuring their needs such as food, shelter, clothing and employment;
- Making rural areas more productive and less vulnerable to natural calamities;
- Ensuring as much local autonomy and as little disruption to traditional customs as possible⁷.

Importance of Rural Development

If rural areas are developed, it means the whole country is developed. In any country, it is seen that majority of the population lives in villages. If the villages and rural people developed, it is an indication that the country is developed. It is thus, the importance of rural development is linked with the development of the whole nation.

If we look the importance of rural development from the broader perspective intensified, the eradication of poverty is the

supreme objective of all development efforts has the widest incidence, as source poverty in rural areas. It is the landless rural labour that forms the largest reservoir of poverty in the country, and is the source of urban poverty too. Industrialization, to some extent, can reduce the incidence of poverty, especially urban poverty, but to have this effect, industrialization not only has to be labour-intensive, but perhaps more importantly, mass based. The latter characteristic, namely, the mass-base, can be acquired by production of goods and services of mass consumption, sustained by steady increase of the purchasing power of masses, resulting from additional employment created by the labour intensity of the industries concerned. Indeed, it is only such mass base that can ensure continued expansion of industries leading to a level of industrialization commensurate with the size and population of the country. Industrialization based on elite consumption, on the other hand, has limited potential. The narrowness of the base restricts its growth. It can create only islands of affluence in the surrounding sea of poverty.⁸

Strategy formulation for Rural Development

"The approaches to rural development and planning have also changed over a period of time. In the light of experience gained by following a particular approach, a new approach has been evolved. The shift in emphasis is intended not only to accelerate the pace of growth in the rural sector but to ensure social justice by minimizing wastage and leakages. The choice of interventions in formulating rural development programmes has shifted from the target sector to the target area and to the target group approaches"⁹. Some of them are briefly discussed below. The strategies adopted for rural development in India can be broadly classified into three. They are:

Structural Reform Strategy

The basic aim of structural reform strategy is to bring changes in the existing

⁵ Bhalla, Surjit S (2003), "Recounting the Poor: Poverty in India", 1983-99, Economic and Political Weekly, January 25-31

⁶ Manpower Planning and Efficient Utilisation of Agricultural Graduates in India, Address given at Agricultural Universities Convention, Poona b Dr. M.L. Dewan.

⁷ David A.M. and Chaudhri D.P., "Rural Development and the State", Methuen and Company, London, 1983, p.13.

⁸ Burkey, S. *People First: A Guide to Self-Reliant Participatory Rural Development*. Zed Books, London., 1993.p.45.

⁹ Satya Sundaram. I.: "Rural Development"; Himalay Publishing House; Hyderabad; 2007; p.9.

unequal socio-economic structures of the society, also called structural transformation, by way of land reform measures. Initiating land reform measures was one of the important structural reform strategies intended to make the landless as owners of the land and to remove economic disparities. This has mainly consisted of imposing ceiling on land and distributing the surplus land to the landless. Immediately after Independence, it was realized that as a majority of people is dependent on agriculture, the structure of land ownership is central to their well-being. The government has strived to change the ownership pattern of cultivable land by way of imposing ceiling on land. The government has passed appropriate laws for the implementation of this scheme. For the protection of tenants, tenancy laws were enacted, abolition of intermediaries, zamindaris, absentee landlords and distribution of surplus land to the poor people, especially SCs & STs were enacted.

The studies reveal that the land reform measures had limited success. The critics pointed out that the land reform measures have benefited the landlords instead of the landless. In the context of liberalization process, the land reform measures were relegated to the background. The initiatives of the state governments in the recent times to liberalize land laws in order to promote large scale corporate farming is an indication of this shift in the land reform policy.

However, a major step in land distribution in the state of Andhra Pradesh was the assignment of government land to the landless poor. "By the end of 2002, an area of 43.21 lakh acres of government land was assigned to 23.98 lakh beneficiaries"¹⁰ and from 2005 to 2010 AP Government distributed the largest extent of land to the landless to a tune of total of 7,09,228.81 acres to 5,04,099 beneficiaries¹¹.

¹⁰ Andhra Pradesh Human Development Report, 2007, p. 66.

¹¹ A.P. State Government Information Booklet; dated. Feb 1st week 2011; p. 30.

Multipurpose Strategy

On the recommendations of Grow More Food Enquiry Committee, the Community Development Programme was started in the county on October 2nd 1952 on the occasion of Gandhi Jayanthi on an experimental basis. The Community Development blocks were constituted as primary units for the implementation of large number of developmental programmes. The Village Level Worker (VLW) was deemed to be the agent of change as also and technical consultant on all aspects of rural development.

The term, 'Community Development' means the process by which the efforts of the different communities are united with those of governmental authorities and improving their economic conditions by way of integrating them so as to enable them to contribute fully to the development of the country as a whole. The community development programme is thus directed towards the upliftment of the poor in rural areas. In this process the government and people are expected to work together to achieve this objective.¹²

The objective of the community development programmes was to bring about changes in the economic, social as well as cultural life of the villages.¹³ The Community Development Programme was initiated with the objective of all-round development of the countryside through active participation of rural community in the developmental programmes. It was aimed at undertaking specific activities for village development. But it met with marginal success mainly due to:

- conflicts and contradictions between various interest groups of the rural community;
- over bureaucratization of the process of implementation; and
- Absence of clearly defined priorities of central planning.

¹² Burkey, S. "People First: A Guide to Self-Reliant Participatory Rural Development", Zed Books, London. 1993, p. 14.

¹³ Sateesh Reddy, K: "Multifaceted Rural Development", Dominant Publishers & Distributors, New Delhi, 2002, p.13.

Institutional Strategy

In view of the need and urgency of the rural problems, most of the developing countries initiated development programmes which led to the creation of a number of new institutions. To promote political development and social justice, people's institutions were created.¹⁴

The important institutional strategies include panchayati raj institutions, cooperatives and financial institutions. In order to ensure participation of rural people in development process, these institutions have been launched.

Panchayat Raj Institutions

People's participation in planning and development for rapid rural development planning at the grass root level is essential. Hence institutionally, an attempt was made thereby to provide room for the involvement and active participation of the people through the Panchayat Raj institutions in the implementation of rural development programmes.¹⁵ The creation of Panchayat Raj in 1959, with the objective of entrusting the authority and responsibility for rural development to rural people is considered not only an innovation but also a revolution.¹⁶

The Balwantrai Mehta Committee which went into the working of the Community Development Programme drew attention to the failure to evoke local initiative. It felt that these bodies had not given any indication of durable strength or the leadership necessary to motivate the people for continuing these efforts aimed at improving the economic and social conditions in rural India. On the recommendations of the Balwantrai Mehta Committee, the Panchayati Raj Institutions were established in the year 1959. Rajasthan followed by Andhra Pradesh were the first among the states to introduce Panchayati raj system. The introduction of Panchayati Raj Institutions with representative character and having a provision for the

people's participation in the decision making process has been described as veritable revolution in the grassroots administrative structure.

Rural Development and PRIs

The strengthening of the Panchayati Raj provides an opportunity for dealing with the management of local resources and local commons in a more meaningful and sustainable manner. Panchayati Raj Institutions play an important role in rural development. Some of the important aspects are¹⁷:

- Fill in the critical organizational gap in the implementation of policies and programmes relating to rural development.
- Charged with the responsibility of strengthening the democratic processes at the grass root level.
- Work as centers of concretization to instill confidence and promote the socio-political efficacy of the poor, the oppressed and the exploited.
- These institutions enable the poor to participate in the decision-making process.
- The reservation to the weaker sections provides them with a sense of participation in the political process.

The magnitude of rural problems like those of poverty, unemployment, low productivity and consumption, low literacy levels, etc., demand effective action. These problems emphasize the need for strengthening and increasing economic, political and administrative capabilities. The Panchayati Raj Institutions play an important role in this task. These institutions fill the critical organizational gap at the grass root level and thus contribute to evolving a better delivery system. The Panchayat Raj bodies enable and facilitate people to participate in the local planning process.

Development analysts are of the opinion that a centralized effort in planning will invariably miss the local variations and

¹⁴ Ram Reddy. G.: "*Panchayat Raj and Rural Development in A.P., India*", Ittaca, Cornell University, New York, 1974, p.88.

¹⁵ Sateesh Reddy, K.: Op Cit., 2002, p.15.

¹⁶ Henry Maddick: Panchayat Raj: "*A study of Rural Local Government in India*", Longman, London, 1970, p.3.

¹⁷ Kishore Chandra Padhy, "*Rural Development in Modern India*", B.R. Publishing Corporation, New Delhi, 1986, p.42-43.

diversities in social and economic composition. A standardized and uniform course of action resulting from centralized planning may be ineffective in tackling the problems at the local level. The association of Panchayat Raj Institutions in plan formulation is invaluable. The concept of development formulated by eminent economist demands effective local organizations for development in general and rural development in particular. The Panchayat Raj Institutions are expected to pave the way for local level planning¹⁸.

Cooperative Institutions:

Cooperation is the very foundation of society. No society can survive without the spirit of cooperation. The cooperative movement was introduced in the country in 1904 to promote economic well-being of agriculturists and the poorer sections. Cooperatives are another institutional strategy initiated to extend credit facilities to the farmers and arrest the exploitative practices of moneylenders, landlords and rich farmers. This was further extended to many other non-credit activities rapidly and gradually their activities have multiplied.

“Cooperation which literally means operation by equals, grows thus to be the yardstick for the growth of our people in the democracy we have set as our goal.”¹⁹ A cooperative is one of the basic types of organizations based on self-helping process. They make it possible for people to gather and use their collective powers for solving their socio economic problems.

“The development of the community will depend on the development in freedom of cooperative society and Panchayati Raj as the twin instruments of integrated development of the rural community. The goal is cooperation, unity, discipline, dedication and hard work.”²⁰

Banking Institutions: Another important institutional approach to rural development is

the banking system. The commercial banks play an important role in uplifting the rural poor and improve the rural economy. To cater to the credit needs of the priority sectors, such as agriculture, small industries and also to the neglected sectors such as small traders, self-employed persons etc., the Government of India has nationalized fourteen major commercial banks in 1969. To extend banking facilities in rural areas, Regional Rural Banks were established and to provide refinance facilities to the banks working in rural areas, the NABARD was created.

Sectorial Strategy:

During the late fifties, there was a realization that improvement of the living conditions of rural people was absolutely difficult without an agricultural transformation. Hence, areas with favorable irrigation and climatic conditions were identified to introduce intensive cultivation under Intensive Agricultural District Programme, Intensive Agricultural Areas Programme, and High-yielding Variety Programme all of which were part of Green Revolution Strategy for agricultural development.

Brief of rural development programmes:

A brief of various programmes implemented in India since independence is cited in the below table. However, all these programmes have mixed, multiple, and very closely interrelated objectives such as generating employment; raising the levels of income, welfare of the public, especially the poor and the poorest; lifting the people above the poverty line; eradicating poverty; controlling the exodus of migration and bringing about socio-economic development in the country, particularly in the rural and backward areas.

¹⁸ Omen John & Annamala, V., “Emerging Structures of Panchayati Raj in India”, Indian Journal of Public Administration, New Delhi, Vol. VI, No. XXI, 1999, pp. 40-44.

¹⁹ Bishnu Mohan Das: “Rural Development in India”, New Delhi Publications, New Delhi, 2010; p.111.

²⁰ Bishnu Mohan Das: 2010; Op. Cit., p.111.

Period	Table 1 Rural Development Programme in post- independence era		
	Year of Introduction	Programme	Objective
First Five-Year Plan (1951-56)	1952	Community Development Programme (CDP)	Aim of promoting better living for the whole community in the rural areas.
	1953	National Extension Service	It was launched with an aim for great people's participation and to bring about socio-economic transformation of the rural people.
Second Five-Year Plan (1956-61)	1957	Khadi and village Industries Programme	This programme holds great potential for generating gainful employment opportunities for the rural poor, arresting migration of rural unskilled workers to urban areas and for promoting the strategy of sustainable development.
	1957	Village Housing Projects Scheme	It provides assistance for construction of houses to landless agricultural workers.
	1959	Multipurpose Tribal Development Blocks Programme	Creation of 43 Special Multi-purpose Tribal Blocks (SMPTBs) during the Second Five Year Plan, later called Tribal Development Blocks (TDBs), each having about 25000 people as against 65000 in a normal block.
	1960	Intensive Agricultural District Programme	It is based on the principles of concentration and better management of resources and efforts in potential and responsive areas, with assured water supply. It also ensures the availability of credit and production inputs, adequate research information, training and education of farmers and extension personnel, storage and marketing arrangements and price assurance which would encourage the farmers to adopt scientific methods of farming.
	1960	Intensive Agricultural Development Program(IADP)	To provide loan, high yielding seeds, fertilizer tools to the farmers to increase agricultural productivity.
Third Five-Year Plan (1961-66)	1963	Applied Nutrition Program (ANP)	For promoting production of protective food such as vegetables and fruits and ensure their consumption by pregnant and nursing mothers and children. The idea is to provide better seeds and encourage kitchen gardens, poultry farming, beehive keeping, etc.,
	1964	Intensive Agricultural Areas Programme (IAAP)	To develop the special harvests
	1966	High-Yielding Variety Programme (HYVP)	To increase productivity of food grains by adopting latest varieties of inputs for crops.
Annual Plan, 1966	1966	Farmers' Training and Education Programme	To promote the development of the farming sector by providing farmers training and support for adopting improved production technologies.

Annual Plan, 1967	1961-66	Rural Works Programme	This scheme aimed at providing employment to the rural unemployed in the slack season
Annual Plan, 1968	1968	Tribal Development Block	It aims at overall development of Tribals.
Annual Plan, 1969	1960-1969	Rural manpower Programme	Its main objective was to provide employment to agricultural labour through works based on community action resulting in community assets under the Panchayat Raj organization. Provide employment to 2.5 million persons in areas exposed to pronounced seasonal employment.
Fourth Five-Year Plan (1969-74)	1970-71	Rural Works Programme (RWP)	An employment oriented programme to construct permanent civil works such as soil conservation, roads construction, afforestation; to mitigate scarcity conditions and to promote integrated development in drought affected areas.
	1971	Crash Scheme for Rural Employment	To provide employment to at least 1000 persons in each of 350 districts every year through labour-intensive work and creation of durable assets.
	1971	Small Farmers' Development Agency (SFDA)	Direct attack on poverty, technical and financial assistance to small farmers and too make credit available to farmers of various sizes and agricultural labourers to enable them to use the latest technology, practice intensive agriculture, multiple cropping, and to take up subsidiary activities like dairying, poultry, fishing and horticulture.
	1972	Tribal Area Development Programme	Aimed at the all-round development of Tribals
	1972	Pilot Intensive Rural Employment Programme (PIREP)	To provide additional employment for unskilled labour by creation of assets which have multiplier effect on employment generation through skill up-gradation.
	1972	Minimum Needs Programme (MNP)	It is essentially a programme of investment in infrastructure and human resource development. The objective of the programme is to provide certain basic minimum needs and thereby improve the living standards of the people.
	1972	Maharashtra Employment Guarantee Scheme (MEGS)	To provide gainful, productive, unskilled, manual, adult employment at a minimum living wage in rural areas through labour intensive and durable-assets-producing activities. A unique state-level scheme which tried to offer work to everyone and give practical expression to the right to work.

	1973	Drought Prone Area Programme (DPAP)	Creation of durable assets to mitigate the severity of scarcity conditions and to try an expedient for protection from drought by achieving environmental balance and by developing the ground water.
	1974	Command Areas Development Program	It aims mainly at reducing the gap between the potential created for irrigation to achieve higher agriculture production and the utilization thereof. This is to be achieved through the integrated development of the irrigated tracks to ensure efficient soil land use and water management for ensuring planned increased productivity.
Fifth Five-Year Plan (1974-79)	1975	Twenty Point Programme (TPP)	Poverty eradication and raising the standard of living
	1975	Hill Areas Development Programme (HADP)	Socio-economic development of Hill Areas in harmony with ecological development. Promoting basic life support systems with sustainable use of resources.
	1975	Special Livestock Production Programme	For the benefit of Small & Marginal Farmers and agricultural labourers, the schemes of Calf Rearing, Piggery and Sheep Rearing schemes have been launched to generate additional employment and providing supplemental income.
	1977	Food for Work Programme	To generate additional gainful employment to unemployed in rural areas with a view to improving their incomes and nutrition. Creation of durable community assets by utilizing the surplus food grains. The wages were paid in the form of food grains.
	1978	Desert Development Programme	Aims at integrated development of desert areas with a view to providing the local population better income. Arresting environmental degradation and improving productivity in deserts.
	August 15, 1979	Training Rural Youth for Self-Employment (TRYSEM)	Providing technical and entrepreneurial skills to youth 18 to 35 years old from poor families to enable them to take up self-employment.
	October 2, 1980	Integrated Rural Development Programme (IRDP)	Aims at reduction of unemployment in rural areas and provision of assets and inputs to the rural poor for enabling them to rise above the poverty line on a lasting basis.
Sixth Five-Year Plan (1980-85)	1980	National Rural Employment Programme (NREP)	To provide additional employment opportunities to the rural poor. This is a restructured and renamed FWP. It provides gainful employment during periods of seasonal and sporadic unemployment.
	September 1982	Development of Women and Children in Rural Areas (DWCRA)	To provide suitable opportunities of self-employment to the women belonging to the rural families who are living below the poverty line

Seventh Five-Year Plan (1985-90)	August 15, 1983	Rural Landless Employment Guarantee Programme(RLEGP)	To supplement NREP, provides 100 man days of employment in a year to at least one person in each landless household during the lean season with a focus on women, SC/ST.
	February 1984	National Fund for Rural development (NFRD)	To grant 100% tax rebate to donors and also to provide financial assistance for rural development projects
	1985	Indira Awas Yojana	Providing assistance primarily to the below poverty line, rural households belonging primarily to the SCs, STs and freed bonded labour categories
	Sep.1, 1986	Council for Advancement of People's Action and Rural Technology (CAPART)	To provide assistance for rural prosperity. It supports, promotes voluntary action through community participation.
Eight Five-Year Plan (1992-97)	April 1989	Jawahar Rojgar Yojana with its components: Indira Awas Yojana Development of Women and Children in Rural Areas)Million Wells Scheme	For providing employment to rural unemployed. Merging the objectives of both NREP and RLEGP. It aimed at covering all villages, panchayats, and to create nearly 1000 million man days of employment per year, 30 per cent of which is re-served for women
	1991	Rajiv Gandhi National Drinking Water Mission (RGNDWM)	To provide safe drinking water to all villages, and to give special attention for water supply to SCs and STs.
	October 2, 1993	Employment Assurance Scheme (EAS)	To provide at least 100 days of employment for 2 members from each poor households.
	1993	District Rural Development Agency (DRDA)	To provide financial assistance for rural development
	1995	National Social Assistance Programme	To assist people living below the poverty line
	1997	Ganga Kalyan Yojana	To provide financial assistance to farmers for exploring and developing ground and surface water resources
	April 1999	Swarna Jayanti Gram Swarozgar Yojana (SGSY)	To bring the poor families above the Poverty Line by ensuring appreciable sustained level of income over a period of time.
Ninth Five-Year Plan (1997-2002)	April 1999	Jawahar Gram Samridhi Yojana	Dedicated to development of demand driven rural infrastructure and skills to enable the rural poor to increase the opportunities for sustained employment.
	2000	Pradhan Mantri Gram Sadak Yojana	To provide rural connectivity, by way of an all-weather Roads to all unconnected rural habitations having population above 1000 by 2003 and all unconnected habitations having population of 500 and above by end of Tenth Plan period.
	2000	Pradhan Mantri Gramodaya Yojana	To provide shelter in the rural areas to supplement the efforts in the sphere of rural
Tenth Five Year Plan (2002-2007)	2000	Pradhan Mantri Gramodaya Yojana	To provide shelter in the rural areas to supplement the efforts in the sphere of rural

			housing considering the magnitude of the task.
	Sept.25, 2001	Sampoorna Gramin Rozgar Yojana (SGRY)	To Provide employment and food security.
	2002	Swajaldhara	To formulate, implement, operate and maintain drinking water projects by the village community.
	Jan 23 rd , 2004	Social Security Pilot Scheme	Scheme for labours of unorganized sector for providing family pension, insurance and medical assistance.
	Nov14, 2004	National Food for Work Programme	To intensify the generation of supplementary wage employment and create assets.
	2004-05	Provision of Urban Amenities in Rural Areas (PURA)	It is for bridging rural-urban divide and improving the quality of life. It involves four connectivities: physical, electronic, knowledge and thereby leading to economic connectivity to enhance the prosperity of cluster of villages.
	Dec.16, 2005	Bharat Nirman Programme	Development of Rural Infrastructure including six components: Irrigation, Water Supply, Housing, Road, Telephone and Electricity.
	Feb.2, 2006	National Rural Employment Guarantee Scheme. It has been rechristened as Mahatma Gandhi National rural Employment Guarantee Act (MGNREGA).	To provide at least 100 days wage employment to each rural household to do unskilled manual labour. SGRY and NFFWP have been subsumed in NREGA.

As the above table shows, the government of India has adopted many explicit programs and has gained vast experience in the implementation of rural development programmes.

Thus, in post-independence India there are several programmes for rural development were implemented on various names. These programs have been changed or merged into another similar programme which is a continuous process. There were limitations in achieving the goals set by the various programmes. The aims and objectives were realized partially. A partial fulfillment of goals set by earlier programmes needed new programmes. This is a continuous process in almost all rural development programmes either by State or Central sponsored schemes. In this process, a number of schemes including MGNREGA scheme from 2006 to till date.

Summing Up

In order to tackle the problems and challenges of rural areas and people living in villages, Government of India had designed and brought out various frameworks and developed policies for rural development. To tackle the specific problems and also to meet changing requirements of rural areas the Government of India has initiated various programmes. These programmes have undergone considerable changes over a period of time since introduction of Community Development Programme in 1952 to the current scheme of Mahatma Gandhi National Rural Employment Guarantee Scheme. The approaches to rural development and are planning have also changed over a period of time. The shift in emphasis is intended not only to accelerate the pace of growth in the rural sector but to ensure social justice by minimizing wastage and leakages. Government of India has adopted several

strategies for rural development due to which different programmes have been initiated. Structural reform strategy was aimed at bringing changes in the existing unequal socio-economic structures of the society; multipurpose strategy was adopted while initiating Community Development Programme in 1952 which aimed at bringing change in the economic, social as well as cultural life of the villages. Institutional strategy was adopted so as to ensure participation of rural people through creation of people's institutions like Panchayati Raj, cooperatives and financial institutions. The strengthening of the Panchayati Raj provides an opportunity for dealing with the management of local resources and local commons in a more meaningful and sustainable manner. During the late fifties, there was a realization that improvement of the living conditions of rural people was absolutely difficult without an agricultural transformation. Programmes like IADP, IAAP, HYVP, etc. were implemented during these periods.

Further Area Development Strategy, though was slightly successful in facilitating development in the villages; Employment Generation Strategy proved to be the most successful with programmes like Food for Work Programme, NREP, RLEGP, JRY, JGSY, SGSY etc. Social Security Programmes were also introduced during the 1990s and programmes like pension scheme, maternal benefits, were implemented. The studies on development process reveal that most rural development strategies are compartmentalized approaches to development. Taking into consideration the limitation of earlier rural employment programmes and to address the growing need of generating sustainable livelihood opportunities and poverty eradication in rural India, the government has taken a historic move by enacting the MGNREGA, which is perhaps the largest employment generating program in the world. Though, inspite of some ups and downs in its implementation, the scheme benefitted the rural poor in improving their economic status.

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ADOPTION AND EFFECTS OF CLOUD ACCOUNTING IN INDIA: A THEORITICAL PERSPECTIVE

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ABSTRACT

Digital revolution across the globe has influenced all spheres of life. Business and accounting are no exception. There has been a great change in the environment and operations of business management. The recent emergence of internet and smart devices has made it convenient for individuals and business to store and share data. Cloud computing is a concept which promotes the use of technology in accounting practice. This paper deals with the pros and cons of the cloud technology as used in accounting. An effort was made to study the level of adoption of cloud computing in India and the related issues. Another dimension of this study was to get the effect of cloud accounting on the burning issue of fraud detection in accounting; hence we have brought out the impact of cloud accounting on forensic accounting.

Keyword: Cloud accounting, Accounting Practices, Digital revolution forensic accounting

Introduction

The invention of internet and related technologies have revolutionized the world. Going digital is the order of the day. Technology has become the prime area of research. New technologies and inventions are introduced in order to make life easier and connected with rest of the world. Internet has made the transfer and storage of data more convenient. As we have progressed in this field, we have devised many storage and data protection methods. In the past there were standalone PCs and computers where data had to be stored on the hard disk, where the maximum amount of data storage was limited and was also prone to break down and loss. In this background, we can understand that when a small business has so much of data to store and update, the big businesses with unimaginable amount of data files containing sensitive and classified information, would find it very difficult to conduct their accounting and financial transaction processing.

The traditional systems of accounting and data storage have become not only cumbersome to maintain, but also are turning out to be insecure and costly. Advanced

technologies have not only gained importance in the daily life of people, but has also raised the efficiency and standard of work put up by them. The level of multi-tasking software and super-efficient smart devices have brought about a revolution in the social as well as economic life of the people.

A breakthrough in Indian business sector has been seen after digitalization of records and transactions. The government is promoting the use of technology in carrying out transactions and ensuring greater degree of transparency, along with a huge degree of safety to the business secrecy. Today the accountants are not only required to possess accounting knowledge but should be skilled for information technology as well. In fact, basic working knowledge of computers and hands on technology has to be the key qualification of any employee who wants to grow in his career. The main issue however, remains the same, even after so many innovations in this field and availability across the globe, whether the Indian business is prepared to adopt the cloud accounting totally. If this system of accounting is successful globally, can it really make a difference in the level of competencies in India

as well? The recent past has seen the growth of cloud computing across the globe. Various software companies like Oracle, IBM are providing such services to the business sector in order to manage their accounting procedures. In the discussion below we will find out how far India has been able to adopt to this technology and how it has been an advantage to business all over the world. The other aspect of this paper will also cover how far cloud computing has affected the forensic environment, the most crucial part of accounting today and the changes that need to be made, for making the cloud environment more adaptable and suitable for forensic investigations.

Literature review

Gray et al. (2002) reiterated that the demise of the Arthur Andersen firm which was directly related to Enron and probably brought the accounting profession to the fore more than any other single incident. Consequently, Sarbanes-Oxley Act was made a law. Crumbley et al., (2009) said that the scandals and fraud brings the image of accountant under scrutiny, but forensic accountant gets a lot of respect. They highlighted that the primary objective of the Sarbanes-Oxley act is to prevent the repeat of financial frauds. They also pointed out that forensic accounting is not a new discipline but is one which is rapidly gaining importance in the accounting and legal communities. Casey, 2004, cited that digital forensics is 'a process of identifying, preserving, analyzing, and presenting digital evidence in a manner that is legally acceptable' Mc Kimmish (1999). Grispos et al., (2012) argued that cloud computing poses challenges with respect to existing processes of digital forensics. Reilly et al., (2011) highlighted that from the forensic perspective, cloud computing has not been fully considered in terms of its forensic readiness. Ruan et al., (2009) commented that investigator will have decreased access to relevant log files and meta data at all levels. VoLonino et al., (2007) found out that with any forensic investigation, fraud and accounting cases involve creating a complete reconstruct of the incident in question. Sibiyi et al (2012), pointed out that it is impossible to replicate the above process in the cloud environment as it is

difficult to locate and acquire the forensic data. Walden (2004) highlights that challenges relating to digital forensics hinder data acquisition in the cloud include distributed storage, protected data and identity.

Objectives of Study

The study will be covering the following basic objectives:

- To understand the concept of cloud computing and cloud accounting
- To discuss the advantages and disadvantages of adopting cloud accounting
- To understand the Indian scenario of cloud accounting
- To analyze the affect of cloud environment on the forensic accounting practices

Cloud Accounting

The term cloud has been used in current internet based technologies referring to a space, whether public or semipublic that exists between the end points of the transmission lines that transfers data. Cloud computing therefore necessarily means the computing done through the use of internet. In case of cloud computing the computing resources are shared as opposed to maintaining personal servers and storage devices. It is a technological service which provides server storage and application management to an organization's computers and devices through the internet. For example, Gmail is a kind of cloud computing technology where the user simply has a log in Id and password and can access the data and files stored in it anytime by the use of his smart phone or tablet, which has an internet connection. In this case all the data and files are stored on the cloud. This enables the users to access the oldest data as well, which otherwise would be an issue to store and maintain. This feature of anytime anywhere access of the cloud has given it a great deal of importance in the business world also. Initially e-mail was supposed to be the life blood of business communication because of its accuracy, speed and safety. Now the same technology has entered into the field of accounting as well, where we see various cloud

computing accounting software gaining popularity amongst not only big business but even the growing ones too. In cloud accounting data and accounting records of a business are saved on a remote location in virtual form generally on shared servers, the cloud computing accounting is a sort of software based revolution which gives the business an opportunity to simply enter the transaction record and then get the data processed and transmitted back. All this processing and storage happens on a remotely located server and not on the desktop of the user.

The cloud accounting therefore can be said to be a digital revolution in the field of accounting and business which will help the business world in focusing more on the task to be performed rather than bothering about the ways and means to protect and process data and accounting records. It will change the way accountants work in the society and will be convenient for everyone to access and share.

Advantages of Cloud Accounting

With the advancement of time and technology it is absolutely essential to cope with it and maintain the efficiency and speed required to deliver the expected competencies. There are many advantages of shifting to the cloud computing accounting they are:

- **Convenient Access** : The data stored on the cloud can be conveniently accessed even on the go, all that is required is internet connection and a smart device like a phone or a tablet. Therefore cloud accounting will become handy and provide hassle free access to data even when the owner is on vacation or on the go. At the same time large number of members can access the data simultaneously without any loss of efficiency or compromise on safety. For eg the sales can be updated real time
- **Affordable and quick** :: The cloud computing accounting gives services to the business of storage and processing of data which helps the business to avoid the maintenance of separate storage devices and multiple hardware supports, which not only cost high but also need heavy maintenance. Under cloud computing the data can be entered automatically on the cloud without incurring huge cost. At the same time the cost can be adjusted according to the services taken by the

business from the internet service provider. Moreover, the data can be stored in virtual form on remote server this will enable the business to become free from that tension and focus on other important issues rather than worrying about the storage devices and maintenance cost. There is no need to hire a team of experts to handle the IT related issues since all of it is taken care of by the service provider. Since, the business apps are very expensive so this comes as an economical deal, the utility related expenses including those related to updation and maintenance are to be borne by the Cloud Vendor.

- **Secured and reliable** : Since the data is stored on a remote server with access only through proper authentication of ID and password, the cloud accounting can be said to be very safe and reliable, providing access only to those who are authorized to use it.
- **Better Client relationships** : There is a concept of single ledger in which the clients and business are linked together. The clients can have access to the data related to him and can be aware of the balances he has to pay or receive at any point of time. This creates a constant communication with the client and maintains cordial relationships with the client, without any transparency issues. Therefore, we see that the merits of adopting this system of accounting gives a lot of flexibility to the business to focus on other important projects and aspects of the business without bothering for the issue related to maintenance of data files etc.

Demerits of Cloud Accounting

There is always a dark side to everything. Similar is the case with cloud accounting. There are certain demerits of using cloud accounting they are:

- **Technological issues** : The most important requirement for a cloud accounting is that it has to be updated and advanced regularly. This is a prime issue in India, since the country is still technologically backward and there are still many areas in the country which face the issue of non-connectivity and non-electrification
- **Immature Indian Market**: The Indian market does not have the acceptance and understanding of the cloud mechanism. Although, a few

players from the service provider segment such as Tata Communications, Wipro and NetMagic have announced services that are likely to evolve into more stable cloud offerings. The consumers are also not aware of any such technology or are not well versed with it, therefore the spread of the technology seems to be a farfetched idea.

- **Security of data:** The cloud is a shared server and has limited access on the basis of the passwords etc., yet it is always susceptible to intrusion or hacking if the privacy policy or other instructions are not followed. Therefore, there is always a risk of data loss and leakage.
- **Nature of vendor and service:** Since cloud computing is a relatively new technique, therefore the vendors are not aware of the basic working requirements of the companies. There is also a challenge with respect to the standards that are required to be adhered and the best practices in this technique are still in the developing stage. It is also very important to have a service provider who has good a track record and can provide quality services ensuring security and speed of data.
- **Trained Employees:** In case of cloud accounting application it is very important to implement it through technically trained staff which is not only well versed to work on it but also has a knowledge regarding ways of maintaining safety and security of the data. Looking at the demerits it can be said, that every business should conduct a proper due diligence before fixing up the kind of service it wants to avail and then buy the required system from the IT service providers.

Adoption of Cloud Accounting In India

With the promotion of digitalization in the country and emphasis on the maintenance of electronic records of transactions, India has become very active in adopting the cloud mechanism. Moreover, it also helps in upgrading the business by letting the owner stay more focused on the growth and prospects of business along with being more cost efficient. The main reasons why India is moving forward with a fast pace for cloud services is the flexibility in the services provided by the vendor in cost and variety, the promotion of electronic advancement by the government and the precedence that has proved that cloud

services are now essential for any business to improve its efficiency and focus. In a study done by Gartner it was found that public cloud service sales are worth 24.54 billion INR in 2013, which is a 36% increase compared to 2010 figures. The Gartner study also predicts that the business potential of cloud computing in India will touch 89 billion INR by 2017. If we take the example of the Indian manufacturing sector the use of IT has increased over the years. Some of the most notable application areas in manufacturing suited for cloud are CRM and supply chain applications. The manufacturing sector poses many challenges, like cost control, database management, forecast for product range and analysis of demand etc. All of these issues can be handled by cloud services. The national government has launched the Digital India scheme under which it is promoting the use of technology in every sphere of life. The government wants to develop the business and the IT sector as well. Digital India project provides potential opportunities for cloud adoption at a cost of \$19 billion between 2014-2018. By this, both the public and private cloud markets are going to increase their spread and have huge potential of growth. The availability of internet at competitive price, smart devices and expert technical help in India along with the growing IT sector has made India very suitable to spread the cloud computing environment.

Forensic accounting and cloud computing

An increase in the volume and impact of financial reporting scandals leading to a loss in shareholders' wealth led regulatory bodies to focus on all aspects of financial reporting. Frauds such as Worldcom, Enron and others questioned the working of accountants but at the same time forensic accountants were getting due respect. Forensic accounting is an action of identifying, recording, settling, extracting, sorting, reporting and verifying past financial data or other accounting activities for settling current or prospective legal disputes. In a rapidly growing IT phenomena where cloud computing is gaining significance, it can prove useful in having a digital evidence during criminal investigation. Digital evidence in a digital format which may be IP address, computer virus, email, voice mail, log file, cookie, digital image etc. Although cloud

computing becomes useful in terms of increased flexibility, reduced costs to name a few, yet there are issues related to privacy, security, and lack of control in case company adopts cloud computing. Moreover, the forensic accountants are not IT trained professionals and are not expert in digital forensic. In fact they work alongside other experts to have more than other understanding. Hence, forensic accountants face a lot of challenge in cloud computing environment with respect to the evidential integrity within cloud computing. There are many issues related to lack of appropriate software, investigative procedures and methodologies for conducting cloud forensics. Cloud computing provides IT services and there are three main levels of service for users –

1. Software as a service (SaaS): where customers use software on a pay basis and have no ownership over cloud infrastructure.
2. Platform as a service (PaaS): it's a cloud hardware coupled with a software environment.
3. Infrastructure as a service (IaaS): Here, infrastructure is hired in terms of operating systems, networks, servers or storage.

These three systems influence the investigators method of collecting the evidences. Also, the deployment models equally affect the way the evidences are collected especially when the data is stored at different geographical locations. Geographical location poses a barrier as every country's rules, procedures and legal framework is different while gathering evidences. In all, cloud service and deployment models decrease access to forensic data. There is a lack of guidance regarding methods and software tools to acquire digital evidences and hamper cybercrime investigations. Also, there is a huge pressure on forensic accountant with respect to loss of control over forensic data. The greatest challenge for investigators will be at times forging ahead without best practices to back them up.

Conclusion

The study has revealed the pros and cons of adopting new way of looking at business and

accounting. The discussion has led to conclude that the use of cloud computing gives a world of opportunities to the business where affordable and safe access to data can be had by multi users without the loss of time. With India advancing towards the technological era and adopting the globalized environment, it is absolutely essential for the Indian business to shift to the cloud technology. Moreover, the government expects all small and big business to grow, at the same time become more transparent and competitive globally. This makes it all the more essential to provide a safe and efficient cloud environment in the country. In respect of forensic accounting, the guidelines and standards for enabling proper forensic investigation are still to be introduced in the cloud computing scenario. The access to digital evidences and sound fraud detecting software will ensure hassle free investigation. With the changing pattern of accounting, there is also a requirement to change the pattern of investigation, by introducing more mandatory compliances and lucid procedures for conducting investigations.

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FUTURE OF CONSENSUAL DISPUTE RESOLUTION IN INDIA

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ABSTRACT

The objective of using Alternative Dispute Resolution (ADR) is to solve aroused conflicts in a cost effective and easy manner, while insuring a long term and healthy relationship. ADR tends to find different ways (beyond regular litigation) which can act as a suitable substitute of litigation and can resolve grievances and disputes, ADR is a procedure that is widely recommended in order to reduce the countable numbers of cases by providing a cheaper, less adverse and economical type of justice that is quite semi-formal and less complicated in nature. Even Judges recommend ADR to reduce the number of court cases. The development of the information and the communication technologies which are especially based on internet communications has permitted the ADR services for moving into a whole new online virtual mechanism called online dispute resolution.

The paper explores the role ADR can play and will try to explore the future towards the consensual dispute resolution out of the courts.

Alternative Dispute Resolution is regarded as a grievance solving system outside the doors of the court of the country which is but brought into action by the State or the Sovereign. Alternative Dispute Resolution is defined as the collected description of the system or mechanisms that gives the parties the freedom and flexibility to solve disputes with harmony and with ease instead of taking it to the court for claim via the formal procedure of the court. Alternative Dispute Resolution is an alternative to the civil judicial system within the country for redressal of disputes. It has become a significant aspect of civil justice procedure and has developed and enhanced over the past years.

ADR is the result when the search is of a simple, fast and flexible dispute solving system. The main objective of ADR is to avoid vexation, high expenses and time consumption in decision making which has made it the ideal form of seeking Justice, 'ADR or Alternative Dispute Resolution' is regarded as a way which is capable of giving an alternative of the conventional modes of solving disputes. An alternative is a privilege of opting one of two modes offered as one's choice. It doesn't mean the choice of a substitute court but a substitute which is an alternate to conventional court procedures and which can be operated outside the court. The Alternative Dispute Resolution

techniques are conciliation, arbitration, mediation, hybrid procedures and negotiations. ADR is now being highly acknowledged in the law field and in commercial sector. The reason being the origin of ADR or Alternative Dispute Resolution is the tiresome procedure of the court which is high on expenses and are not always adequate. Over the past years, there has been a phenomenal growth both in the science and the technology field that has made a huge impact on the commercial life and business sector by increasing the level of competition in the world. It has also generated a deep concern regarding consumers and awareness towards the protection of consumer rights. The judicial system does not give response to new atmosphere that beholds problems concerning commercial world. Thus Alternative Dispute Resolution has emerged alike a new way of resolution towards the disputes at both domestic and international level.¹

Our country has been the one of the first which has introduced Alternative Dispute Resolution in the form of a mode of conciliation which has been recognized by the law. All the parties towards an industrial or commercial dispute who have faced the misfortune by going through tiring court procedures knew that it is tedious and the one which can go beyond the

life span of beneficiaries. This the factor that has played a huge contribution towards the success that conciliation enjoys in matters of industrial relations.

Modern Alternative Dispute Resolution has been a voluntary mechanism in which two or more parties enter and through a structured negotiation resolve their disputes.

TECHNIQUES OF ALTERNATIVE DISPUTE RESOLUTION

NEGOTIATION

Negotiation is regarded as one of the best alternatives of the formal dispute solution mechanisms. In negotiation, a party can settle down the disputes through a casual discussion with the other party directly or discussion of the matter can be conducted through the help of representatives. The parties of a dispute have a choice to either monitor on their motion and start a procedure of negotiations via correspondence or via one or more mediators so that a mutually acceptable solution can be found out. Negotiation, however, excludes the involvement of any authority which might have the obligation to apply any particular regulation to the conflict in dispute. Negotiations is a dependent form of ADR that works on the bargaining power. The advantage with negotiations is that it saves a lot of time and hence it is one of the highly practiced forms of ADR.

ARBITRATION

Arbitration is a procedure in which a dispute is submitted, by agreement of the parties, to one or more arbitrators who make a binding decision on the dispute. In choosing arbitration, the parties opt for a private dispute resolution procedure instead of going to court. Unlike litigation, arbitration takes place out of court: the two sides select an impartial third party, known as an arbitrator; agree in advance to comply with the arbitrator's award; and then participate in a hearing at which both sides can present evidence and testimony. The arbitrator's decision is usually final, and courts rarely reexamine it.²

MEDIATION/CONCILIATION

Mediation is regarded as a process through which the disputing parties can engage in assistance with a neutral party or third party

who will act like a mediator. The mediator, a facilitator who might in some mediums of mediation provides a non-binding analysis of the key points of the conflict or disputes, if needed, but cannot make or order any binding or mandatory to follow adjudicatory decisions. Both the parties here are free to analyze the law and facts, or to get a reference as to what is in law, its important factors and when to walk out or withdraw without decision when any one of the parties doesn't like what is offered.³

LOK ADALATS

Lok Adalat or Peoples court is a forum in which there are voluntary efforts made with the aim of attaining settlement in disputes between two or more parties through pervasive and conciliatory efforts '. The 1987, Legal Services Authority Act, provides a set up for the Lok Adalats. The Lok Adalats, thus, is an increased or extended type of conciliation where the parties or disputers are assisted by judges which basically avoids inordinate delays and tiresome proceedings in a formal adjudication mechanism so as to clear all the backlog of cases. A key feature in the present module of the Lok Adalats is a case can be registered in Lok Adalat only with the consent of the claimant. Moreover, Lok Adalats doesn't follow any rule of restitution *integrum*.⁴

OMBUDSMAN

Ombudsman is regarded as a public sector institution established through the legislative branch of our government in order to supervise all the administrative activities of executive branch. The judicial ombudsman enjoys the power of investigating complaints from persons that the administrative activities of the government are being conducted in an illegal or unfair manner, make findings whether or not there has been wrong doing based on the results of the investigations, and make recommendations for improvement if improper administrative conduct is found. Typically, the ombudsman has no power to make decisions that are binding on the government. Rather, ombudsman uses persuasions to attempt to obtain implementation of the recommendations made for change in administrative conduct. In addition, the ombudsman may also have the authority to recommend changes in laws and regulations. In addition, the ombudsman can use publicity to highlight problematic

administrative activity through the medium of annual, and sometime special, reports to the legislature.

ADVANTAGES AND DISADVANTAGES OF ADR

ADR consists of various techniques which are being utilized to solve disputes through a structural procedure with a third party interference. Alternative Dispute Resolution system tends to avoid the rigidity or inflexibility of the traditional or orthodox procedures. The Technique used in ADR always does an effort that it succeeds in designing a workable, semi-formal and fair substitute or alternative of our old judicial system. Our traditional system which courts use to resolve disputes is tiresome and complex. With a drastic and tremendous increase in the population, number of court cases also increases day after day and thus to provide a quick disposal to these cases, it is but required that the court no more remains overburdened by thousands and thousands of cases, so, for this ADR mechanisms is being proceeded for quick solving of cases.⁵

The framework of the ADR mechanism has emerged in a comprehensive manner. However, its success solely depends on will of those people who work it in a right spirit along with a good faith. All the parties have to be made aware and educated about the advantage of adopting ADR mechanism. The reason lay down in front of the ADR mechanism was that society or state or the parties are equally liable to solve the dispute quickly before it starts to disturb the peace of the family or business community or society or humanity as whole.⁶

Advantages:

1. ADR can be utilized any time or stage even if a case has been pending in a Court.
2. ADR can be utilized to reduce the numeric value of the contentious disputes among the parties. It can also be terminated by any of the parties at any particular stage.
3. It can give a better resolution to dispute expeditiously and that to at lower cost
4. ADR helps in maintaining the secrecy of the dispute and provides suitable solution.

5. ADR is said to be flexible and isn't governed by rigorous procedures.
6. Freedom of the parties towards litigation isn't affected through ADR proceedings. A failed ADR procedure is not a waste in monetary terms or times given to it, as it helps the parties to show appreciation to each other's situation better.
7. ADR is utilized with and/or without the lawyer. Lawyer however, has a useful role identifying the contentious issues, positioning the strong and the weak points of a case and rendering an advice during the negotiations and the overall presentation of the case.
8. ADR tend to reduce the work load of the courts and thus help them in focusing attention towards other cases.
9. ADR procedures give the permission to choose the neutrals who serve as specialists during the entire procedure of the subject-matter.
9. The parties have the right to discuss the difference of opinion they hold that to without fear. ADR gives them the feeling that the grievances have been redressed and their relationship with the other party is restored.
10. ADR system however is apt in making a much better future. It builds the way towards further progress.

Disadvantages:

There are situations where ADR is not appropriate, and can even carry high degree risk for any one or both the parties. So, it becomes important for advisers to make use of their professional judgmental skills in each of the case and this section highlights the key factors that should be kept in consideration.

1. There might be an unstable situation of power among the parties that could lead to face-to-face mediations unfair. This can include family as well as neighbor mediation of violence or threat to cause violence. It also includes mediation between individual and large organizations like local authority etc. where the resources of organization can put the benefits of the individual in danger.

2. There might be any urgent need that requires a quick and immediate legal aid which ADR might fail to give.
3. The resolution of mediation and of ombudsmen doesn't provide a legally valid and binding, properly enforceable outcome so the decisions might not act as per expectations.
4. Human rights and Legal rights can't be resolved using ADR processes
5. The investigations done under ombudsmen can be slow.
6. Though an ombudsman tends to make compensations award but are lower than likely to be achieved in the court.
7. There aren't any consistent quality regulation or standards for the ADR providers and hence it can become hard for advisers or clients to know the right way of choosing a good service.
8. Whenever a dispute has difficult legal angles, then a mediator or arbitrator is mostly unlikely to accquire the same level of legal expertise or knowledge like a judge. These disputes tend to be of different situations like commercial conflicts or social conflicts or legal conflicts and so many others and judgment in it requires some specialized mediator/arbitrator.
9. The decisions of the arbitrator require the action of a court if any of the parties denies to accept the decision taken by the arbitrator. This will create a great chaos and will also make it mandatory to get a review from the court.

ADR, many a times raises a question of being bias of the decision of the arbitrator. Moreover, there is limited opportunity of judicial review by the court of the decision of an arbitrator. Such as in circumstances where the court might dismiss the award of an arbitrator if it feels the issue was not in the scope and premises of arbitration agreement.

1. ADR AND THE STEP FORWARD

The laws related with arbitration is contained in the Arbitration and Conciliation Act, 1996. The Act came into action on January 25th, 1966 and tends to provide solutions on the matters that cover the domestic disputes, international commercial disputes and disputes regarding the enforcement of various foreign awards. ADR today has been being highly acknowledged in

the law and in the commercial sector because of the reasons associated with the origin of ADR as a resolution which has indeed given a haul to the tiresome procedures of litigation, minimization of cost and reducing the inadequacy of the systems of the court. Within the past few years, there has been a phenomenal growth and development in the field of science and technology which has indeed made a significant impact over the commercial life and the increasing competition level on the global platform and has also generated a deep concern regarding the rights and interests of the consumers' worldwide.⁷

We can say that effectiveness of our present module of Alternate Dispute Resolution Mechanism can surely be questioned. From Arbitration to Lok Adalats, from Nyaya Panchayats to Conciliation, no single mechanism has the ability to fulfill the needs and wants of the current situation the country is going through. It will not be wrong if we say that the ADR system doesn't fit well in the Indian legal mechanism. Here, ADR processes like conciliation or mediation aren't that effective, the reason being a mediator or a conciliator doesn't enjoy the power of ordering a party in respect of appearing and defending a claim. Moreover, a mediator or a conciliator isn't compelled of losing the side and comply along with the decision. There are times when the desire of remaining on friendly terms with the opposite party and to safeguard the other party's reputation requires an incentive to be submitted to the ADR process so as to claim their rights.⁸

Alternative Dispute Resolution system is an addition to the courts and very well complements them. The traditional mechanism of resolving a dispute is afflicted by inordinate delays. But these backlogs and these delays have appeared to be highly accentuated from today's modern-India. ADR system plays a significant role in minimizing delays and pendency in courts. Indian civil justice mechanism serves to the interests of the diverse and highly exploding population, which is the largest democracy in the world and the seventh largest market at the global platform. There is an estimation of a backlog of nearly 25 million conflict cases and a reported delay of hearing dates in certain urban areas extend to around twenty years and is currently undermining the

effective enforcements of these substantive civil as well as commercial rights. Backlogging and delaying have been a broad political as well as economical implication for our Indian society. However, if India fails in facing and meeting these challenges, then it will be unable to realize its legal commitments towards democratic as well as the liberal economic ideologies fully. In dispute cases like vehicle accident claims, victims might require the money of the compensation to be given without any delay so as to meet the medical and various other expenses. Matters like this, Alternative Dispute Resolution system like People's Court can help the victims in obtaining a speedy relief. The ultimate analysis might conclude that the increasing gap between common people of the country and judiciary is a matter of concern and indeed is a serious issue of worrying for all who deal in administration and justice. With effective utilizations, the ADR systems can go a really long way and can help in bridging the gap which is making the path of obtain justice a hard one to walk on. The various concepts of substitute modes or methods of dispute solution should be ingrained deeply in litigants, judges and lawyers mind so that it can be ensured that the ADR methods of dispensation justice are being frequently adopted. An awareness is need to be crafted and created amongst people regarding the utility of Alternative Dispute Resolution and parallel to it steps are need to be taken in order to ensure development of personality which will be able to utilize ADR methods more effectively with much better integrity. In our Preamble, words like justice or liberty or equality or fraternity are referred as the pillars which make the base of the infrastructural, supporting the entire Indian system in building up. Breaking or tampering or weakening of even one of the pillars would damage our entire structure as everyone is somewhat a fundamental pillar so each is interlinked with the other and hence they together form a single interdependent truth..

The mechanism of dispensing justice within the country has was under huge stress because of different reasons, the basic one being the large pendency of dispute cases in the courts. In our country, the numeric value of cases registered or filed in courts has increased tremendously in recent time and thus has resulted in pendency which leads to delays and thus underlines the

requirement of alternative dispute solution methods.⁹

Alternate Dispute Resolution or ADR has been rapidly developing on both national and/or international level and is offering a much simpler method or modes of solving disputes. The increasing trends of ADR procedures have easily been inferred by the growth of "The Arbitration clause" at a majority. Moreover, there has been significant growth and development in the numeric value of the law school educational courses or diplomas or seminars, etc. which highly focus on alternate dispute resolution (ADR) as well as the rationalization of its effectualness at a wide range of grievance and conflict in society.¹⁰ Increasing mobility as well as the growth in online marketplace has significantly multiplied the possibility and opportunity for the consumers and the businesses to enter into transactions from distances and that to without regarding any heed to the geographic borders or local cultures or the legal frameworks. However, such benefits, raise many challenges like how to resolve potential disputes in an effective, accessible and fairly way. Thus, Arbitration is often considered an essential part in the process of dispute solution between commercial parties now a day. Even in the non-commercial cases also arbitration or the other alternative dispute resolution systems are being used now days. But, gradually an ADR mechanism has also become time taking and quite expensive nowadays. Thus, now the commercial world is looking forward towards the information and the communication technology (ICT) as a better and faster option than ADR.¹¹

Online dispute resolution or (ODR) has been emerging as a substitute to Alternate Dispute Resolution which has been primarily driven by technology. Perry4 Law and Perry4 Law Techno Legal Base (PTLB) has-been working on this field of legal usage of the ICT mechanisms in our country and even globally and that the legal enablement of internet governance in the country and in abroad. Just to strengthen out the initiatives of Perry4 Law and PTLB, ODR have decided of taking s crucial steps towards the development of the E-Courts and E-Judiciary and ODR India and even Online Arbitration etc. It lists down various advantages in comparison to traditional judicial

methods, ADR methods. But, ODR in our country is still emerging.

Perry⁴ Law and PTLB advises that the country shall speed the process of adopting the ODR so as to resolve various e-commerce and various international commercial conflicts. Cyber commerce conflicts resolutions in the country might be resolved by using ODR system in the future. The Electronic delivery system of justice used in the country somehow failed. Moreover, there has been no other opinion so e-delivery of justice in the country is needed. Adding on, e-courts or ODR in the country is also required.¹²

There might be certain restrictions in existing arbitration norms on development of an online arbitration, however these restrictions doesn't serve as substantial obstacles. As we witness development in laws regarding the Internet or e-commerce or arbitration, we get to encounter a spacious area appropriate for the process of development of the e-commerce and the online arbitration. By taking precautions, agreements of arbitration can have a conclusion of electronic modes and arbitration processes can very well be conducted through electronic means, inside the framework used by the current national laws or international treaties. This online arbitration along with its utility and usefulness is a possibility that to without law reforms which people doesn't feel secure until and unless placed in a proper legal framework. Therefore, law reforms here are an urgent need. The various Jurisdictional issues of cyberspace have been a matter of concern. There isn't a quite close connection of this particular issue with the success of the online arbitration. Online arbitrations are suitable and are often resorted into resolution regarding cross border dispute, and no law reform at the national level is ready to be an answer to this menace. So, at an international level, a suitable and proper law reform highly recommended.

Online dispute resolution mechanism presents a much more realistic as well as practical solution of the growing needs and demands of Internet community. Moreover, it also provides a speedy resolution which is convenient and which eliminates the complex jurisdictional as well as choices of law problem and has been the potential holder to become economically viable. The numeric value of people that make use of the cyber world grows and so is an increase in

the disputes. Therefore, the current services trying to curb the demand but certain problems must be tackled beforehand like jurisdiction or confidentiality or decision enforcement, etc. an urgent requirement to address the above listed issues is being witnessed so that to obtain maximum benefits and acquire a better system for resolution of new breed technology related disputes.¹³

There are many possible steps which can be taken to bring the concept or practice of Online Dispute Resolution globally. Advancement in the technology can very well be utilized in a different way so as to help in decreasing the discrepancy which often exists strong between the parties to a commercially-based ADR. Firstly, and most importantly, proper usage of technology leads to a strict format utilization for dispute resolutions via internet and creating an in-depth tutorial which would serve as a guide to the parties through the process. Moreover, Technology also serves more beyond making a format for the online dispute solution website by making it more understandable. Advancement in the field of technology can be used for simplifying the negotiation procedures of different sections of the nation—or of the world. Moreover, the present system of e-dispute resolution will get great benefits from the increased government involvement. The involvement of the government comes in variety of types which include creation of module rules or creating a certification board of online dispute solution providers, and judiciary that control the contractual clauses which requires consumers for entering into a mandatory arbitration regarding commercial disputes.

While the world is becoming closer and much freer from physical boundaries via the virtual and cyber world, there is a huge scope of obtaining uniformity of laws and application of them uniformly across the globe. Besides the success of the ODR mechanisms, it wouldn't be a farfetched thought of conceiving an online International Court for justice so as to meet demands of cyber disputes but it would be requiring a political reconciliation to be done between the main trading block and will surely take time. The Government shall rather consider the process called accreditation so as to make sure that all the policy goals as well as consumer protection and welfare are properly

achieved. Government shall work in the direction of international cooperation, coordination and towards development of the international codes and standards at the best possible practice. Lastly, we can say that the importance or necessity of Alternative Dispute Resolution together with ODR has been increasing and growing in society at both national as well as international level so various initiatives must be taken for ample development in all of these fields and make the society benefited and curb the numeric value of pendency cases in courts. If our country desires to become a hub and a large platform for the international commercial conflicts and dispute solution as well as a large pool of online commercial and industrial arbitration, so it must begin investing in the ODR along with e-courts as quickly as possible.

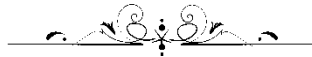
CONCLUSION

The emerging alternative dispute resolution mechanism indeed has been a significant movement being a part of the conflict management system and the judicial reform, and has become a worldwide necessity. Such specialized devise machinery is described as “Appropriate Dispute Resolution” and “Amicable Dispute Resolution” as it stresses upon the non-adversarial ideology. In disputes which are arising across the national frontiers and covers the private international law, Alternative Dispute Resolution has been of a special significance which has very well combat the difficulties of application of laws, implementation and enforcement. ODR mechanism in essence does not only provide a promising system for dispute resolution globally, but also serves like a facilitator of worldwide harmony and proper e-commercial interaction, development and growth.

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NATURE OF NISHKAMA KARMA

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Normally today we are living with buys life. We don't have any time to think about other life. We are doing work to satisfy our needs without needs or wants we won't work. In this situation it is necessary to think about ethics. Hence ethics is nothing but it is study of human behavior. As pertaining to acts. There are different kinds. It may be classified as obligatory, permissible, and prohibited. While we are living in a particular society it is necessary to follow some of the rule which is accepted by a particular society. In Indian philosophy mentioned that karma yoga, kamabhandan, means it is samsara which follows not only life but also one their life. It follows even after death. As mentioned in the Bhagavad Gita we must work all work is by nature composed of Good and evil. Every work must necessary be a mixture of good and bad. Good and bad evil both have their results, will produce their karma, Good will entail upon good effect bad action bad but Good and bad both bondages of the soul. The solution reached in the Gita in regards to this bondage producing nature of work. That is if we do not attach ourselves to the work we do it will not be binding effect on our soul work without attached. This is the one control idea in the Gita then how we have to work, we should work without attaching to the truths, work for work shakes. One must not think about its truths one lefts. In the present situation we are working as selfish we don't think about others, in this situation it is necessary to think about nature of niskama karma and implementation of Niskama karma.

To attain this non-attachment is almost a life-work. But as soon as we have reached this point, we have attained the goal of love and become free; the bondage of nature falls from us, and we see nature as she is; she forges no more chains for us; we stand entirely free and take not the results of work into consideration. If you can invariably take the position of a giver, in which everything given by you is a free offering to the world without any thought of return, then will your work bring you no

attachment? Attachment comes only where we expect a return. Now you see what Karma-Yoga means; even at the point of death to help anyone, without asking questions. Be cheated millions of times and never ask a question, and never think of what you are doing. Never vaunt of your gifts to the poor or expect their gratitude, but rather be grateful to them for giving you the occasion of practicing charity to them. Thus it is plain that to be an ideal householder is a much more difficult task than to be an ideal Sannyasin; the true life of work is indeed as hard as, if not harder than, the equally true life of renunciation

The Bhagavad-Gita that immortal song celestial is a perfect book of harmony. Sri Krishna, himself the veritable embodiment of harmony, instructs Arjuna about these twin ideals with telling effect. He also points out how the benefit of spiritual realization flows out into excellence in work, with the later following as a corollary to the former; at the same time, excellence in work is the one manifestation by which to judge or understand one's spiritual attainment.

As a case in point, let us take up the second chapter of the Gita. This marks the very beginning of Sri Krishna's teaching. Let us have a quick look at the background first. Arjuna is one of the most efficient warriors of his side and is almost the chief of his army. He is leading his troop of soldiers to the war. He is oozing confidence and valour. He asks Sri Krishna, his charioteer, to position his chariot in the middle, so that he would be able to see the warriors arrayed on the opposite side. The fighter in him, his roused to the peak. His righteous rage has almost turned white hot. In a burst of indignation, his eyes sweep the opponent army. It is at that very point that he breaks down pathetically, seeing among the opponent warriors what he thinks are his own people his relatives, kinsmen, dearest ones, his very own! He is overpowered by hridaya durably (weakness of the heart) and declares that it is better to lead a mendicant's life than fight this war. Shankara, commenting on the

verses describing this pitiable condition of Arjuna, Says that Arjuna was over some with delusion (moha)

There is a wonderful definitions of Yoga given by Sri Krishna in the Bhagavad-Gita (chapter 2, verse 50), "Yoga is dexterity in work". This is the excellence that the Gita speaks of to the extent we could remain in communion (Yoga) with our higher nature or divinity though working outwardly, we would be said to have achieved excellence in work. In fact, work itself would become for us a means of communion. Our communion with our higher spiritual nature, called the 'manifestation of the divinity already within', will then be reflected in the excellence or perfection in the performances.

It may be highly relevant to compare notes with Swami Vivekananda's teachings on "work and its Secret" in her famous introduction to the complete works of Swami Vivekananda,

We often talk of right and justice, but we find that in the world right and justice are mere baby's talk. There are two things which guide the conduct of men; might and mercy. The exercise of might is invariably the exercise of selfishness. All men and women try to make the most of whatever power or advantage they have. Mercy is heaven itself; to be good we have all to be merciful. Even justice and right should stand on mercy. All thought of obtaining return for the work we do hinders our spiritual progress; nay, in the end it brings misery. There is another way in which this idea of mercy and selfless charity can be put into practice; that is, by looking upon work as 'worship' in case we believe in a Personal God. Here we give up all the fruits of our work unto the Lord, and worshipping Him thus, we have no right to expect anything from mankind for the work we do. The Lord Himself works incessantly and is ever without attachment. Just as water cannot wet the lotus leaf, so work cannot bind the unselfish man by giving rise to attachment to results. The selfless and unattached man may live in the very heart of a crowded and sinful city; he will not be touched by sin.

In the light of the above discussion, Swami Vivekananda's saying such as "if as fisherman thinks he is the Atman he will be a better fisherman and if a student thinks he is Atman he will be a better student" as well as Sri Ramakrishna's saying about an expert dancer

not taking a false step, fall in their perspective. Our journey towards perfection, or what Swamiji would call, the manifestation of the Divinity already within us, involves purifying of all our basic tendencies and instincts. Thus, there is a long process of purification involved before we reach the summit of spiritual experiences of Patanjali Yoga; sadhana-chatushtaya of vedanta; viveka vimoha etc. In the Bhakti scriptures. Shankar's statement thus means that all the practices of a spiritual aspirant (sadhaka) like truth (sathy), non-injury (ahimsa) etc., which he struggles to adhere to in the course of his sadhana with great effort will become natural characteristics of man of realization (siddha). A person beginning his dancing lessons ought to be very careful not to miss a step, but for an expert dancer, there is no possible danger of missing out any step, even in spite of various distractions.

In fact, all glory belongs to him. Everything that is excellent in this world is his manifestation etc. So Swamiji says:" this infinity power of the spirit, brought to bear upon matter evolves material development, made to act upon thought evolves intellectuality, and made to act upon thought evolves intellectuality. In the Gita Shri Krishna says: "those who cook food only for themselves, such sinful ones eat sin" (3.13). This is applicable to every work, are not ours they belong to the cosmic whole. Because of our ego, we try to appropriate the work that prakriti does through our personality system to ourselves, thus increasing our burden.

Conclusion

Now we are living in on the edge of the sword. It means that there is no future life. In the name of development, we are degrading our self. In this situation it is necessary to think and act according to the system of Indian philosophy particularly Bhagavad Gita or in other words karma yogasastra. Because the message from Bhagavad Gita is universal and it should accept by all human being. The study of Bhagavad Gita helps us to live harmonious life, in the society, which is very essential today. Because if we wakeup today then only we can save this world. By protecting our environmental and our society. This is what I felt by performing our duty with good will and amity with all creatures. This is possible only

when we are being capable of accepting truth in the great epic of Bhagavad Gita.

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PHYLOSOPHY OF EDUCATION

A study of Swami Vivekananda and Guru Rabindranath Tagore

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ABSTRACT

Knowledge is power. Education propagates knowledge and wisdom. As far as education is concerned its 'Quality' and 'vision' both are of profound importance for any country. Current education system in India is criticized for its poor quality and unethical vision both. The main concern is whether the current education system has vision and direction for inculcating honesty, spirituality, empathy and other human abilities. One hand majority of Villagers and lower middle class population is far from quality education, on the other, vision and direction of so called great schools and universities is under question mark. Schooling is not learning. It is not enough that every child has an admission in a school. He deserves quality education as well. Any education system that does not imbibe, morality, spirituality and nationality, brotherhood, sympathy and strong physical and mental condition should not be considered as a quality education. Keep apart the quality and direction, in most of the schools, there is a huge scarcity of quality teachers. What a pity that government run schools offer free mid-day meal and "NO FEES" percentage of students are sharply on decline in govt run schools. Between

The type of education being promoted in our country has essentially elements of professional & vocational skills. Recent incidents indicate that new generation of students are less sensitive towards their society. American type of school violence is gradually cropping in Indian schools. Young students have been found not only indulged in criminal activities like murder, rape and most commonly road rage. The new is vocational education.

Unexpected promotion of vocational education has destroyed the departments of social sciences, humanities and literature in most of the universities. The paper presented here tries to study the visions of two leading Indian educationists Rabindranath Tagore and Swami Vivekananda. Aim is to find relevance of these educationists in today's context. Rabindranath Tagore's educational model has a bizarre sensitivity and properness for education within multi-racial, multi-lingual and multi-cultural situations, amidst conditions of acknowledged economic discrepancy and political imbalance. And Swami Vivekanand's Model is has strong urge for morality, spirituality, nationalism and religious values apart from physical education.

The paper presented here, gives a comprehensive look of the educational models of both the philosophers and explains how these philosophies are relevant today.

Introduction

Proponents of modern critical theories have strongly advocated for logical thinking. Those who lack basic knowledge of social sciences and humanities, many of them are likely to be very narrow minded thinkers. We can see such reflections on social media sites where people react in a very fanatic manner without any critical thinking. Today decision making at all

levels of human society is becoming highly fragmented, biased, Polarized, tinted and unconvincingly fanatic. Decisions that are the 'dominating paradigm' today are not only at the social fronts but also at the political fronts. It is observed that politicians and the leaders are more prone to ill decision making process. We can blame the vision and nature of modern education system for their narrow vision.

Because they also come from the same educational system.

We need to look back to our heritage and educational philosophers to make our education system more qualitative, visionary and suitable for multi-lingual and multi-sub cultural India. Rabindranath Tagore, one of the earliest educators to think in terms of the global village, Rabindranath Tagore's educational model has a unique sensitivity and aptness for education within multi-racial, multi-lingual and multi-cultural situations, amidst conditions of acknowledged economic discrepancy and political imbalance. According to Kathleen M. O'Connell, known for its socio-religious and cultural innovations, **Rabindranath Tagore was the** Asia's first Nobel Laureate, medical facilities, educational institutions and the arts, he fought for religious and social reform and the establishment of a free press. Rabindranath envisioned a dynamic open model of education, which he later tried to recreate in his school at Santiniketan. In his childhood days he refused to attend formal school. He never studied in any school. He was convinced about the freedom in education.

Kathleen M. O'Connell, writes, "He also realized in a profound manner the importance of the arts for developing empathy and sensitivity, and the necessity for an intimate relationship with one's cultural and natural environment. In participating in the cosmopolitan activities of the family, he came to reject narrowness in general, and in particular, any form of narrowness that separated human being from human being. He saw education as a vehicle for appreciating the richest aspects of other cultures, while maintaining one's own cultural specificity."¹

Without any doubt, education is the most powerful tool for liberation from all types of mental, physical and social slavery. Today most of the applied development communication models are focused on "Knowledge, discourse and most importantly 'participation'. Once Guru Rabindranth Tagore wrote "I was brought up in an atmosphere of aspiration, aspiration for the expansion of the human spirit. We in our home sought freedom of power in our language, freedom of

imagination in our literature, freedom of soul in our religious creeds and that of mind in our social environment. Such an opportunity has given me confidence in the power of education which is one with life and only which can give us real freedom, the highest that is claimed for man, his freedom of moral communion in the human world. ... I try to assert in my words and works that education has its only meaning and object in freedom—freedom from ignorance about the laws of the universe, and freedom from passion and prejudice in our communication with the human world. In my institution I have attempted to create an atmosphere of naturalness in our relationship with strangers, and the spirit of hospitality which is the first virtue in men that made civilization possible. I invited thinkers and scholars from foreign lands to let our boys know how easy it is to realise our common fellowship, when we deal with those who are great, and that it is the puny who with their petty vanities set up barriers between man and man. (Rabindranath Tagore 1929: 73-74)²

Rabindranath Tagore was primarily an educationist rather than a political thinker. He put emphasis on 'naturalism' for framing educational model. In education, freedom is the basic guiding force for inculcating interest within a student who will derive inspiration from nature to pursue any branch of knowledge he likes. The establishment of Shantiniketan fulfilled the desired goal of Tagore in the educational front.³ Tagore's ideas for creating a system of education aimed at promoting international co-operation and creating global citizens. Tagore envisioned an education that was deeply rooted in one's immediate surroundings but connected to the cultures of the wider world, predicated upon pleasurable learning and individualized to the personality of the child. He felt that the curriculum should revolve organically around nature, with flexible schedules to allow for shifts in weather, and with special attention to natural phenomena and seasonal festivities.

The aims reflected in the institution founded by Tagore:⁴

1. Self realisation: Spiritual is the essence of humanism. Manifestation of personality

depends upon the self-realisation and spiritual knowledge of individual.

2. Intellectual Development: It means development of imagination, creative free thinking, constant curiosity, alertness of the mind. Freedom of child to adopt his own way of learning, which would lead to all-round development.
3. Physical development: Sound and healthy physique through yoga, games, sports as integral part of education.
4. Love for Humanity: Education for international understanding and universal brotherhood. Education should teach people to realise oneness.
5. Freedom: Education is a man-making process, it explores the innate power that exists within man, it is not an imposition, but a liberal process that provides utmost freedom for development.
6. Co-relation of objects: A peaceful world is only possible when correlation between man and nature will be established.
7. Mother-tongue as medium of instruction: Language is the true vehicle of expression.
8. Moral and spiritual development: It is more important than bookish knowledge for an integral development of human personality, by encouraging selfless acts, co-operation, sharing and fellow-feeling among students.
9. Social Development: 'Brahma' the supreme soul manifests through men and all creatures. He is the source of all life. Brotherhood should be cultivated from the beginning of life.

There are lot of similarity between Swami Vivekananda and Guru Rabindranath Tagore. Tagore's views are highly directive. On the other hand Vivekananda takes his views to a new level where physical and mental health are equally important. Vivekananda He puts lot of emphasis on physical education, moral and religious education, Medium of language in education, women education and education for weaker sections of society. Views of Rabindranath Tagore was more global and views of Vivekananda was more focused on National. Vivekananda emphasized upon study of Veda and other holy books of Hinduism. He strongly believed that these books have solution to every problem. Rabindranath also believed in Indian mythology. He believed that 'Brahma' the supreme soul manifests through men and all

creatures. He is the source of all life. But when he says "Brotherhood should be cultivated from the beginning of life," he simply universalize the ancient Indian thoughts to the modern social and cultural conflicts and suggests a solution in form of 'global brotherhood.' When he says, Brotherhood should be cultivated from the beginning of life', he infers that brotherhood is not a time bound strategy but an all-time habit that has to be learnt from childhood. When everyone in the world learn brotherhood, it will be all-time solution to all the social, cultural, regional and global conflicts.

Vivekananda believed that without the knowledge of physical education, the self-realization or character building is not possible. That means, Vivekananda does not contradict the views of Rabindranath Tagore, but he elaborates it. When he says good physical health is essential for mental soundness and self-realization. In other words it is not possible to keep a strong mind without a strong body. In particular, Vivekananda stressed the need for physical education in curriculum. He said, "You will be nearer to Heaven through football than through the study of Gita. You will understand Gita better by your biceps, your muscles a little stronger. You will understand the Upanishads better and the glory of the Atman, when your body stands firm on your feet and you feel yourself as man. Like Rabindranath Tagore, Vivekananda also emphasizes on education through the medium of mother tongue. He wrote

"Besides mother tongue, there should be a common language which is necessary to keep the country united". Vivekananda appreciated the greatness of Sanskrit. He said that it is the source of all Indian languages and a repository of all inherited knowledge. Therefore without Sanskrit, it will be impossible to understand Indian culture. It is like a store house of ancient heritage. To develop our society it is important that men and women know this language, besides the knowledge of their own mother tongue.⁵

Rabindranath emphasized upon globalized view of education and knowledge. He found no hesitation in accepting good things from foreign cultures. He strongly believed that every culture has something special to offer

others. According to Vivekananda education is the manifestation of perfection already in men.² He was sad that existing system of education did not enable a person to stand on his own feet, nor did it teach him self-confidence and self-respect. He wrote "education is not only collection of information, but something more meaningful; he felt education should be man-making, life giving and character-building. To him education was an assimilation of noble ideas."⁶

According to Vivekananda education is not the amount of information that put into a student's brain and runs riot there, undigested, all his life. He suggested that we must have life building, man making, and character making assimilation of ideas. If we have assimilated five ideas and made them our life and character, we have more education than any man who has got by heart a whole library...^{7,8}

Swami Vivekananda felt that the education that young boys and girls receive is very negative. He thinks they do not gain confidence or self-respect from these education, so according to Swami Vivekananda only positive education should be given to children.^[24] Swami Vivekananda told, if young boys and girls are encouraged and are not unnecessarily criticized all the time, they are bound to improve in time.⁹ He also told the youth: "Set yourselves to the task of spreading education among the masses. Tell them and make them understand, "You are our brothers—a part and parcel of our bodies, and we love you and never hate you."¹⁰

We can see today that wide range of information is available on internet sites. Huge percentage of this information is available in a form of hate speech, fake news, biotic and fanatic views on the name of religion are negative information, very negatively affecting the minds of the people of all age groups. Even more than 100 years Thoughts of Vivekananda are very relevant and useful. Unlike Rabindranath, Swami Vivekananda, strongly emphasize upon national character and put forward that moral and religion are core elements of education. But his religious education is about developing a feeling of brotherhood, and cultivating morality and self-actualization in self

Vivekananda said, "Religion is the innermost core of education. Religion is like the rice and everything else, is like the curries. Taking only curries causes indigestion and so is the case with taking rice alone."⁹ Therefore, religious education is a vital part of a sound curriculum. Vivekananda considered Gita, Upanishads and the Vedas as the most important curriculum for religious education. For him, religion is attainment of self-realization and divinity. It helps not only in individual's development but also in the transformation of total man. The true religion cannot be limited to a particular place of time. He pleaded for unity of world religion. He realized truth while practicing of religion. The truth is the power, untruth is the weakness. Knowledge is truth, ignorance is untruth. Thus truth increases power, courage and energy. It is the source of light and therefore, necessary for the individual as well as collective welfare. In Vivekananda's point of view, ethics and religion are one and the same. God is always on the side of goodness. To fight for goodness is the service to God. The moral and religion education develop the self confidence among the young men and women. Vivekanand was keen to build the nation. He was very disappointed to see the lives of millions of people living in a very poor state. He supported the education for masses He wrote "The individual development is not a full development of our nation, so it is necessary to give education to the society or common people. The education is not only confined to the well-to-do persons only but also to the poor people. Vivekananda emphasized on the improvement of the conditions of the masses and for this, he advocated mass education. By this way, he exhorted to his countrymen to know-"I consider that the great national sin is the neglect of the masses, and that is one of the causes of our downfall. No amount of politics would be of any avail until the masses of India are once more well-educated, well-fed and well-cared for."¹²

When we compare the educational philosophy of Swami Vivekananda and Guru Rabindranath Tagore we find that both have sported the harmonious synthesis between the ancient Indian ideals and modern Western beliefs. One hand Vivekananda stressed upon

the physical, mental, moral, spiritual and vocational development of the child but also he advocated women education as well as education of the masses, on the other, Rabindranth Tagore emphasized upon.

Unity of West and East, natural growth in natural circumstance, goodbye to book-centered education, freedom to learner, teaching - practical and real, place of fine arts (dance, drama, music, poetry etc., education for rural reconstruction. He opened a school named Shantiniketan where ancient and modern disciplines were taught by Indian and foreign experts. The essential characteristics of educational philosophy of Swami Vivekananda are idealism, naturalism and pragmatism. In a naturalistic view points, he emphasized that real education is possible only through nature and natural propensities. His views are very similar to Rabindranath who openly criticized the traditional classroom sessions. Tagore despised rote classroom schooling: in "The Parrot's Training", a bird is caged and force-fed textbook pages—to death.^{13,14} Vivekananda propagated a form of idealist view point, he insists that the aim of education is to develop the child with moral and spiritual qualities. In the pragmatists view point, he emphasized the great stress on the Western education of technology, commerce, industry and science to achieve material prosperity. Rabindranath Tagore visited 1917, and conceived a new type of university: he sought to "make Santiniketan the connecting thread between India and the world, and a world center for the study of humanity somewhere beyond the limits of nation and geography."¹⁴

Vivekananda very precisely emphasized spiritual development, then the material prosperity, after that safety of life and then solving the problems of fooding and clothing of the masses.

Self-education is the self-knowledge. That is, knowledge of our own self is the best guide in the struggle of our life. If we take one example, the childhood stage, the child will face lot of problems or commit mistakes in the process of character formation. The child will learn much by his own mistakes. Errors are the stepping stones to our progress in character. This progress will need courage and strong will. The

strong will is the sign of great character of the man.

Vivekananda considered women to be the incarnation of power. He rightly pointed out that unless Indian women secure a respectable place in this country, the nation can never move forward. . The important features of his scheme of female education are "Make women strong, fear-less, and conscious of their chastity and dignity". He insists that men and women are equally competent not only in the academic matters, but also in other spheres of life. Vivekananda being a keen observer could distinguish the difference in perception about the status of women in the West and in India. "The ideal women in India is the mother, the mother first, and the mother last. Vivekananda pleaded for the universal education so that the backward people may fall in line with others. To uplift the backward classes he chooses education as a powerful instrument for their life process. Thus education should spread to every household in the country, to factories, playing grounds and agricultural fields. If the children do not come to the school the teacher should reach them. Two or three educated men should team up, collect all the paraphernalia of education and should go to the village to impart education to the children. Thus, Vivekananda favoured education for different sections of society, rich and poor, young and old, male and female.

Conclusion:

From the analysis of Vivekananda and Rabindranath Tagore's philosophy of education, it is clear that both believed that the upliftment of masses is possible only through education. Their views on education brings to light a constructive, practical and comprehensive approach to education. By giving education, they tries to materialize the moral and spiritual welfare and upliftment of humanity, global citizenship, religious harmony, and nationalism. In case of Vivekananda 'Physical education is powerful tools for nation building Both the educationists were disappointed with the current education system and they had very strong and clearly practicable ideas to replace it more effective teaching methodology irrespective of caste,

creed, nationality or time. But today ideas, we are giving bookish knowledge to our kids without giving exposure to other areas of education with the result that when they complete the education, they get degrees but they fail to develop strong moral and spiritual character. Being not able to teach our children our mother tongue we are very fast omitting our mother tongue. Art, dance, music, drama and Emotional, spiritual 7moral education is not in the syllabus of modern school system. As a result we are producing multi-skilled robots.

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MICA INDUSTRY IN INDIA-BEFORE AND AFTER LIBERALIZATION

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The paper presented here, gives comprehensive analysis of Mica Industry before and after the liberalization.

KeyWords: Mica Industry, Jharkhand, before liberalisation, After liberalisation

Introduction

Mica is a group name for a series of complex hydrous silicate of sodium, potassium, aluminum which may also contain magnesium, iron, lithium, chromium and fluorine. The “MICA GROUP” with which we are concerned consists of the following species:-

Muscovite or potassium mica, Paragonite or sodium mica, Lepidolite or lithium mica, phlogopite or magnesium mica, Biotite or magnesium-iron mica, Zinnwaldite or lithium-iron mica, Lepidomelane or iron mica.

Of all the above species, Muscovite or “White Mica” is most important from the electrotechnical consideration and is the backbone of Indian Mica Industry. Muscovite is either colourless or light green, green, ruby, red or brown. But the ruby colour variety which occurs in the eastern portion of Kodarma Reserve Forest in Jharkhand is a craze in mica trade for its quality. Among the three important mica producing State of India, Jharkhand contributing about 61% is known for its world renowned ruby mica, Andhra Pradesh contributing 29% for its green mica and Rajasthan contributing 10% for its yellowish brown mica. Phlogopite occurring in Visakhapatnam area in India has also established popular use due to higher heat resistance than muscovite.

Mica owes its usefulness to a unique combination of a number of physical, chemical, thermal and dielectric properties which have enabled it to continue its dominance in Electrical and Electronic Industries in spite of the challenge from synthetic substitutes. Mica crystallizes in the monoclinic system, although perfect crystals are seldom found. The most important physical property contributing to the growth of mica industry is the perfect basal

cleavage which permits the splitting of very thin laminae, as thin as one-fourth of a mill (one mill being one thousandth part of an inch) and which are tough and flexible even at high temperature at which they retain their electrical properties. Other important properties of mica are that it is chemically inert and stable and non-hygroscopic. It is elastic but non-compressible. Such combinations of properties are rare in any other nature or synthetic substance.

Mica occurs either as flake in igneous, metamorphic and sedimentary rocks or as book or sheet from mica pegmatite. In India muscovite occurs in book or sheet from pegmatite whereas in Malagasy and U.S.S.R. phlogopite sheets in pegmatites are common. In U.S.A, the occurrence is mostly of phlogopite flakes in igneous rocks, pegmatites, schists and clays. Sheet mica mining is essentially a labour intensive selective mining with higher labour costs and lesser capital costs and as such it is suited to less affluent countries, whereas flake mica mining is a massive mica mining by opencast method using bulldozers-power shovel combination or hydraulic mining, requiring less labour and more capital.

Importance of Mica Industry

To have a better appraisal of the importance of mica industry it would be useful at this stage to indicate the classification of mica vis-à-vis its uses. Micas are graded using a complex series of specifications, based on (i) thickness, (ii) size, (iii) transparency, (iv) electrical quality, (v) thermal stability and (vi) degree of preparation. A “crude mica” is a Run-of-Mine mica and after initial trimming and dressing at mine site, is separated into dressed mica and

mine waste scrap. Dressed mica after splitting to required thickness and further trimming (full trimming) is divided and kept according to size and thickness.

A “block mica” is a piece of processed mica having minimum thickness of 7 mills and area more than $\frac{3}{4}$ sq. inches. Mica thins are processed mica other than blocks and subdivided into (i) condenser films having thickness $\frac{3}{4}$ to 3 mills, (ii) book splitting having thickness $\frac{1}{2}$ to 1 mill and (iii) loose splitting having thickness $\frac{1}{2}$ milles and above.

Sheets mica is a combination of block, films and splittings. Scrap mica is that mica piece which due to its size, colour or quality is below specifications for sheet mica and it is future classified as Mine scrap or ‘Dhibra’ and Factory scrap/cuttings. Un-manufactured mica is commercial form of mica (blocks, films, splittings and scrap) before fabrication. Fabricated mica is mica cut to specified size and shapes through punchordies including circle mica or washer mica. Built-up-mica is a composite material made of alternating layear of partly overlapped splitting and a suitable binder mostly organic and then formed into sheets, plates by heating, pressing and trimming and is also called Micanite. Remonstrated mica is also called mica paper and is manufactured from mica flakes or factory cutting made to pulp and deposited as a continuous mat. Manufactured mica is commercial form of micas consisting of mica powder or mica bricks made from mine scarp or built-up mica (micanite) or reconstituted mica (mica paper).

End uses of sheet mica are as follows:-

- Based on dielectric strength: Electronic transmitter, radio capacitors, radar and guided missile uses, mica reweave transmission and tube windows, Geiger counter windows, X-ray apparatus and similar devices requiring protection from heat.
- Based on optical properties: Diaphragm in guided missiles, television reflector screens, optical instruments, synthetic optical crystals, market dials for navigation compasses, h-p boiler gauge glasses,

goggles, window covers for radiation pyrometers and thermal regulators, sound diaphragms in submarines and aircrafts.

- Based on electrical properties: Bridges and supports for radio, television and electronic tubes, hearing aid tubes, incandescent lamps, receiver condensers, interlayer insulation in transformer coils, jet engine ignition system, wrappers, shields and washer for aircraft, spark plugs, transistors, etc.
- Based on capital and mechanical properties: Chimneys for gas or petromax lamps, telephone, headphones, radio phones, gramophones and loudspeakers, wrappers for H.T. coils of radar, heavy electrical equipment and pyrometers, and various household electrical appliances requiring low voltage. End use of built-up mica is almost identical with that of sheet mica excepting those calling for transparency, extreme thickness and flexibility, very high dielectric strength, low power factor and capacity to withstand very high temperature. Retention of basic properties of mica, a built-up mica, due to its availability in any desired size, shape, thickness or from enable it to answer most demands of electrical industries and cost of a piece of built-up mica is determined solely bun its weight which is not so in case of sheet mica. Hence the uses of built-up mica are more exhaustive than those of sheet mica.

End use of reconstituted mica is the same as that of built-up mica. The reconstituted mica having several advantages over built-up mica is, of lot, capturing, without challenge, the field of built-up mica and in recent years has captured 30% market of built-up mica. Being as uniform and homogenous as nature sheet mica but due to better bonding and cutting qualities and with low cost of input material (being the mine scrap or Dhibra mica costing only $\frac{1}{5}$ to $\frac{1}{10}$ th the factory cuttings or splittings used for manufacture of built-up mica), the reconstituted mica is bound to replace built-up mica and sheet mica in the years to come¹.

Indian Mica Belts

Mica has been known in India as abrakh since ancient times. Different varieties of mica have been used in medicine since time immemorial. In Ayurvedic medicines in India, Dhanya Abrakh and Abhra bhasm, used as mica powders, have been sources of vitality and cures disease. Writers of classical Hindu literature have regarded mica as a sort of petrified flash of lightning. Besides being used as a medicine in India, mica was also used like glass as in other parts of the world.

The historical beginnings of mica in India are described by Surgeon P. Burton. He writes that big book (plates) of mica were first located a few kilometers east of the present Hazaribagh railway station, on the Eastern Railways, in Bihar. In 1847, Dr Maclong described findings of mica in Dhanwar and Koderma areas of Bihar. Captain in his write-up or 1851, referred to the production of 14 ton of mica belt. In Nellore district, Andhra Pradesh, mica was located in 1887 and production began the following year. By then the general public had become aware of the use of mica. At that time only India, the USA and Canada were known to have mica. People were aware even then of the fact that mica is used in nearly the same condition as it is mined.

India is the largest producer of mica in the world. The rock pegmatite in which mica is found is spread over many states in India but the commercial type of mica is mined mainly from Bihar, Rajasthan and Andhra Pradesh. A small amount of mica is also produced in Tamil Nadu, West Bengal, Orissa and Madhya Pradesh.

Bihar Mica Belt

The major portion of the world's supply of the large size of high-quality block mica comes from the Bihar mica belt, which extends for a distance of 160 km. It stretches from Gurpa in Gaya district in the west through Nawadah, Hazaribagh, Giridih and Monghyr district to Bhagalpur district in the east (Fig. 3.2). It is, on average, 25 km in width, the maximum being 40 km and the minimum 20 km. The belt is roughly 4,000 sq. km in area. The belt lies on the northern fringe of the Chotanagpur plateau in Bihar and runs in an east-north-east to west-

south-west direction. Offset a little to the south lies a subsidiary mica belt occurring as a parallel strip 30 km long and 3-5 km wide, known as the Parsabad belt, which geologically is a part of the main belt. Still farther south another small area occurs at Dhengura, about 8 km south of Hazaribagh town. The area extends for 15 km with a width of 2 to 4 km.

Nellore Mica Belt (Andhra Pradesh)

The second largest mica producing center in India, next to the Bihar mica belt, is the Nellore mica belt, covering part of Nellore district in Andhra Pradesh (Fig. 3.3). It runs for a distance of 96 km with a width of about 25 to 32 km in the direction north-north-west to south-south-east, starting from Vogili in the south-south-east, through Saidapuram, Kalichedu Tatiparti in Sangam in the north-north-west. A few pegmatite bodies farther north in western Godavari also. The area occupied by the mica is about 2500 sq. km. Extensive areas of the belt are covered by soil. Granite occupies about 250 sq. km. The remaining areas are covered by soil metasedimentaries. The latter contain pegmatite.

Rajasthan Pegmatite Belt

The Rajasthan mica belt is also an important mica-producing belt in India. The belt follows the general strike of the Aravalli range, i.e., north-north-east to south-south-west, extending over a strike length of 320 km, with an approximate width of 96 km. The belt runs from Molambad in Jaipur district to Kankroli in Udaipur district through Ajmer, Bhilwara, Sikar, and Tori district (Fig. 3.4) within this belt there are extensive soil-covered areas amounting to a total of 3000 sq. km whereas the granite outcrops occupy about 600 sq. km. The geological succession of Rajasthan has been described in detail by Heron of GSI. A.K. Dutta (1973) of the Geological Survey of India has worked on internal structure, petrology and mineralogy of calc-alkaline pegmatites in parts of Rajasthan. M.D. Singhal, C.M. Doshi, T.K. Basu and S.M. Prasad of the Indian Bureau of Mines have done detailed mining geological studies of some of the mining areas in Rajasthan. Principal mica mine producers

(1983).Duduwala & Co., At & P.O. Bhilwara, Seta Pusalal Mansingh (P) Ltd., Pusa Niwas, Bhilwara, Ram Prasad Rajgarhia & Sons, P.O. Bhilwara, Distt. Bhilwara. R.B. Seth Moolchand Nanichand (P) Ltd., P.O. Mandal, Distt. Bhilwara. Nalnany Mineral Corporation, P.O. Bhilwara, Distt. Bhilwara, the Victory Mica Ltd., At & P.O. Bhilwara.

Minor Occurrences of Mica in Other Places in India

- **Orissa:** In the Karaput district at Gujia Kupili which lies at a distance of 2 km south-east of Pilibarini, and at Duargaon, Chaktontuli and Anukurada.
- **Tamil Nadu:** A few small occurrences of mica are found near Cherambad, Tambattimalai, Tandaloore, Kollapalli and Gudaloore in the Winned area. The mica is pale ruby red colour. The occurrence of mica has been recorded from Sevathempalaiyam, vairamanagala, Erraphanayakapalaiyam and Punjai-Peliyanpatti and munampalli in the Coimbatore district, and also Kovilpatti in the Tirunelveli district. Old mica pits have been recorded in Tiruchirapatti district at Kusumbapthy, Karaiyanur,

Pallipati, Alahchiampalaiyam and Nunampalli. Old pits are also located at Agamalaipatti and near Vallalagundu in the Madurai district. Some quantities of phlogopite are found in the Singampatti hills in the Tirunelveli district. Phlogopite mica, associated with mica schist, is found at Vilanvancode in the Kanyakumari district of Tamil Nadu. A non-commercial type of mica occurs near Neyyur, Applyode and in the Tippurmalai group of hills.

- **Kerala:** Small books of mica located at Manthuka and Kulanada in Alleppey district and around Ranni in the Quilon district and between Agali and Kulukkur, but none of them appears to be economical².

Position of Mica Industry before Liberalization

Mica industry is an ancient industry. Once upon a time India was the largest producer and exporter of mica and mica product. Form the following information the position of mica industry before liberalization is clearly understood.

Table 1.1
PRODUCTION OF CRUDE MICA AND NO. OF MICA MINES BEFORE
LIBERALIZATION³
1973 TO 1990-91

Years	Quantity (^{000 tonnes})	Value (Rs.crores)	No.of mines	Labour employed (av.daily)
1973	13.8	2.2	411	11,136
1974	13.8	2.4	378	10,188
1975	11.5	2.4	387	10,235
1976	9.5	2.2	333	7,962
1977	9.4	2.4	297	7,336
1978	9.6	2.7	251	6,848
1979	9.1	2.7	281	5,911
1980	7.9	2.9	275	6,662
1981	8.5	3.6	294	6,735
1982	8.8	4.7	282	6,599
1983	7.5	3.6	217	4,822
1984	6.2	3.3	217	4,321
1985	4.8	2.7	166	3,494
1986	4.7	2.9	165	3,345
1987(p)	4.3	2.8	181	3,960
1988-89	3.9	2.9	148	3,105
1989-90	4.1	3.1	145	3,354
1990-91	4.1	3.2	137	2,942

From the above table it can be said that in the year 1973 production of crude mica was 13.8 thousand tonnes but at the end of 1990-'91 it was 4.1 thousand tonnes which implies that production of crude mica has decreased since 1973 to 1990-'91. Value of produced mica remain at 4.1 crores. According to the volume of production, value of mica (crude) should be lower but due to increase in the price of crude mica the value has comparatively increased than it was before. But it shows the degradation of

Mica industry. Again the no. of Mines was 411 in the year 1973 and it has reduced to 137 in the year 1990-'91. Employment also in the mica industry has decreased since 1973 till date. Production of crude mica has decreased but the value of mica has increased in the national and international market. Proper attention paid towards this industry can revive it. The following table shows the export of mica before liberalization

Table 1.2
EXPORTS OF MICA BEFORE LIBERALIZATION⁴
1972-73 TO 1991-92

Years	Quantity (<u>'000 tonnes</u>)	Value (<u>Rs. crores</u>)
1972-73	27.4	19.9
1973-74	26.2	17.5
1974-75	46.8	24.2
1975-76	22.0	19.6
1976-77	25.2	25.0
1977-78	22.7	26.0
1978-79	22.6	27.2
1979-80	28.7	32.1
1980-81	33.5	30.7
1981-82	28.0	44.4
1982-83	22.8	32.7
1983-84	25.5	39.4
1984-85	29.6	37.7
1985-86(p)	33.9	36.1
1988-89	48	51
1989-90	39	46
1990-91	43	51

The above table shows that in the year 1972-'73 Quantity of export was 27.4 thousand tonnes and it has increased to 43 thousand tonnes and the value of mica was 19.9 crore and it has increased to 51 crore in the years 1991-'92. It indicates that export of mica has increased but slightly. If various types of efforts are made by the businessmen and Govt. then there will be great chances for development of this industry.

It can be said that before liberalization mica industry was in a good condition and gave a huge amount foreign currency to the country.

Position of Mica Industry after Liberalization

Before liberalization mica industry helped the development of the economic condition of the country but after liberalization it is degraded. It is clearly visible in the following table.

Table 1.3
PRODUCTION OF CRUDE MICA AND NO. OF MICA MINES AFTER
LIBERALIZATION⁵
 1991-92 to 1997-98

Years	Quantity (‘000 tonnes)	Value (Rs. crores)	No. of mines	Labour employed (av. daily)
1991-92	3.6	3.0	134	2840
1992-93	2.6	2.4	127	2385
1993-94	2.1	2.3	112	1974
1994-95	2.0	2.6	95	1690
1995-96	1.8	2.7	76	1452
1996-97	2.0	2.7	66	1295
1997-98	1.7	2.2	54	1002
1998-99	1.4	2.8	54	1059
1999-’00	1.8	2.6	37	705
2000-’01	1.1	1.9	38	634
2001-’02	1.2	2.3	35	525
2002-’03	1.2	2.4	32	501
2003-’04	1.1	2.1	32	321
2004-’05	1.3	2.3	33	424
2005-’06	1.3	2.4	32	491
2006-’07	1.4	2.8	32	411
2007-’08	1.2	2.3	32	409

From the above table it can be said that in the year 1991-’92 production of crude mica was 3.6 thousand tones but at the end of 2007-’08 it was 1.2 thousand tones which implies that production of crude mica has decreased since 1991-’92 to 2007-’08. Value of produced mica has also decreased. According to the Value of production, value of mica (crude) is lower. It shows the degradation of the Mica industry. Again no. of Mines was 34 in

the year 1991-’92 and it was reduced to 32 in the year 2007-’08. The no. of employees in mica industry have decreased since 1991-’92 till date. From the above discussion it can be said that mica industry is passing through a transitional phase. Proper attention paid towards this industry can revive it.

The following table shows the export of mica after liberalization

Table 1.4
EXPORTS OF MICA AFTER LIBERALIZATION⁶
 1991- '92 to 1997-'98

Years	Quantity (^{'000 tonnes})	Value (Rs. crores)
1991-92	35	55
1992-93	28	38
1993-94	34	43
1994-95	30	39
1995-96	34	47
1996-97	29	47
1997-98	31	42
1998-99	50	70
1999-'00	47	64
2000-01	65	88
2001-02	58	78
2002-03	35	64
2003-'04	35	24
2004-'05	305	22
2005-'06	330	25
2006-'07	327	26
2007-'08	373	26

The above table shows that in the year 1991-'92 Quantity of export was 35 thousand tones and it has Increased to 373 thousand tonnes and the value of mica was 55 crore and it has decreased to 26 crore. It indicates that export of mica has increased. But export value of mica has decreased. If various types of efforts are made by the businessmen and Govt. then there will be a great chance for the development of this industry.

CONCLUSION

A few decades ago, India was globally famous for its natural Mica. A large number of industries were involved in the business of extraction and processing of Mica. Mica industry supplied raw materials to the electronics and cosmetics industry both. It was a great source of employment also. After the arrival of low cost artificial Mica, natural Mica industry perished. Scarcity of natural Mica, environmental issues, changes in government rules and, transportation problem added more trouble to the ailing Mica Industry. Demand for

natural Mica slipped dramatically during the early eighties due to arrival of artificial Mica. As a result, Indian Mica industry lost its glamour in domestic as well as in international market. Export of Indian Mica touched almost zero level on the export graph.

But during the year 2007-08 export of natural Mica show some positive signs. Its production also increased. It was because of increasing demand of electric and electronic products. Due to growing concern for natural products in cosmetics industry, demand for natural Mica also increased. Today many cosmetic manufacturing companies are emphasizing upon natural Mica. It means, a good future market is ready for the natural Mica, and, India has an upper hand. If government, liberalizes the hard restrictions on extraction of mines, supply of raw Mica will be increased. Due to significant changes in consumer behavior, demand for natural Mica is growing in global market. India must work upon it to exploit the health conscious domestic and global cosmetics industry. Boost in Mica industry will surely

increase the economic condition of the region and generate new employment opportunities. Issue of child labour in Mica industry also needs to be addressed as it may affect the export opportunities of the industry as many multinational companies may deny the export of the products where child labours are used.

Survival & Growth of Mica industry is largely dependent on the co-operation of Government, Mica industrialist and the Mica traders of India.

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INDIAN CEMENT INDUSTRY: AN OVERVIEW

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Abstract

The paper presented here gives a look of the past, present and future of the Indian cement industry. With the growing infrastructure expenditure and increasing industrial base, India is set to witness significant growth in its Gross Domestic Product (GDP) resulting in favorable outcome for cement industry in the coming years.

The cement sector plays a vital role in the economic growth of the country, and in its journey towards the inclusive growth. Cement is an essential item for the construction sector and for all infrastructural projects. With the growing infrastructure expenditure and increasing industrial base, India is set to witness significant growth in its Gross Domestic Product (GDP) resulting in favorable outcome for cement industry in the coming years. Thus, the cement sector is expected to witness positive growth in the coming years, with consumption set to increase at a CAGR of around 9% during FY 2017-FY 2020. The paper presented here, gives a comprehensive outlay of current scenario and the forecasts for future of cement industry in India.

Key words: Indian cement industry, History, Post liberalization period, current status, future of Indian cement industry

Cement is an essential component of infrastructure development and most important input of construction industry, particularly in the government's infrastructure and housing programs, which are necessary for the country's socio-economic growth and development. It is also the second most consumed material on the planet. The Indian cement industry is the second largest producer of cement in the world just behind China, but ahead of the United States and Japan. It is consented to be a core sector accounting for approximately 1.3% of GDP and employing over 0.14 million people. Also the industry is a significant contributor to the revenue collected by both the central and state governments through excise and sales taxes.

The first endeavor to manufacture cement dates back to 1889 when a Calcutta based company endeavored to manufacture

cement from Argillaceous (kankar). But the first endeavor to manufacture cement in an organized way commenced in Madras. South India Industries Limited began manufacture of Portland cement in 1904. But the effort did not succeed and the company had to halt production. Finally it was in 1914 that the first licensed cement manufacturing unit was set up by India Cement Company Ltd at Porbandar, Gujarat with an available capacity of 10,000 tons and production of 1000 installed. The First World War gave the impetus to the cement industry still in its initial stages. The following decade saw tremendous progress in terms of manufacturing units, installed capacity and production. This phase is also referred to as the Nascent Stage of Indian Cement Industry. During the earlier years, production of cement exceeded the demand. Society had a biased opinion against the cement manufactured in

India, which further led to reduction in demand. The government intervened by giving protection to the Industry and by encouraging cooperation among the manufacturers. In 1927, the Concrete Association of India was formed with twin goals of creating a positive awareness among the public of the utility of cement.

Indian Cement Industry Post-Independence

The growth rate of cement was slow around the period after independence due to various factors like low prices, slow growth in additional capacity and rising cost. The government intervened several times to boost the industry, by increasing prices and providing financial incentives. But it had little impact on the industry. In 1956, the price and distribution control system was set up to ensure fair prices for both the manufacturers and consumers across the country and to reduce regional imbalances and reach self-sufficiency. Period of Restriction (1969-1982) The cement industry in India was severely restrained by the government during this period. Government hold over the industry was through both direct and indirect means. Government intervened directly by exercising authority over production, capacity and distribution of cement and it intervened indirectly through price control. In 1977 the government authorized higher prices for cement manufactured by new units or through capacity increase in existing units. But still the growth rate was below par. In 1979 the government introduced a three tier price system. Prices were different for cement produced in low, medium and high cost plants. However the price control did not have the desired effect. Rise in input cost, reduced profit margins meant the manufacturers could not allocate funds for increase in capacity Partial Control (1982-1989) .To give impetus to the cement industry, the Government of India introduced a quota system in 1982.A quota of 66.60% was imposed for sales to Government and small real estate developers. For new units and sick units a lower quota at 50% was affected. The remaining 33.40% was allowed to be sold in the open market. These changes had a desired effect on the industry. Profitability of the

manufacturers increased substantially, but the rising input cost was a cause for concern.

In 1989 the cement industry was given complete freedom, to gear it up to meet the challenges of free market competition due to the impending policy of liberalization. In 1991 the industry was de licensed. This resulted in an accelerated growth for the industry and availability of state of the art technology for modernization. Most of the major players invested heavily for capacity. To maximize the opportunity available in the form of global markets, the industry laid greater focus on exports. The role of the government has been extremely crucial in the growth of the industry.

Modern Indian Cement Industry

With nearly 455 million tonnes (MT) of cement production capacity, India is the second largest cement producer in the world. The cement production capacity is estimated to touch 550 MT by 2020. Of the total capacity, 98 per cent lies with the private sector and the rest with the public sector. The top 20 companies account for around 70 per cent of the total production.

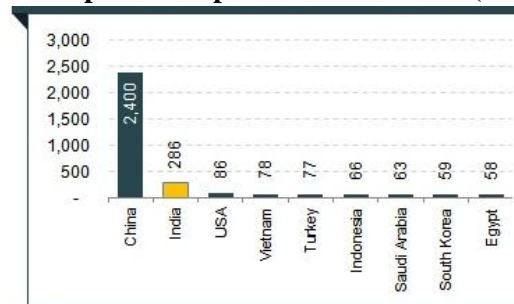
A total of 210 large cement plants together account for 410 million tonnes of installed capacity in the country, while 350 mini cement plants make up the rest. Of the total 210 large cement plants in India, 77 are located in the states of Andhra Pradesh, Rajasthan and Tamil Nadu. Cement production in India increased from 230.49 million tonnes in 2011-12 to 297.56 million tonnes in 2017-18. India's exports of cement, clinker and asbestos cement increased at CAGR of 10.37 per cent between FY12-FY18 to reach US\$ 433.87 million. During the same period imports of cement, clinker and asbestos cement increased at a CAGR of 11.14 per cent to US\$ 174.36 million in FY18. Cement, clinker and asbestos cement exports and imports of India stood at US\$ 80.20 billion and US\$ 28.94 billion during April-May 2018, respectively.

Dalmia Cement Ltd has become the first cement company in India to commit itself to 100 per cent renewable power. The company

plans to increase its capacity from existing 2.4 MT to 15-20 MT by 2021 by investing US\$ 1.27 billion. The Government of India is strongly focused on infrastructure development to boost economic growth and is aiming for 100 smart cities. The government also intends to

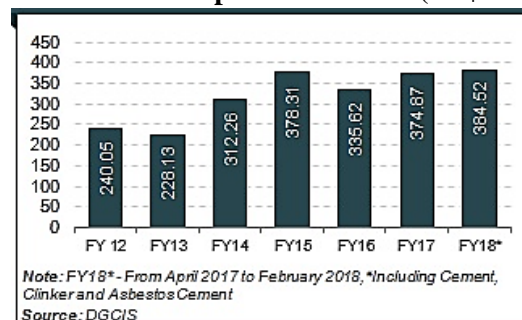
expand the capacity of the railways and the facilities for handling and storage to ease the transportation of cement and reduce transportation costs. These measures would lead to increased construction activity thereby boosting cement demand.

Table 1: Top Cement producers in 2017 E (In MTPA)



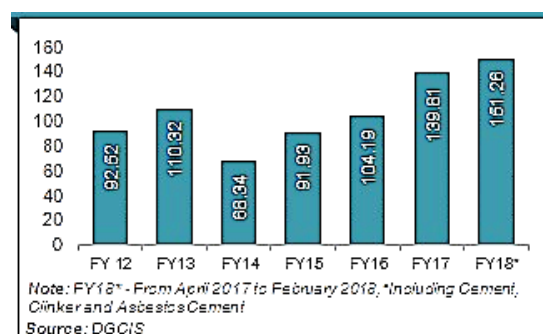
Note: E - Estimate
Source: Source: Business Standard, Ministry of External Affairs, DIPP

Table 2: Cement export from India (US\$ Million)



Note: FY18* - From April 2017 to February 2018, *Including Cement, Clinker and Asbestos Cement
Source: DGCIS

Table 3: Cement import in India (US\$ Million)



Note: FY18* - From April 2017 to February 2018, *Including Cement, Clinker and Asbestos Cement
Source: DGCIS

Future of cement industry

The cement sector is gearing up for a fast track growth and the next few years will see the sector zooming past new milestones. The

production of cement is expected to cross 400 million tonnes in the next 10 years, with leading players focusing on capacity expansions two to three times their present capacity. At the same time, the demand for cement is increasing at 8-

10 percent and, if this trend continues, players can easily increase their capacities from 21 crore tonnes (210 million tonnes) to 50-60 crore tonnes (500-600 million tonnes) per year. Following are the some examples of optimistic mood of Indian cement industry

- CapEx database of CMIE suggests that a progressive capability of a huge 68.5 mtpa (million tonnes per annum) is condemned for the completion in times of 2015-18". A vast part of this enhancement in the capacity of production (more than 60%) has been achieved already.
- Since the year 2015, 40.5 mtpa has been added to the capacity of India. An extra 18.1 mtpa of capability is in the advancement of being installed by the completion of this fiscal year. The remaining capability of 10 mtpa will come over the forthcoming year.
- At present, the total outstanding capacity for cement in India is only a little over 400 mtpa. With such new uplift, that capability will be improved to a total of 474 mtpa around the next couple of years. The total funding of such "boost projects" calculated to be a massive Rs 27,960 crore and it is involved with both the public as well as private sectors.
- Actually, a vast part of the particular push comes due to the helpful government policies and the active role of the State in enabling the growth of infrastructure. In this way, driving up the demand for cement is occurring.
- The push for Housing of governments (through Pradhan Mantri Gram Sadak Yojna) and Roadways (through Pradhan Mantri Awas Yojana) have been one of the major generators involved with demand at recent times.
- According to the report of the Economics Times, almost 38 per cent as well as 23 per cent increase in the funds' allocation in the direction of the housing sector and expending of the

Ministry of Road Transport and Highways to Rs 290 billion as well as Rs 649 billion respectively, will enhance cement demand in the forthcoming fiscal [year]

- Numerous corporates have stepped up their activity for fulfilling the increasing demand. As an example, UltraTech Cement has completed two projects and about to finish four more by the upcoming year. Running over Karnataka, Bihar, Rajasthan, and Maharastra, such plants will enhance the net outstanding of the company by 12.4 mtpa.
- Reliance Cement Co. that is working out of Yavatmal (nestled in Maharastra) has added 8.5 mtpa of manufacturing capacity over the last three years. They are making a plan to add 5 mtpa extra through the addition of a new plant in the Indian State, West Bengal.
- This development story might be continuing into the upcoming years. The economy of the country is powerful. According to the Economic Times, it is expected that the domestic cement industry will grow at 4 to 5 per cent Y-o-Y in FY18.
- This sector will drastically change with stand-alone bags giving way to ready mix concrete (RMC). The form of this RMC will be tailor made concrete customized to suit various infrastructure needs. Ready mix concrete is still a relatively nascent market in India. However, it is slowly but steadily gaining ground and will be the most sought after product in this sector. The greatest advantage of RMC is that it is economical, stronger, and environment friendly. Moreover, no large storage of cement bags is required and hence there will be no wastage.
- Currently, 55-60 percent of cement produced in India is consumed by the housing sector. This is expected to

change in the next few years when the emphasis will be on infrastructure developments like roads, bridges, and railways, which will consume a significant percentage of cement produced in the country. The consumption of cement in agriculture is negligible today; but with a greater thrust on agriculture and the suggested 'second green revolution', this sector too will extensively use cement to build warehouses and other logistics.

The eastern states of India along with the Border States will be the newer and virgin markets for cement companies and will contribute to their bottomline in future. In the next 10 years, India will become the main exporter of clinker and gray cement to the Middle East, Africa, and other developing nations of the world. Cement plants near the ports, for instance the plants in Gujarat and Visakhapatnam, will have an added advantage for exports and will logistically be well armed to face stiff competition from cement plants in the interior of the country. A large number of foreign players are also expected to enter the cement sector in the next 10 years, owing to the profit margins, constant demand, and right valuation. Consolidation of the cement sector too will take place and cement plants producing less than 1 million tonnes will find it difficult to survive in this market. Cement companies will go for global listings either through the FCCB route or the GDR route. With help from the government in terms of friendlier laws, lower taxation, and more infrastructure spending, the sector will grow and will take India's economy forward. But there are some basic problems still underway. For example, cement plant requires huge investment depending on the output. Even a basic setup requires investment

anywhere between \$15 to \$25 million which can go up to \$60–70 million. So yes these are big investors project. In 2018 Indian banks are under tremendous pressure due to burgeoning NPA. So banks are less keen to give money to any new industry.

Clearances/Paper work is an challenging area. Before setting the foundation, humongous formalities of paper work needs to be fulfilled. These include NOC from landowners, District/State officers, Environment/safety department, Electricity Board and many more. So much hassle are before any new entity. Pollution and land requisition are another issue that takes the cement industry on back foot. In short, setting up a cement industry requires huge investment, time and dedication. You may found yourself in a remote location where you would be tested physically and psychologically. But overall it will be a good experience and on looking at the packed cement bags your mind will say "I contributed something for the nation's development".

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ISLAMIC AND CONVENTIONAL BANKING: A PRAGMATIC APPROACH

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Abstract

Islamic Banking is growing at a rapid speed and has showed unprecedented growth and expansion in last two decades in spite of mismatching of existing financial framework and business practices. By the end of 2008, volume of Islamic banking has reached to US \$ 951 Billion with operation in more than 50 countries. Middle East is the center of Islamic banking with contribution of approximately 80% while 20% share is contributed by rest of the world. In Pakistan, Islamic banking is at infant stage although last 6 years growth is marvelous. Islamic banking has grown at an average annual rate of 76% in the last six and half years in Pakistan. Although Islamic banking faces multi challenges, however, three of them are very vital for its existence. First is Sharia compliance in its operations in an environment which is dominated by interest based practices even in Muslim societies. Second is perception of financial industry practitioners about its performance whether the system is able to serve the total needs of trade and industry. Third is the perception of a large majority of Muslims whether existing practice of Islamic banking is Sharia compliant or mere copy of conventional practices under the banner of Sharia. This study is an attempt to address the perceptual issues by identifying the similarities and differences in Islamic and conventional banking. Evidences suggest Islamic banking is very much practiced like modern conventional banking with certain restrictions imposed by Sharia and addresses the large number of business requirements successfully; hence, perceiving Islamic banking as totally foreign to business world is not correct. It is further found in the study that Islamic banking is not a mere copy of conventional practices rather major differences exist in the operations of Islamic Financial Institutions (IFIs) in comparison with conventional banking. IFIs have succeeded in creating trust in the eyes of depositors and receive deposits on profit and loss sharing basis however investment and financing options available to Islamic banks are limited in comparison to conventional banks.

Keywords: Islamic banking, Pakistan, Islamic finance, Islamic modes of financing, Sharia compliant

1. Introduction

Muslim world from colonial powers almost completed and widespread renaissance of Islamic ideology took its path in Muslim societies whereby the masses started looking at the existing social systems through Islamic lenses and proposed modifications and developments. The Muslim thinkers and philosophers challenged the world's ruling economic and social systems and uncovered their weaknesses. Capitalism was examined

and criticized in detail due to its magnitude and general acceptability in majority of leading societies of the world. Out of the four factors of production (as described in Capitalism) reward of three is fixed and all risk is born by the entrepreneur alone. In capitalism, capital is a factor of production and hence deserves the fixed reward in the form of interest --- a risk free reward. As the bank is dealer of money; and reward for using money is interest

according to capitalist system; so the prime source of revenue and cost of funds to conventional banks is charging interest through lending and accepting deposits for interest respectively. Interest is the major driver of operations of conventional banks although other valuable services including guarantees, funds transfers, safety of wealth, facilitation in international trade etc. are also provided for reward and form substantial part of income of banks. As the conventional banks are established under the principles of capitalism and transact business by charging interest, which is unacceptable (forbidden) in Islamic law, so Muslims left with no choice except to establish their own financial institutions under Islamic principles. The mile stone, in growth and popularity of Islamic Financial Institutions (IFIs), was the Conference of Foreign Ministers of Muslim countries (1973), where decision of establishment of Islamic Development Bank (IDB) was taken. Islamic finance has shown tremendous growth in last two decades.

By the end of December 2008, in more than 50 countries approximately 300 institutions are operating and they manage funds of US\$ 951 billion. Persian Gulf Area is the center of Islamic finance with a share of 82% followed by South Asia and Far-East region 13% and balance from all over the world including Europe, North America and Africa (IFSL 2010). So for six full-fledged Islamic banks and 13-conventional banks with Independent Islamic Branches are operating in Pakistan. Growth in Islamic banking industry in last six years is marvelous in Pakistan. Number of branches has increased from 17 in 2003 to 667 within six and half years an average annual increase of 78%. Assets increased at average annual rate of 76% while deposits increased at average annual rate of 85% and financial disbursements and investments increased at average annual rate of 66% during the period 2006-2010.

An overall growth of 76% per annum in the last six and half years during the period 2006-2010 was achieved by Islamic banking in Pakistan. This study is an attempt to understand the mechanism of Islamic financial system and document the similarities and differences in comparison with conventional financial system. Study has documented the products (modes)

used by Islamic Financial Institutions (IFIs) in their operations including deposit collection, servicing and provision of financing facilities, investments etc. and their applicability in competing with conventional modes of financing and deposit collections. Study has also uncovered the difficulties and hindrances being faced by Islamic financial system at operational level given the non-conducive and fully dominated environment by interest based financing. Rest of the study is in following order. Section II discusses briefly background of the study focusing upon prohibition of interest and interest free modes of financing used by IFIs followed by differences and similarities in section III. Section VI concludes and offers recommendations.

1. Background

Modern commercial banking is based on interest which is against the Sharia (Islamic law) hence for all the believers of Islam, dealings with these institutions do not suit well. Over the time role assumed by the banking sector has become vital for the growth and development of economies and societies (a jointly shared goal of humanity). A common man who is believer of any revealed religion including Judaism, Christianity and Islam is very much in a state of confusion. On one hand is the very cherishing dream of development while on the other hand is faith. Furthermore there is a reasonable number of experts who think and propagate that prohibited riba means Usury (additional amount charged on consumption loans) and not interest (additional amount charged on production loans) being charged by modern commercial banks. In this section I will analyze the term Riba (interest) and finally present the modes of financing free of interest being used by IFIs to service the needs of customers.

In Arabic term Riba is a synonym for the term interest used in conventional banking operations. Riba means charging predetermined additional amount on a loan extended based on length of credit period. In the words of Imam Abubakr Al-Jassas (D.380 AH)ⁱⁱ "The riba of Jahiliyya is a loan given for stipulated period with a stipulated increase on the principal payable by the borrower."

Charging of interest on loans had never got support in ethics. Interest charging is forbidden by all revealed religions including Islam. According to Old Testament of The Bible "Thou shalt not lend upon usury to thy brother; usury of money, usury of victuals, usury of anything that is lent upon usury." [Deuteronomy 23:19] In the Holy Qur'an four verses are about Riba (interest) revealed on different occasions. The first verse is in Surah Al-Rum 30:39 whereby displeasure of Allah is disclosed for interest based practices. The second verse is in Surah An-Nisaa 4:161 where interest charging was disclosed as sinful act of Jews. The third verse is part of Surah Al-i-Imran 3:130 whereby prohibition of Riba (interest) was declared "O those who believe do not eat up riba doubled and redoubled." The last verse revealed is reported in Surah Al-Baqarah 2:275 whereby severe punishment is declared for those dealing in interest

"Those who take interest will not stand but as stands whom the demon has driven crazy by his touch. That is because they have said: 'Trading is but like riba'. And Allah has permitted trading and prohibited riba. So, whoever receives an advice from his Lord and stops, he is allowed what has passed, and his matter is up to Allah. And the ones who revert back, those are the people of Fire. There they remain forever" (translation from Usmani, 1999).

Instructions are clear. No ambiguity is left. If a person believes in revelations then s/he should avoid charging interest and seek the pleasure of God.

It is the responsibility of all true believers in God (Jews, Christians and Muslims) to give up interest based transactions from their personal lives immediately and input their energies collectively to design promote and implement a financial system free of interest. Certain quarters are of the view that Riba which is prohibited by revelations is the Usury (interest charged on consumption loans) and banking interest (interest charged on productive loans) is not covered by the term. This point was debated in detail during the Supreme Court (Pakistan) hearing and concluded that there was no difference between usury and interest as for prohibition is concerned. Extract from the decision follows:

"It is thus clear that the permissibility of interest can neither be based on the financial position of the debtor, nor on the purpose for which money is borrowed, and therefore the distinction between consumption loans and productive loans in this respect is contrary to the well-established principles" (Usmani, 1999 Para 72). The consensus view of Muslims about the meaning of Riba is presented here under. Islamic Fiqh Academy India defines: "Riba (interest) is a very important term in the Islamic terminology showing disapproval and it refers to the instrument by which a lender charges some amount lump sum or in installments over and above his principal amount from the borrower and thus increases his wealth manifold without participating in the business process of profit and loss".

Siddiqi, (2004) concluded that unanimous view of Muslims throughout history remained is--- any excess charge in a contract of loan is riba ---- and bank interest has no exception. Islamic Fiqh Academy (IFA) Jeddah of OIC representing the collective wisdom of Sharia experts is of the view that any increase stipulated in a contract of loan irrespective whether consumption loan or productive loan is Riba and prohibited by God.

"The equivalence of riba to interest has always been unanimously recognized in Muslim history by all schools of thought. In conformity with this consensus the Islamic Fiqh Academy of the Organization of the Islamic Conference (OIC) has recently issued a verdict in its Resolution No. 10(10/2) upholding the historical consensus on the prohibition of interest". [Iqbal and Molyneux, p. 9; IFC/2000]. While deciding the issue of banking interest as permitted or prohibited in Islam, Supreme Court (Pakistan) declared that: "Any additional amount over the principal in a contract of loan or debt is the riba prohibited by the Holy Qur'an in several verses" (Usmani, 1999 Para 242).

Following conclusions are drawn from above citations; First, Interest is prohibited by all revealed religions and charging of interest is Haram (unlawful) for Jews, Christians and Muslims. Second; as for prohibition of interest is concerned, there is no difference in commercial loans and consumption loans at all and bank interest is haram (unlawful). While it is clear from the above citations that dealing in

interest is Haram (unlawful); and design of conventional banks is based on interest; important role of commercial banks cannot be rejected in the modern economy; so change in the philosophy and design of commercial banking is required to meet the religious obligation. Referring to the above citation it is concluded that what is prohibited through revelations is the pre-determined charge on capital (risk free return) and not the profit on capital (involving risk). Muslim Jurists are of the view that reward for capital should be linked with the outcome of the underlying project if financing facility is being extended and/or reward should be obtained through trade involving sale and purchase.

Hanif & Iqbal, (2010), categorized Islamic modes of financing objectively in two heads; Sharia compliant and Sharia based. Sharia compliant products mean the modes of financing where return of financier is predetermined and fixed but within Sharia constraints. The tools which are relatively harmonizing the operations of Islamic financial system with conventional banking includes Murabaha (cost plus profit sale), Ijara (a rental arrangement), Bai Salam (spot payment for future delivery), Bai Muajjal (sale on deferred payment), Istasna (order to manufacture) and Diminishing Musharaka (house financing) are all Sharia compliant products. Sharia based transactions means the financing modes adopted by IFIs on profit and loss sharing basis including Musharaka (partnership in capital) and Mudaraba (partnership of capital and skill). Under Sharia based modes of financing returns of financier are not fixed in advance rather it depends upon the outcome of the project.

However, loss is to be shared according to capital contribution. Following the rule of substance over form one can conclude that the major difference between conventional and Islamic financing is Sharia based modes of financing.

3. Similarities and Differences

Islamic Financial Institutions (IFIs) are operating in the same society where conventional banks are operating and perform all those functions which are expected from a financial institution. IFIs are assisting business

world by providing all the services required to run the economy smoothly, however, the philosophy and operations are different. In this section I will analyze the operations and products of IFIs in comparison with traditional conventional banks. Any financial system is expected to assist in running the economy by providing the following services grouped in two headings. First; Savings mobilization from savers to entrepreneurs and Second; Provision of general utility services including transfer of funds, facilitation in international trades, consultancy services, safekeeping of valuables, and any other service for a fee. There is no restriction on provision of such services by IFIs as for the service is not against the Sharia. However there exists difference in mechanism of funds mobilization from savers to entrepreneurs as described. Savings mobilization consists of two phases' i.e. accepting deposits and extending financing and investments.

a. Deposits

Deposits are collected from savers under both type of institutions for reward irrespective a bank is operating under conventional system or Islamic system. The difference lies in agreement of reward. Under conventional system reward is fixed and predetermined while under Islamic deposits are accepted through Musharaka and Mudaraba where reward is variable. Under conventional banking return is higher on long-term deposits and lower for short-term deposits. Same is the practice in Islamic banking to share profit with depositors. Higher weight for profit sharing is assigned to long-term deposits being available to bank for investing in longer term projects yielding superior returns and lower weight for short-term deposits which cannot be invested in long term projects. The only difference in conventional and Islamic system lies in sharing of risk and reward. Under conventional system total risk is born by the bank and total reward belongs to it after servicing the depositors at fixed rate while under Islamic system risk and reward both are shared with depositors. Reward of depositors is linked with outcomes of investments made by IFIs. Under Islamic financial system only those IFIs will be able to

collect deposits who can establish trust in the eyes of masses hence leading to optimal performance by financial industry. So for IFIs workings in Pakistan have succeeded in establishing their credibility in the eyes of savers which is witnessed from increasing trend of deposits collection (SBP, 2010).

b. Financing and Investments

The second phase in savings mobilization process is extension of credit facility to business and industry for return. Both types of institutions (Islamic and Conventional) are providing financing to productive channels for reward. The difference lies in financing agreement. Conventional banks are offering loan for a fixed reward while IFIs cannot do that because they cannot charge interest. IFIs can charge profit on investments but not interest on loans. In conventional banking three types of loans are issued to clients including short term loans, overdrafts and long-term loans. Islamic banks cannot issue loans except interest free loans (Qarz e Hasna) for any requirement however they can do business by providing the required asset to client. In following paragraphs I present the comparative working of different products (financing scheme) of both systems.

3.2.1. Overdrafts/Credit Cards etc.

Conventional banks offer the facility of overdrawing from account of the customer on interest. One of its form is use of credit card whereby limit of overdrawing for customer is set by the bank. Credit card provides dual facility to customer including financing as well as facility of plastic money whereby customer can meet his requirement without carrying cash. As for facility of financing is concerned that is not offered by Islamic banks except in the form of Murabaha (which means IFI shall deliver the desired commodity and not the cash) however facility to shop/meet requirement is provided through debit card whereby a customer can use his card if his account carries credit balance. Under conventional banking a customer is charged with interest once the facility availed however under Murabaha only profit is due when the commodity is delivered to the customer. Furthermore in case of default

customer is charged with further interest for the extra period under conventional system however extra charging is not allowed under Murabaha. Third under conventional system customer can avail the opportunity of rescheduling by entering into a new agreement to pay interest for extended period which is not the case under Murabaha. IFIs can claim only the original receivable amount agreed in initial contract. Another practical issue under Murabaha is how to deal with intentional defaulters. Different options are lying with IFIs including to blacklist the defaulter for any further financing facility, to stipulate in the contract that in case of default all installments will be due at once, to stipulate in the contract a penalty shall be imposed but the same shall not form income of IFIs rather it will go in charity (Usmani, 2002).

3.2.2. Short term loans

Short term and medium term loans are provided to customer to meet working capital requirements of firm by conventional banks. Working capital is required by firms to invest in inventories and accounts receivables and meet the expenses. As for inventory investment is concerned that is provided by Islamic banks through Murabaha. As for meeting of day to day expenses of business is concerned financing is provided through participation term certificates whereby profit of a certain period (e.g. quarter, six month, one year) is shared by IFIs on pro-rata basis. However, financing through participation term certificates is not as easy as a short term loan from conventional bank due to risk involved for IFIs in the transaction. Firm seeking short-term facility from IFIs has to prove the viability of the project/business to the satisfaction of investor. For meeting the working capital requirements of nonprofit organizations to date there is no arrangement under Islamic financial system. Personal consumption loans are also not issued by IFIs, however, any individual of sound financial position can acquire anything for his personal use under Murabaha financing whereby a certain percentage of profit is added on cost by IFIs. Murabaha financing is very useful for short to medium term financial requirements of business/nonprofit

organizations and individuals. Murabaha financing is asset based financing and anyone can request to an IFI for provision of an asset generally used for Halal (lawful) purposes. By default under Islamic financial system IFIs cannot lend cash for interest (only exception is Qarz e Hasna—Charity loan). One of the features of Murabaha is in case of delay in payment by customer IFI cannot ask for extra amount as time value of money like conventional banks. However, penalty is imposed on defaulter if stipulated in original contract of Murabaha duly signed by the customer but same cannot be included in the income of IFI. This penalty must be spent for charitable purposes. Under Murabaha scheme of financing facility is linked with assets which leads to economic stability and creates linkage between real and financial sector. It is not zero sum game because utility is created through services and products and not by mere building the blocks of wealth through dealing in paper money. Although Murabaha is being used by IFIs successfully and have succeeded in meeting short to medium term requirements of firms by providing a successful replacement of conventional loans yet certain differences exist in both type of financing. First is one cannot get cash under Murabaha. Second asset is purchased by IFI initially then transferred to customer hence IFI participate in risk. Third refinancing facility is not available under Murabaha. Fourth in case of default price of the commodity cannot be enhanced. Thus, penalty may be imposed if stipulated in original contract of Murabaha however same cannot be included in income of IFI. Fifth only those assets can be supplied by IFIs under Murabaha whose general and/or intended use is not against the injunctions of Sharia (e.g. supply of a machine to produce liquor)

3.2.3. Medium to long term loans

Medium to long-term loans are provided for purchase or building of fixed assets by firms to expand or replace the existing assets. Under Islamic financial system requirement of firms and individuals are fulfilled through Murabaha, Bai Muajjal and Istasna (discussed in appendix B). Another financing option for long-term financing is profit sharing under Musharaka

and Mudaraba (discussed in appendix B). Although financing under Murabaha, Bai Muajjal and Istasna is very much look like conventional loans with the only difference of provision of asset and not cash to client however differences exist in the contracts which alter the nature of risks and returns. Financing under Musharaka and Mudaraba is challenging for IFIs and firms as well. Under Sharia based financing schemes firms have to prove the viability/profitability of the project/business to the satisfaction of IFIs to get the finance because risk of losing the amount is involved.

3.2.4. Leasing

Leasing is relatively recent source of financing whereby usufruct of an asset is transferred to lessee for agreed amounts of rentals. Under leasing ownership may or may not be transferred. Same facility is provided by IFIs under agreement of Ijara. Under Ijara asset is provided to customer for use without transfer of ownership for a specific period of time in exchange for agreed rentals. Ownership of asset can be transferred to customer through mutual agreement at the completion of lease term. All ownership risks are born by IFIs during Ijara tenure. Certain differences exist in the transaction under both systems. First is rental under Ijara are not due until asset is delivered to the lessee for use. Second additional rent cannot be demanded in case of default except a penalty (if stipulated in original contract of lease) which is not the income of IFI. Third during period of major repair rent cannot be demanded by IFI. Fourth if asset is lost or destroyed IFI cannot claim further installments hence all risks of ownership are born by IFI.

3.2.5. Agricultural Loans

Agricultural loans include both types of loans short-term as well as long-term. Short-term loans are required by farmers for seeds and fertilizers and long-term loans are required to develop additional lands and purchase of equipment. Normally farmers return these loans after selling the finished crops. Conventional banks are providing credit facility by charging interest. Same facility is provided by IFIs to the

farmers under Bai Salam, Bai Murabaha Musharaka and Mudaraba. Under Bai Salam cash is provided to farmers for purchase of seeds and fertilizers however this is not loan rather purchase of finished crops to be delivered by farmers. For purchase of equipment Murabaha facility is used and for development of additional land Musharaka and Mudaraba is used by IFIs. To get finance for land development farmers have to convince the IFIs about profitability of the venture due to risk involved in the transaction.

3.2.6. House financing

Housing finance/Mortgages is the more secured form of financing for both conventional banks and IFIs. Under conventional system loan is provided for interest while under Islamic financial system facility is provided through diminishing Musharaka. Under diminishing Musharaka house is purchased jointly by IFI and customer. IFI rents out its share in property to customer for an agreed amount of rent. Share of financier is divided in units of small denomination. Customer pays the installments to IFI consist of rentals plus purchase price of a unit. Stake of customer in property is increasing while of IFI is decreasing with payment of every installment. Finally with the payment of last installment stake of IFI reaches to zero and property is transferred in the name of customer. Diminishing Musharaka model can help out in avoiding the real estate crisis (like of 2008) because when market value of property decreases both IFI and customer suffers according to their share in property and whole burden is not shifted on customer alone. Hijazi, & Hanif (2010) have raised certain questions about the existing practice of IFIs working in Pakistan and needs to be addressed by policymakers, Sharia boards and management of IFIs.

3.2.7. Investments

In order to maintain liquidity conventional banks have many avenues including government securities, shorter term loans and money at call and short notices, leasing companies' bonds, investment in shares etc. Interestingly mandatory reserve maintenance by conventional banks with central banks is

also rewarded in the form of interest. Conventional banks can also create liquidity by issuing the bonds against their receivables. Commercial banks are also protected by central bank by providing liquidity in rainy days for interest. Interbank deposits are also rewarded in the form of interest by commercial banks. For IFIs avenues are very limited to create required liquidity at the same time to earn some revenue by investing in short term and liquid securities. IFIs cannot invest in government securities, short term loans, bonds and money at call and short notices because of interest based transactions. Mandatory reserve with central bank is maintained by IFIs but they are not rewarded like conventional banks. Looking towards central bank in rainy days to maintain liquidity is also not as straightforward due to interest demand of central bank. IFIs cannot demand interest on interbank deposits. As far as investment in marketable securities is concerned, again IFIs are not free to invest in any equity security due to two reasons. First Halal business of the underlying firm is required. Second financial operations of underlying firm should be interest free. Keeping in view the dominance of conventional banking and existing business practices one can conclude safely that a very negligible number of firms meet both conditions. The much appreciable job has been done by Almeezan investment management limited (AIML) a subsidiary of leading Islamic bank in Pakistan (Meezan bank) in this regard. A list of Sharia compliant securities is being maintained and updated every six monthly out of which 30 companies are selected for Kse Meezan Index (KMI). KMI was established in June 2008. IFIs can invest only in those securities which are declared Sharia compliant securities through filtering of Sharia compliance criteria. Listing here the major conditions to qualify a security as Sharia compliant is worth mentioning as follow. Meeting of following tests is required to declare a security as Sharia compliant (KMI-2008). First the core business of the company should be Halal (not prohibited by Islamic Law such as liquor, pork and pornography etc.). Second illiquid assets should be equal to 20% of total assets of the company. Shares of a company merely dealing in liquid assets are not Sharia compliant hence IFIs cannot invest.

Third ratio of all interest based debts including preferred stock should be less than 40% of total assets of the company. Fourth ratio of non-Sharia compliant investments to total assets of the company should be less than 33%. Fifth revenue from non-compliant investments should be less than 5% of total revenue of the company and even then IFIs are required to purify their earnings by spending this non-compliant revenue as charity. Finally market price per share should be greater than the net liquid assets per share.

Recently IFIs have created an avenue to meet their liquidity requirement in the form of Skuks (Islamic Bonds) whereby servicing is fixed like conventional bonds however such types of Skuks can be issued against Ijara receivables. Under Ijara Skuks initially asset is given on rent to the customer for an agreed period and rentals while ownership remains with IFI. To meet liquidity requirements IFI issues Skuks (bonds) to the investors equal to the value of asset, hence ownership of the asset is transferred to Skuk-holders. While it is known the rentals of the asset so the return on investment is predetermined and known with certainty to the investors. Skuks of Murabaha cannot be sold except at par being sale of loans. Other types of Skuks (Musharaka etc.) are not carrying fixed return although tradable in secondary security market. Underlying principle in issue of Skuks is that illiquid assets should dominate in the portfolio against which Skuks are issued. Under Islamic financial system Skuks are ownership certificates and not mere debt securities hence all risks and rewards are shared by Skuk-holders.

4. Conclusion

Islamic financing is working within the Sharia frame work following certain restrictions including following. First IFIs cannot provide finance for an activity which is prohibited by Sharia (Islamic law) irrespective of its profitability and economic viability e.g. business of liquor, pork and pornography. Second IFIs cannot lend any amount in cash for interest however need is fulfilled either through supply of required asset or through profit and loss sharing. Consequently certain financial needs of some sections of the society are

ignored in financing including personal loans and working capital requirements of not for profit organizations. Third under Islamic financial system when financing is provided under profit and loss sharing although profit can be shared as per agreement between the parties involved however loss must be shared according to capital contribution/ownership. Islamic banking is not as foreign to business world as it is perceived by certain quarters. It is a business very much like conventional banking within certain restrictions imposed by Islamic law. All business needs are being fulfilled by IFIs in efficient ways through Murabaha, Ijara, Bai Muajjal, Bai Salam, Istasna, Musharaka and Mudaraba. Two features of Islamic financial system are worth mentioning.

First is linkage between financial and real sector as IFIs cannot extend credit facility without having support from real sector. Financing is either made through sharing risk and reward or must be asset backed. Second a unique feature of Islamic financial system is in the form of Mudaraba which can play role of catalyst for transforming society into prosperity by extending capital facility to skillful persons lacking capital. Under Mudaraba mode of financing partnership between capital and skill is formed hence it can be used to provide self-employment to jobless skillful citizens. Islamic banking is not a mere copy of conventional banks as perceived by certain Muslims. It has its own way of doing business and all operations are duly certified by Sharia experts ranging from Sharia advisor to Sharia boards and finally Islamic Fiqh Academy (IFA). Portfolios of IFIs are dominated by Sharia compliant modes of financing and negligible investments are being made under Musharaka and Mudaraba. Sharia based modes of financing which can create a real difference in the society are not getting momentum in the operations of IFIs. Hanif, & Iqbal, (2010) have identified the hindrances (e.g. profit manipulation, riskiness of financing under sharing, lack of awareness, widespread conventional banking, lack of skilled human resources etc.) in the way of popularity of Sharia based financing and concluded that existing accounting and business framework is not conducive for application of Musharaka and Mudaraba. Islamic banks are doing business in

a nonconductive environment which makes operations challenging. IFIs cannot claim interest on their balances with other banks, on mandatory cash reserve maintained with central bank, cannot invest in government securities, interest based bonds, cannot claim time value of money from defaulters, bear risks in sale and lease transactions, can only invest in Sharia compliant securities and not in all available equities and finally have to compete with conventional banks in deposit servicing as well as in financing. In spite of these difficulties growth of Islamic financial system world over in general and marvelous growth of 76% (average annual) in Pakistan in last six and half years suggests a bright and promising future of this financing system. Two issues at hand demands attention of policy makers immediately including a separate law of Islamic banking to regulate the industry and implementation of accounting standards issued by Auditing & Accounting Organization of Islamic Financial Institutions (AAOIFI) for preparation of annual reports of IFIs.

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EFFECT OF TOURISM SECTOR ON GROSS DOMESTIC PRODUCT: A STUDY OF INDIA

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ABSTRACT

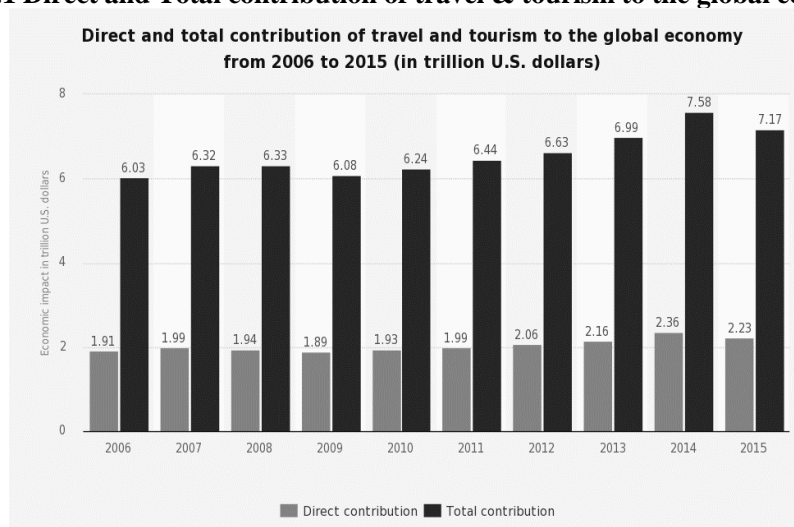
The present era is the era of globalisation and tourism has become a big business and has been considered as a fastest growing service industry. Tourism has a wider scope and it plays a very important role in Indian economy as it earns foreign exchange and also provides employment. Tourism increases standard of living by contributing in our GDP. Tourism is a growing market and is showing tremendous growth in the current scenario. The objective of the present paper is to study the relationship between Tourism Receipts and Economic development of India and to find out the major challenges and problems related to safety and security in Tourism Industry. The paper critically evaluates problems and future scopes of travel and tourism industry.

Keywords: Tourism Industry, Employment, Foreign Exchange, Safety, Security.

Tourism is not only known for the leisure and holiday but also as an instrument of employment generation, poverty alleviation and growth driver. Being a human, everyone has the desire for new experience, adventure, wellbeing, education and entertainment. Tourism as a sector generates income by rendering services like hotel, travel, tours, shopping etc. Tourism is the growing sector in the World economy by promoting economic

growth directly and indirectly by stimulating the growth of the allied sectors and increasing domestic incomes and demand. According to UNWTO tourism highlights 2013; tourism has contributed to nearly 9 percent to the world gross domestic product. Tourism export in 2012 amounted to 1.3 trillion dollars, which is 6 percent of the world's total export.

Fig 1.1 Direct and Total contribution of travel & tourism to the global economy

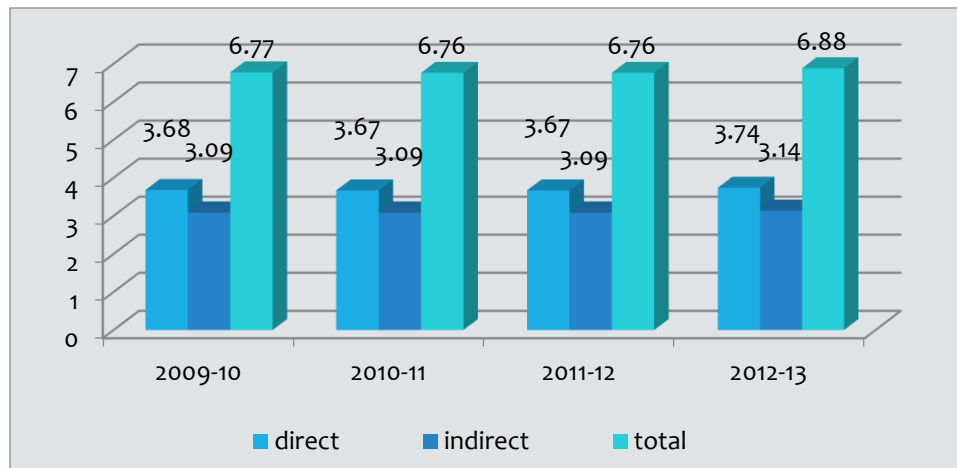


Source: WTTC

In India, the tourism sector has become a major sector of the economy and it is generating great amount of employment opportunities as well as supplementing to the National Income i.e. GDP. This is the fastest growing service industry in India with huge potentials of further expansion

and diversification. The total contribution of Travel & Tourism to GDP was INR 8,309.4bn (6.3% of GDP) in 2015, and is forecast to rise by 7.3% in 2016, and to rise by 7.5% pa to INR18,362.2bn (7.2% of GDP) in 2026.¹

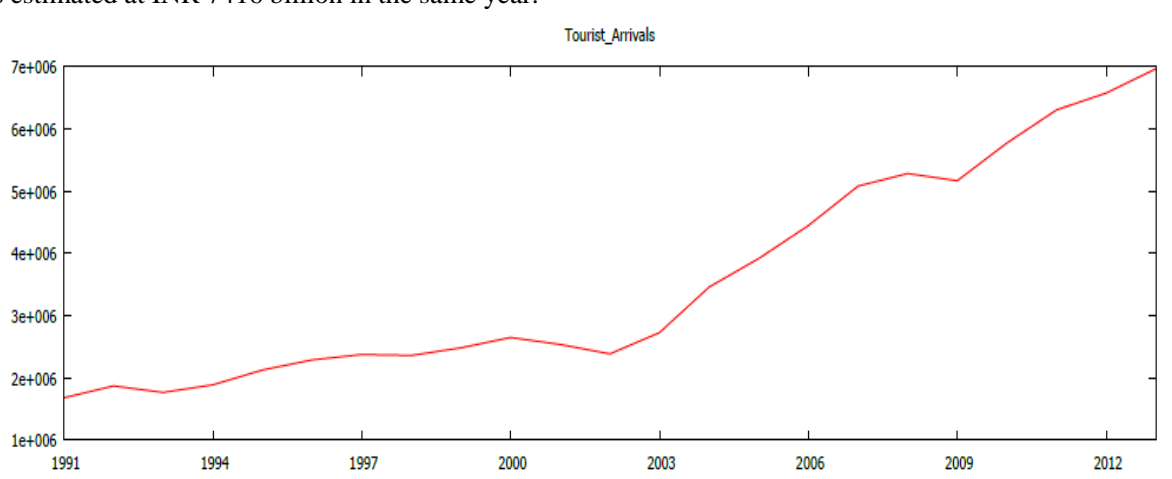
Fig 1.2 Contribution of Tourism in GDP of the Country (%)



Source: WTTC

The total tourist visits in India have been growing at a steady rate of about 16 per cent over the past five years. The travel and tourism sector in India provides significant socio economic benefits. While the direct contribution to GDP is estimated at INR 2222 billion in 2013, the total contribution is estimated at INR 7416 billion in the same year.

These have further been forecasted to rise at a growth rate of 12 per cent over the next decade. While the sector supported 25 million direct and 40 million total jobs in 2012, these have been forecasted to increase at a growth rate of 2.1 per cent by 2023.



Components of total contribution to GDP:

The UN Statistics Division-approved Tourism Satellite Accounting methodology (TSA: RMF 2008) quantifies only the direct contribution of Travel & Tourism. WTTC recognizes that Travel & Tourism's total contribution is much greater

however, and aims to capture its indirect and induced impacts through its annual research.

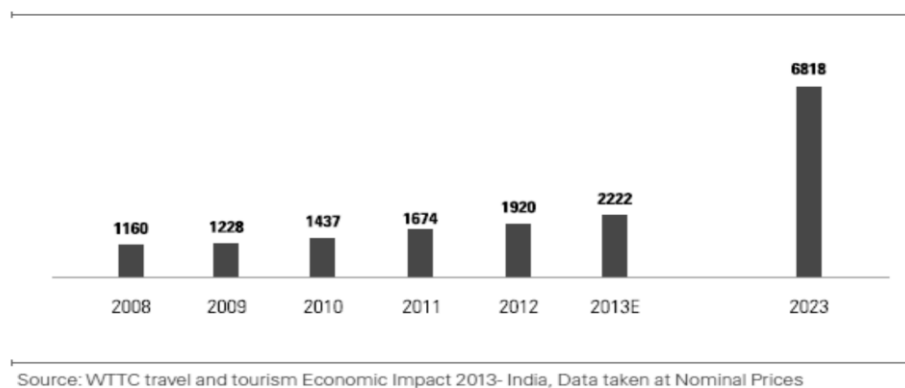
Direct contribution:

This can be calculated by adding the total internal spending made by different tourism sectors such as hotels, airlines, airports, travel agents and leisure and recreation services that deal directly

with tourists. This will create direct income, government revenue, employment effects and some direct imports of goods and services. It is estimated that worldwide it represents 31% of the total Travel & Tourism contribution to GDP (WTTC, world, 2013). The direct contribution of Travel & Tourism to GDP in 2015 was INR 2,668.3bn (2.0% of GDP). This is forecast to rise by 7.1% to INR 2,858.7bn in 2016. This primarily reflects the economic activity

generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes, for example, the activities of the restaurant and leisure industries directly supported. The direct contribution of Travel & Tourism to GDP is expected to grow by 7.9% pa to INR 6,115.5bn (2.4% of GDP) by 2026.²

Figure 1.3: Travel and tourism direct contribution to GDP, INR Billion

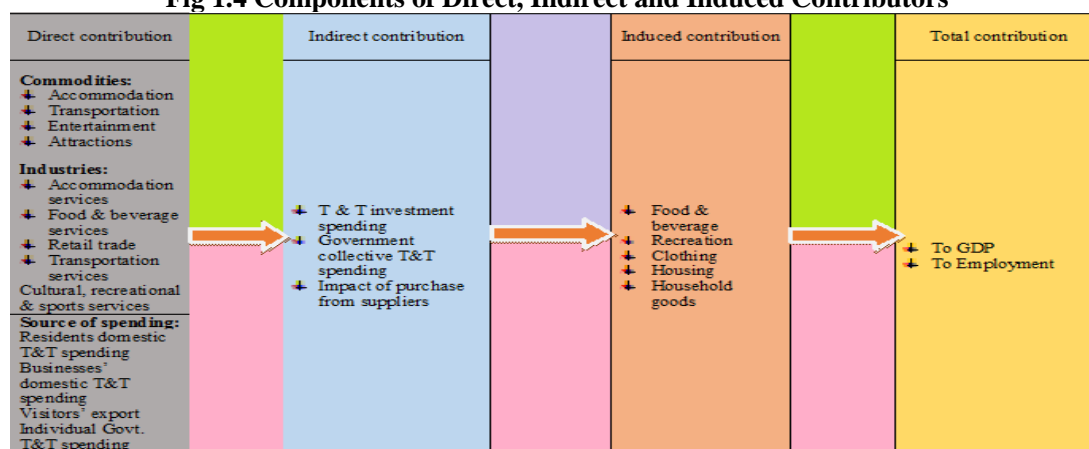


Indirect contribution:

This is the composite of intermediate consumption for the production of goods and services in tourism sector. These are the goods and services which are purchased by tourism sector to form tourism supply chain. It is estimated by WTTC that this contributes to 50.8 percent to the GDP worldwide (WTTC, world, 2013). Professor Vellas (2011) has made an economic study and concluded that indirect impact of tourism in T20 countries has nearly 45 percent of tourism's total contribution to GDP. To make the good of the sector the countries has to make a

balance between domestic and international demands for tourism. Induced contribution: It consists of the GDP supported by the spending of those who are directly or indirectly employed by the travel and tourism industry. It measures the spending on food and drink, leisure, transport, clothing, housing, household goods, etc. For companies, this would be purchases of capital goods or expenditure related to the reinvestment of profits. WTTC estimates that it represents 18.2% from the total Travel & Tourism contribution to GDP worldwide (WTTC, world, 2013).

Fig 1.4 Components of Direct, Indirect and Induced Contributors

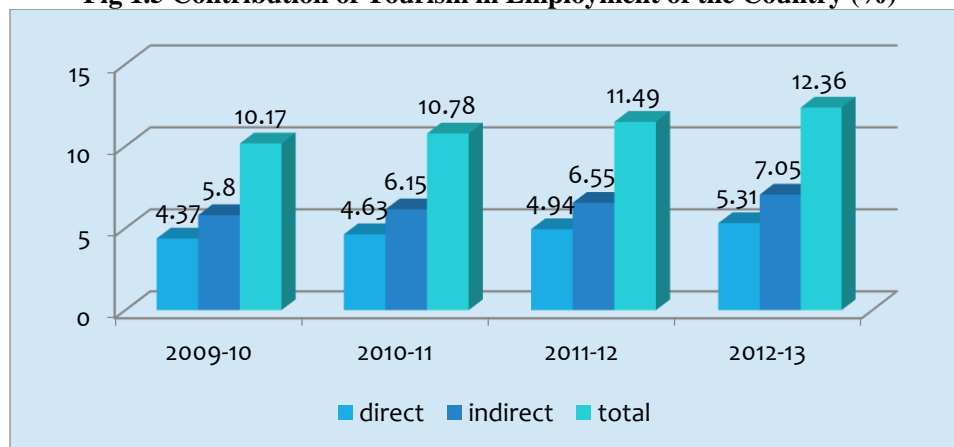


SOURCE: The World Travel & Tourism Council; "Travel & Tourism ECONOMIC IMPACT 2016 INDIA" THE HARLEQUIN BUILDING, 65 Southward Street, London SE1 0HR, United Kingdom

In the year 2014, 36695500 jobs have been created in the travel and tourism sector, making it 8.7 percent of the total employment. It is believed that this will grow by 1.8 percent in the year 2015

making the jobs number to 37365000. By 2025, Travel & Tourism is forecast to support 45,566,000 jobs (9.0% of total employment), an increase of 2.0% pa over the period.³

Fig 1.5 Contribution of Tourism in Employment of the Country (%)



Source: WTTC

If tourism development is considered as one of the vital sector of the economic development, then relationship between tourism exports and economic growth would be an indicator of optimistic outcome of tourism on economic growth (Vanegas and Croes⁴; Croes⁵). As it has been said that by the exports a country receives good amount of foreign reserve resource for the economy and the revenue received from foreign tourists can be taken as an exports of the country (Lundberg, Stavenga and Krishnamoorthy). Therefore, the countries having rich natural, historical and cultural attractions, on the one hand can use the tourism industry to strengthen its' foreign reserves; and on the other hand will afford significantly for the industrialization of the country. So, it can be said that tourism industry will be helpful in economic development, in line with the hypothesis of export- oriented economic growth (Lee and Kwon⁶; Sinclair⁷; Lim and McAleer⁸; Sharpley⁹; Mansfeld and Winckler¹⁰).

Review of literature:

Various studies have been carried out to find out the long term relationship between tourism sector and economic growth in particular countries. Balaguer & Cantavella¹¹, Dritsakis¹², Durberry¹³ and hatircioglu¹⁴ have relied on the econometric technique such as Co-integration and error correction models to find out the required results. They have found out the strong relationship between

tourism receipts and growth of country. A comparative study has been conducted by Eugenio-Martin, Morales, and Scarpa¹⁵ in Latin American countries by employing a dynamic model of economic growth to find out the relationship. They have concluded that low and medium countries have achieved higher growth but the same has not happened with higher income countries. Lee and Chang¹⁶ have also tried to find out the long term relationship between tourism and economic development of OECD and non-OECD countries for the period of 1990 to 2002. They have used new heterogeneous panel co-integration method to test the hypothesis. They have concluded that there is greater impact on GDP of non-OECD countries rather than OECD countries. Narayana et al¹⁷ have tried to find out relationship between real GDP and real tourism exports by using four pacific countries time series data. They have used the co-integration test to find out the relationship and stressed that a 1 percent increase in tourism exports increase GDP by 0.72 percent in long run and 0.24 percent in short run. While examining the contributory link between tourism receipts and GDP growth in turkey Arslanturk, Balcilar, and Ozdemir¹⁸ have used time-varying coefficients estimation models to analyze the Granger causality on VECM. They have used the data from 1963 to 2006. The results suggest that there exists no Granger causality between the series. Time-varying coefficients estimation model exhibits that GDP has no predictive control for tourism receipts but tourism receipts have a positive power for GDP.

Khalil et al.¹⁹ have used panel data from 1960 to 2005 to investigate the unidirectional or bidirectional casual relationship between tourism and economic growth of Pakistan. They have used the Granger causality test and cointegration test to find out the short term and long term relationship. They have stressed that there is positive relationship between tourism and economic growth in short term and long run in Pakistan's economy. Zortuk²⁰ has shown by using econometric analysis (Granger causality test based on VECM) that there is unidirectional causality from tourism development and economic growth of Turkey. He has used quarterly data from 1990 to 2008.

Copeland²¹ has said that the tourism sector is one of the important financial sources of economic growth and development in many countries. He has concluded that as the number of foreign visitors increases; the economy will be boost up if prices of the non-tradable goods and services increases in the economy without increase in taxes, foreign ownership etc. Hazari & Sgro²² have tried to find out relationship between economic growth and tourism, capital accumulation, consumption per capita and terms of trade. They have emphasized that tourism sector contributes to the long term growth rate of the small countries particularly. Oh, C.²³ has used the quarterly data from 1975 to 2001 to find out the casual relationship between tourism development and Korean economy growth. He has employed the Engle and Granger two-stage method and bivariate VAR model to predict the relationship. The cointegration test result showed that there exists no relationship between tourism development and Korean economy growth. The result of the Granger causality test showed that there is one way casual relationship in terms of economic driven tourism growth. In a nutshell, it can be said that there is no relationship between tourism development and economic growth in long run. Campos and Sequeira²⁴ has found the same result by examining the 509 countries data.

There are many studies which support the hypothesis that there is significant relationship between tourism sector and economic development but few studies have also shown that there is no relationship exists.

Objectives:

- To study the growth of foreign tourist arrivals in India,
- To study the growth of foreign exchange earnings in India emanating directly from the Tourism Industry;
- To study the short term relationship between Tourism Receipts and Economic development of India;
- To study the long term relationship between Tourism Receipts and Economic development of India;

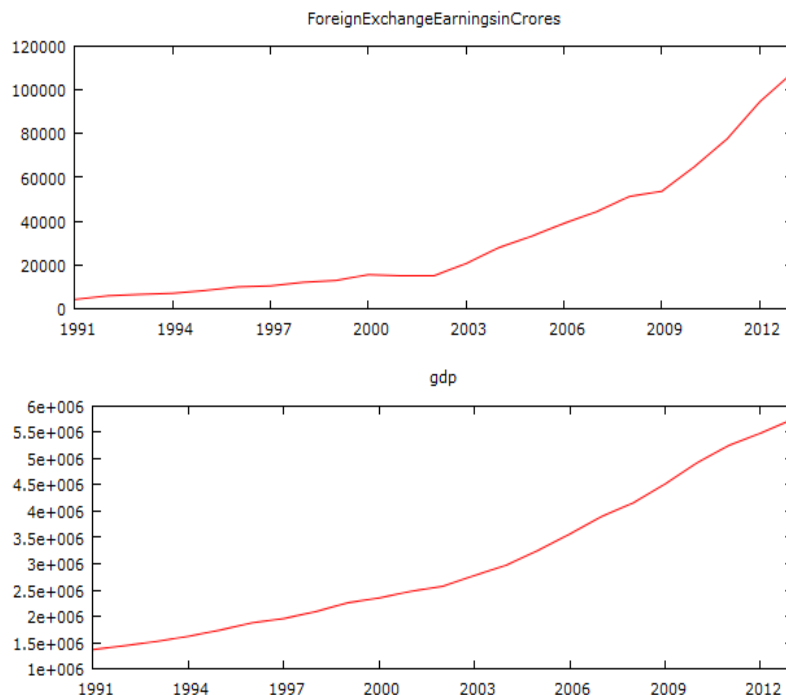
Hypothesis:

- **Ho1:** There is no significant short term relationship between tourism receipts and economic development of India (GDP).
- **Ho2:** There is no significant long term relationship between tourism receipts and economic development of India (GDP).

Research Design:

A descriptive research design will be used for the study. The study will be based on the secondary data only which will be collected from RBI, WTTC, UNWTO websites, Annual reports of Ministry of Tourism, Journals. The data will be collected from 1991 to 2015 on annual basis. The collected data will be filtered and tabulated for further use. Unit Root test, Granger Causality test and Johansen Cointegration test will be applied to draw meaningful conclusions.

1.6 Analysis and interpretation: GDP and Foreign exchange Earnings:



Unit root test:

In autoregressive time series, we are regressing Y_t against its own value in the last period Y_{t-1} ; thus:
 $Y_t = B_0 + B_1 Y_{t-1}$

The value of Y_t throughout the period when plotted will not be smooth; there will be some period when there will be spikes (up and down). Let's call this volatility (up and down) the effect of shock. The idea of testing for stationarity is to verify whether the effect of shock is permanent or transitory. If the effect of shock is transient (temporary), the value of Y_t in subsequent period will return to its long-run

equilibrium. If Y_t return to its long-run equilibrium, we say that the data set is stationary, i.e. meaning that the data is stable even with the effect of shock, Y_t still goes back to its long-run mean (mean reverting). However, if after the shock, the subsequent Y_t does not go back to its long-run equilibrium, it means that the effect of the shock is absorbed into the system and becomes part of the system. This type of data set is called integrated time series. This is one rationale for checking data stationarity.

Augmented Dickey-Fuller test:

- Unit-root null hypothesis: $a = 1$
- With constant and trend model: $(1-L)y = b_0 + b_1 t + (a-1)y(-1) + \dots + e$
- 1st-order autocorrelation coeff. for e: 0.024
- Estimated value of $(a - 1)$: -0.419083
- Test statistic: $\tau_{ct}(1) = -2.29845$
- Asymptotic p-value 0.0342

Augmented Dickey-Fuller test for d_l_gdp

- Including one lag of $(1-L)d_l_gdp$ (max was 8, criterion modified AIC)
- With constant and trend model: $(1-L)y = b_0 + b_1 t + (a-1)y(-1) + \dots + e$
- 1st-order autocorrelation coeff. for e: 0.004
- Estimated value of $(a - 1)$: -0.618169
- Test statistic: $\tau_{ct}(1) = -1.80505$
- Asymptotic p-value 0.0026

The unit root test for the both series i.e. Foreign Exchange Earnings and GDP are stationary as the p value for both

the series are less than .05, therefore the null hypothesis is accepted that the two series are stationary.

Granger Causality test

Cointegrating regression -

OLS, using observations 1991-2013 (T = 23)

Dependent variable: Foreign Exchange Earnings in Crores

	Coefficient	std. error	t-ratio	p-value
const	-31524.0	3540.42	-8.904	1.42e-08 ***
gdp	0.0209752	0.00106455	19.70	5.06e-015 ***
Mean dependent var	32116.65	S.D. dependent var	29989.37	
Sum squared resid	1.02e+09	S.E. of regression	6953.399	
R-squared	0.948684	Adjusted R-squared	0.946240	
Log-likelihood	-235.0701	Akaike criterion	474.1402	
Schwarz criterion	476.4112	Hannan-Quinn	474.7113	
rho	0.986128	Durbin-Watson	0.314166	

There is evidence for a cointegrating relationship: (a) The unit-root hypothesis is not rejected for the individual variables, and The result shows that there is short term relationship between Foreign Exchange Earnings and GDP.

Johansen cointegration test: The Johansen cointegration test helps you find any integration relationship in the long-run between variables. Cointegration test based on Johansen (1988/1991) and Johansen & Juselius (1990), with the results given below. The null hypothesis is rejected that there are zero cointegrating relations.

Number of equations = 2

Lag order = 1

Estimation period: 1992 - 2013 (T = 22)

Unrestricted constant

Log-likelihood = 148.632 (including constant term: 86.1989)

Rank	igenvalue	Trace test p-value	Lmax test p-value
0	0.37762	10.924 [0.2198]	10.433 [0.1883]
1	0.022098	0.49161 [0.4832]	0.49161 [0.4832]

Corrected for sample size (df = 19)

Rank	Trace test p-value
0	10.924 [0.2692]
1	0.49161 [0.5135]

eigenvalue	0.37762	0.022098
beta (cointegrating vectors)		
l_ForeignExchang~	12.094	1.6508
l_gdp	-24.723	-5.7386
alpha (adjustment vectors)		
l_ForeignExchang~	-0.041990	-0.0089291
l_gdp	0.0050685	-0.0021677
renormalized beta		
l_ForeignExchang~	1.0000	-0.28767
l_gdp	-2.0442	1.0000
renormalized alpha		
l_ForeignExchang~	-0.50783	0.051240
l_gdp	0.061299	0.012440
Long-run matrix (alpha * beta')		
l_Foreign Exchang~ l_gdp		
l_ForeignExchang~	-0.52257	1.0894
l_gdp	0.057721	-0.11287

The test results show that there is not very much strong relationship between Foreign exchange Earnings and GDP in long run in India. As the one percent increase in Foreign exchange Earnings will lead to 0.05 percent increase in GDP.

Conclusion:

The major objective of this paper is to investigate the effects of Foreign exchange Earnings on the economic development of India. The result shows that the spending of foreign tourists has positive impact on the economic growth. Analyzing the relationship between Tourism Development and economic growth is

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2. WTTC; "Travel and Tourism: Economic Impact: 2013, 2014, 2015, 2016
3. WTTC; "Travel and Tourism: Economic Impact: 2014, 2015, 2016
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a careful consideration that needs to be contemplated in every country that wants to focus on tourism as part of its economic development strategy (Kim et al., 2006). The finding of the study will be helpful to the policy framers to allocate more resources to the tourism industry so that the industry can achieve its' objectives i.e. economic development. This will also provide information to the policy framers to understand the contribution of tourism sector in GDP in long term.

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