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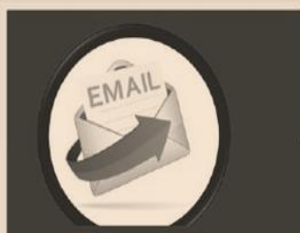
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सूर्य संवेदना पुष्पे, दीप्ति कारुण्यगंधने।  
लब्ध्वा शुभं नववर्षेऽस्मिन् कुर्यात्सर्वस्य मंगलम्॥

Recently, I met a gentleman during my morning walk. He looked sad from inside. He used to come for morning walk every day in a big car. Clothes and shoes were also very expensive. One day he told that he didn't know why people were jealous of him. Pass by him, but still do not greet him. He told that even the poorest people in his neighborhood do not look at him with respect. I told him that if you are so rich and still people do not respect you, then you should pay attention to your way of earning. Maybe people feel that your earning is not commensurate with the hard work done by you. The first condition to be happy is that we should not lose touch with our surroundings. The interrelationship between us and our surrounding is one of the first conditions of happiness. You will get respect in the society only when you continuously do some good work for it.

But, he had something else in his mind. He wanted to contest MLA elections to gain respect from the society.

If we are earning a lot of money and in the process of earning money we are not giving anything to our society, and the world around us is not happy with us, then surely we cannot be happy. It is foolish to think that a selfish rich person will be very happy.

Your 'smile' and 'tears' do not determine how satisfied or dissatisfied you are, because both your smile and tears can be fake. Sometimes infection is not a bad thing. If a happy person infects your mind with happiness, then he is truly a messenger sent by God. If you have good and wonderful friends with whom you can spend good time, then you are really very rich.

It is written in our religious texts that happiness is not a target or goal for which you walk for miles. Rather, happiness comes from within us. If you are satisfied then you are happy. If you want happiness in your life, you will never be happy, because expecting perfection can never satisfy you. Lord Shri Krishna says in Geeta that when we give importance to our actions and do not worry about the results, then sorrow cannot touch us.

We often get disturbed by the events happening around us. The seeds of worry start growing in the mind. But, sometimes it is a great relief to know that no matter what happens to you, the sun will rise tomorrow. Perhaps this ray of hope is the key to happiness. People usually say that if I had a little more I should be very satisfied. But, we make a mistake if we are not satisfied with what we have, even if we double it, we will not be satisfied. Money is a wonderful thing, but if you are not satisfied then you will not be satisfied this way. There have been many such billionaires in the world who, after reaching the heights, donated all their wealth and then set out to travel the world like a common man. Joy of giving is a wonderful feeling.

If you want to live life happily then reduce the clutter around you. Even though the tree of contentment may seem bitter, its fruits will always be sweet.

New Year is knocking at your door. Let's get out of the blanket and give it a warm welcome. The sunlight is a little less but as the day progresses, the light will increase and fill your life with new light.

सूर्य संवेदना पुष्पे, दीप्ति कारुण्यगंधने।  
लब्ध्वा शुभं नववर्षेऽस्मिन् कुर्यात्सर्वस्य मंगलम्॥

Just as the sun gives light, sensitivity gives birth to compassion, a flower always remains fragrant, in the same way, may this new year of ours be auspicious for you every day and every moment.

**Happy New Year!**

**Sincerely Yours**

**Editor**  
**Dr. M.K Choubey**



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# DECONSTRUCTING DECOLONIZATION

**Dr Siddhartha Chakraborti**

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## Abstract

This paper critically examines the relationship between postcolonial theory and the practice of decolonization in the context of literary studies. The term "postcolonialism" is explored as a theoretical framework, rooted in the act of perceiving the condition of a people after colonial rule. The evolution of the term "theory" is traced, emphasizing its role in shaping ways of perceiving or thinking about phenomena, particularly in the social sciences and humanities. The paper contends that postcolonialism, as a theory, focuses on creating different perspectives for understanding the impact of colonial rule on the state of being. Decolonization, on the other hand, is positioned as the practical counterpart, concerned primarily with the attainment of freedom and sovereignty. The historical trajectory of postcolonialism is examined, noting its emergence after the decline of political emancipation movements by the 1970s and its subsequent popularity following the end of the Cold War.

**Keywords-** *Third World Literature, Decolonisation, Postcolonial, South Asia*

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## Deconstructing Decolonisation

Postcolonialism, in the context of literary studies, is referred to as a 'theory' with the goal of decolonisation as its practice. Postcolonialism is often used interchangeably with postcolonial theory. It is probably derived from an indication of an ontological state, as in postcoloniality or being postcolonial. So perhaps our enquiry should begin with what we understand as 'theory' (Harper, 2015). The word itself can be traced back to have a sense of viewing and seeing, back to its PIE roots of 'wer-', meaning to perceive. It is in this context that postcolonialism is a theory, a way of perceiving the condition of a people after colonial rule. However, the word theory has also come to redefine our ideas of perceiving itself. The great scientific turn of the last two centuries has come about to give a certain teleos to the evolution of 'scientific' theories. In the scientific framework, theories are the product of long deliberate experimentation on various competing hypotheses that ultimately evolve to give repeatable verifiable results. For example, the Copernican model of heliocentrism provided a better model of the motion of planets and came to be accepted as the most viable hypothesis, which has now gained the status of an axiomatic truth. In social sciences, unlike the physical sciences, the tendency towards forming universal

overarching structures of axiomatic truth is far lesser especially after the poststructuralist turn in the middle of the last century. Indeed, what is more common with social theories is an acceptance of various competing theories that are cogent and co-dependent, providing certain notions of truths, with varying degrees of predictive ability. In humanities and the social sciences, more so than in the physical sciences, we therefore find a movement back towards original meaning of theory that is, ways of perceiving, or an organised body of ways of perceiving or thinking about or viewing certain phenomena. Moreover, in social sciences, the idea of theory leading to immediate practice is somewhat uncertain. While there are theories in social science that emphasise immediate action, a large number do not. Marxism stands out in emphasising 'praxis', denoting not the original sense of practice, or immediate use, but rather a synthesis of theory and practice.

Postcolonialism in this sense is rather theory oriented, in the sense of creating different ways of perceiving the state of being as impacted by colonial rule, while decolonisation can be seen as its practical counterpart, concerned largely with the practical problem of attaining freedom or more particularly, gaining sovereignty. Of course such a neat demarcation did not exist in early Marxist thinkers who saw

decolonisation as a necessary and inevitable part of the fight against capitalism as imperialism. Therefore, in the works of Fanon one finds decolonisation equated with the rise of a national consciousness guided by a Marxist call for unity amongst the labouring classes and peasantry transcending tribal differences in a practice of violence against global capitalism. However, with the recognition that socialism itself has historically colonised and indeed continues to colonise, such unity in practice and theory today has few takers. The cultural turn in postcolonial theory with Said all the way down to Spivak and Bhabha, are located in a timeline after the end of the great period of political emancipation of colonies which finishes by the 1970s. The real popularity of postcolonialism only begins with the fall of the Soviet Union and the discrediting of simplistic polarisations on the basis of Marxist class analysis. As such, mirroring history where decolonisation is largely complete, postcolonialism becomes a spectral presence without any direct practical implementation.

Therefore, apart from looking at decolonisation as the practical counterpart to postcolonial theory, perhaps a more meaningful way of relating the two will be through a historical situation of the two terms. After the First World War, there already began debates as to the continuance of imperial rule in large parts of the world which had been ruled by the central powers. Within Europe, the fragmentation of the Austro-Hungarian Empire created a string of democratic states from Hungary, Czechoslovakia, Yugoslavia etc. Poland came up as an independent nation along with the Baltic States. The Ottoman Empire disintegrated to give rise to newly independent Arab states apart from British and French mandates in the Levant. After the Second World War, the fragmentation and breakdown of colonial empires became accelerated with the weakened European powers no longer able to control the growing clamour for independence arising across its empires. Decolonisation, therefore, became an immediate practical need with various models of continued colonial influence being setup as the colonial masters withdrew. At the same time, the Cold War presented a

completely different dynamic where the withdrawing colonial forces attempted to at least install governments that were friendly to the capitalist West while the Soviet Union along with China promoted Marxist guerrilla groups and the formation of Left-leaning states. The major wars after the world wars had their origin in colonial rule whether they are in Korea, Vietnam, Angola, Rhodesia/Zimbabwe, Nigeria/Biafra or the complications around the Israel-Palestine conflict. In some ways, the decolonisation begins with an emphasis on anti-imperialism and a focus on gaining sovereignty. The initial impetus clearly shows its indebtedness to Marxism and its emphasis on praxis. As the First World shifted from direct political control towards more indirect means of control, the focus shifted from questions of political control towards questions of continued cultural hegemonies. As most of the colonised world gained freedom by the 1970s, the focus of decolonisation disappeared, and continued neoimperialist designs were largely boxed out in the larger politics of the Cold War. With the dissolution of the Second World, the newly independent erstwhile Soviet Republics claimed a status similar to that of the postcolonial spaces, giving a new emphasis to criticisms of Marxist praxis in the sphere of postcolonial studies. What perhaps was more interesting is that postcolonialism largely continued in a trajectory that became more and more nuanced towards identities and their assertion. Whereas earlier we could still think of wide collective identities to posit against colonial rule, after political decolonisation, postcolonialism also served to break the identity of the colonised into its constituent genders, castes, races, nationalities and sub-nationalities. Spivak's declaration that "the subaltern cannot speak" (Spivak 1988: 306), served in some ways to reduce the authenticity of the assertions against colonialism by implying that they were already elite. With violence and revolution often giving rise to further cycles of violence across the erstwhile colonised world and with democratic formulation usually usurped by dictatorships, the privileging of hybridisation and in-between spaces led to a greying of what earlier was a rather Manichean black-and-white binary between the coloniser and the colonised. As practice became more and

more stalled, theory became more and more obscure, and postcolonialism became more and more relegated to the hallowed groves of the academia. With a movement away from praxis and back towards theory, it becomes necessary to review postcolonialism and try and find ways of moving beyond the current paralysis.

One of the most potent critiques revolve around the origin of the term postcolonial, not because of any fetish in meanings but because the term itself has come to represent some of the key issues in the discourse. Initially, after decolonisation, the erstwhile colonised nations, their culture, literature etc. were usually placed under convenient brackets based on the colonising agency. The Francophone group of nations, representing a large chunk of North-Western Africa, and the British Commonwealth emerged as the two large groups that promoted closer ties between areas colonised by the same nations. Common games, literary prizes and mutually beneficial trade policies kept alive the memory of a bygone empire. The British Commonwealth of which India is a part, represents the sort of contradictions that any such groupings across such diverse places would entail. While some nations, like New Zealand and Canada continue to look on the British Monarch as the constitutional head of their country, others like India do not. Depending on whether the concerned nation was intensively occupied by the Whites, British settlers or not, the unfolding polity post-independence for all these spaces have remained varied and largely prevented any meaningful resistance to continued neo-imperialist or neo-colonial interventions. The word 'Commonwealth' (Harper, 2015) itself is quite an interesting formulation, from PIE Ko "together" + \*"change, exchange" and Wel "to wish, will", suggesting almost a coming together through an exchange of wills and desires. While as a term it is perfectly liberating, its political history unfortunately marks it out to be a continuance of colonial norms. Indeed, the Commonwealth mirrors the ancient Greek city-states' interaction with its colonies through games and other common pageantries. The Commonwealth also helps secure blocks of nations for the continued benefit of England, especially when it came to foreign policies and debates in the wider

global forum. It is noteworthy that India has remained one of the few voices that had protested Anglophone incursions into the Suez or the continued western support for the war against the Palestinian people. Most Commonwealth nations have largely toed the line of the erstwhile empire's mother state even after attaining independence.

Ella Shohat in her essay "Notes on the 'Post-Colonial'" (1992) rightly points out that the development of the field of postcolonial studies is intrinsically linked with the changing world polity only from the vantage point of the erstwhile mother state. Shohat anecdotally recalls:

My recent experience as a member of the multicultural international studies committee at one of the CUNY branches illustrates some of these ambiguities. In response to our proposal, the generally conservative members of the college curriculum committee strongly resisted any language invoking issues such as 'imperialism and third worldist critique,' 'neo-colonialism and resisting cultural practices' and 'the geopolitics of cultural exchange'. They were visibly relieved, however, at the sight of the word 'post-colonial.' Only the diplomatic gesture of relinquishing the terrorising terms 'imperialism' and 'neo-colonialism' in favour of the pastoral 'post-colonial' guaranteed approval. (Shohat, 1992: 99)

In other words, how to label literature coming from spaces that were earlier colonised turns into an act of coming to terms with one's own past, especially if the location of this labelling lies in the erstwhile colonising space of the western academia. However, one could extend that the almost embarrassed unsettling feeling need not have any geographical location in our understanding. Labelling something as postcolonial is as much a way for one to say 'it's all in the past' as it is to avoid the terrorising realities of imperialism and neo-colonialism. Furthermore, she clearly outlines the importance of academic faculties in the creation and dissemination of the imagination of postcolonialism as distinct from decolonisation which was intrinsically linked with popular mass movements and uprisings. According to Shohat, the problem begins with how to accommodate, within the

western academia, various interests that are often deeply critical of imperialism and colonisation.

The convenient grouping of nations based on their coloniser's identity allowed the erstwhile coloniser to actively promote the notion of a literature united to a common colonising agency. If nothing else it became a definite outpost for the propagation of the language of the colonising mother state. Even today, the socio-cultural currency that one receives on merely knowing English in India can be seen as a continued lived reality of its colonial past. Awards like the Commonwealth Literature Award cement these rigidities creating both a class of writers as well as intellectuals who are at least willing to engage in the coloniser's language. The coloniser, of course, feels like they have brought about a definite change for the positive through the entire process of colonisation.

However, by the eighties, voices had already risen against the linking of erstwhile colonised nations merely on the historic fact of their having the same mother state colonising them. With time, the idea of the Third World, distinct from the First World and the Second World with its separate historical development gained currency. While the First World came to represent the western capitalist powers and the Second World, the communist bloc led by the then Soviet Union, both of whom were designated as super powers with resources for intervening across the world, the Third World came to represent the vast playground of newly independent nations over whose futures these two large groups held sway. The more patronising term, 'The Developing World', also referred to the Third World, only it carried forward the earlier colonial burden of providing civilisation/development to less privileged parts of the world into the post-colonial times.

One of the most striking logical critiques of the idea of the Third World was articulated by Ahmad in his debate with Jameson where he points out that the Third World, unlike the First and the Second cannot be distinguished through any commonality in mode of production. While the First World

has a liberal capitalist framework and claims to be freer, the Second World which has a Marxist communist framework and claims to be more equal, the only commonality for the Third World is the historical fact of colonisation. Jameson, in his essay, "Third World Literature in the Era of Multinational Capitalism" (1986) makes the argument "all third-world texts are necessarily, I want to argue, allegorical, and in a very specific way: they are to be read as what I will call *national allegories*, even when, or perhaps I should say, particularly when their forms develop out of predominantly western machineries of representation, such as the novel" (Jameson, 1986: 69). While Jameson himself says that this is a "sweeping hypothesis" and again that "this distinction (between First and Third World literatures) in a grossly oversimplified way...is a radical split between the private and the public, between the poetic and the political...in other words Freud versus Marx" (Jameson, 1986: 69), the implications for Jameson's project which he spells out in his note 26 - "sketch(ing) a theory of the cognitive aesthetics of third-world literature" (Jameson, 1986: 88) is profoundly disturbing. Jameson has managed to reduce the essential drive of Third World imagination to be rooted in nationalism - and that too, a nationalism that has been imposed with the withdrawal of colonial rule. It is almost as if the key component of any erstwhile colonised people's imagination is the upholding of inherited colonial structures, especially those of nationalism.

While Jameson's thesis is validated in the Indian context by many novels that do present its characters as mirroring the destiny of the nation including Salman Rushdie's *Midnight's Children* (1981) or Ishmat Chughtai's *Terhi Lakeer* (1944), nonetheless many other novels including R.K. Narayan's *The Guide* (1958), Mulk Raj Anand's *Two Leaves and a Bud* (1937), Arundhati Roy's *The God of Small Things* (1997) and many others do not explicitly devolve into a singular design of being a national allegory. In this regard, I would like to point out particularly the novel *River of Fire* (1959) by Qurratulain Haider that uses cyclical history in order to reposition the personal narrative of its principle characters Gautam Nilambar, Champak - the woman he loves, and his friend



Hari Shankar, across various historical periods of North Indian history. In a complete reversal of Jameson's thesis it is not the political nation that is being allegorised in the lives of the central characters, although the nation is developing and changing around them from the rise of the Magadha dynasty through Muslim rule and into the end of British rule in the subcontinent. In Jameson's formulation, the nation becomes central, the constant goal for which the entire action of the novel exists. However, in Haider what is constant is the river of time which is equated with the Ganges. What is being allegorised is not the postcolonial nation but rather the paracolonial modes of human interaction that inform the majority of interactions of the people of the subcontinent.

Ahmad in his response to Jameson titled "Jameson's Rhetoric of Otherness and National Allegory" (1987) catches on this over-determination of colonial history in a brilliant rejoinder. He exposes Jameson's "cognitive aesthetics" to be based on the "suppression of the multiplicity of significant difference among and within both the advanced capitalist countries and imperialised formations" (Ahmad, 1987: 3). He exposes the hollowness of the "binary opposition of what Jameson calls the "first" and the "third" worlds" (Ahmad, 1987: 3). Perhaps the most telling feeling of being left out as a Third World theoretician can be summed up by Ahmad's deep objection to Jameson's formulations of an over-deterministic and an overarching order as encapsulated in the terms "all?...necessarily?" (Ahmad, 1987: 4). In a poetic but poignant comment on theorisation from western perspectives, and in this case ironically a western Marxist perspective which is otherwise supposed to be liberating and sensitive towards Third World articulations, Ahmad notes that despite being a Marxist like Jameson and being "birds of the same feather even though we never quite flocked together" (Ahmad, 1987: 3), finally he "realized, with no little chagrin, that the man whom I had for so long, so affectionately, even though from a physical distance, taken as a comrade was, in his own opinion, my civilizational Other. It was not a good feeling" (Ahmad, 1987: 4).

While Jameson is wary of conflating

the First and Second Worlds into each other, Ahmad reveals that the entire logic of Third World is based precisely on this convergence. The First and Second Worlds according to Ahmad "are defined in terms of their production systems (capitalism and socialism, respectively), whereas the third category - the Third World - is defined purely in terms of an "experience" of externally inserted phenomena. That which is constitutive of human history itself is present in the first two cases, absent in the third one. Ideologically, this classification divides the world between those who make history and those who are mere object of it..." (Ahmad, 1987: 6-7). In other words, Ahmad notes two interlinked problems of the formulation of the Third World, that are particularly important in understanding the necessity of delinking the simplistic idea of postcolonial nationalism from postcolonial being. Firstly, the very idea of three worlds unites structurally the First and the Second as having pure and distinct forms of production, which in itself is deeply problematic. Within this formulation lies the deeper belief, at least for classical Marxists, that because of the difference in forms and relations of productions, the Second World is exempt from either imperialist tendencies, or from colonial propensities, and that therefore decolonisation is particularly a fight against the First World, and its continuing machinations into the Third. However, the Third is one without any determined mode of production, either capitalist, or socialist, and is therefore one without any autonomous agency. At the moment of economic classification, therefore, colonialism and western logics of production come to tie down the Third World into perpetual inaction. Further, in a related paralysis, the Third World therefore becomes a space which has no sovereignty over its own history - unlike the First and the Second World. The Third World is therefore caught, at least in this formulation, in between the First and the Second World, as extensions of their political economic thought that makes central to their being their question of history, the questions of,

...neither class formation and class struggle nor the multiplicities of intersecting conflicts based upon

class, gender, nation, race, region and so on, but the unitary "experience" of national oppression (if one is merely the object of history, the Hegelian slave) then what else can one narrate but the national oppression? Politically, we are Calibans, all. (Ahmad, 1987: 9).

I would like to appropriate here Ahmad's continuation and call for an understanding of the universal permeation of colonial modes of thinking- "a radically different premise, namely the proposition that we live not in three worlds but in one; that this world includes the experience of colonialism and imperialism on both sides of Jameson's global divide" (Ahmad, 1987: 9) - or that colonialism and imperialism cannot be contained in different worlds, but are constitutive experiences that transcend into all worlds. We must therefore, while agreeing with Ahmad "that the category of "third-world literature"... is... epistemologically an impossible category" (Ahmad, 1987: 11) also prepare for an understanding that colonialism had a marginal role in the development of literature in erstwhile colonised spaces.

Ahmad's essay continues noting an entire list of Urdu authors in section VII (Ahmad, 1987: 17-22). He lists a historical survey of authors starting from Meer Amman's *Bagh-o-Bahar* adapted from the medieval *Qissa-e-Chahar Dervish* of Faizi, taken out from the publishing house of Fort William College, established in 1800 by the British and Rajab Ali Beg Saroor's *Fasana-e-A'jaib* published around the same time, both noting nothing about the British colonial onslaught or any resistance to it. He presents Sarshar's *Fasana-e-Azad*, an early novel as an example of serialised publication during the 1870s, Nazir Ahmed's *Ibn-ul-Vaqt*, as an example of the emergence of a new class of urban bourgeoisie. Rashid-ul-Khairi's string of women's morality novels, both at the beginning of the turn of the century, as well as Meer Hadi Hassan Rusva's *Umrao Jan Ada* which is far more liberating towards women's issues, round up the survey – all of which serve as examples of texts that refuse to fall into the paradigm of national allegories. Therefore, Ahmad notes- "the formative phase of the Urdu novel and the narrative that

arose alongside that novel, in the latter part of the nineteenth century and the first decades of the twentieth, had to do much less with the experiences of colonialism and imperialism as such" (Ahmad, 1987: 20). Even in the events leading up to the formation of the nation, Ahmad argues-

I cannot think of a single novel in Urdu between 1935 and 1947, the crucial year leading up to decolonisation, which is in any direct or exclusive way about "the experience of colonialism and imperialism"...All the novels that I know from that period are predominantly about other things: the barbarity of feudal landowners, the rapes and murders in the houses of religious "mystics," the stranglehold of moneylenders upon the lives of peasants and the lower petty bourgeoisie, the social and sexual frustrations of school going girls, and so on. The theme of anti-colonialism is woven into many of those novels but never in an exclusive or even dominant emphasis. (Ahmad, 1987: 21)

Ahmad further notes that even when nationalism was discussed in Urdu literature especially after the bloodbath of the partition in the 50s and 60s, it was not in opposition to colonial rule exclusively. In fact it was an extremely critical nationalism "a critique of others (anti-colonial nationalism) receded...entirely overtaken...by an even harsher critique of ourselves" (Ahmad, 1987: 21). According to Ahmad, the major fictions of that age were so very critical of the construct of nationalism that there actually was an "overriding doubt: whether we are a nation at all?" (Ahmad, 1987: 21). Ahmad has therefore laid out the practical need of looking upon cultural productions from the erstwhile colonised spaces as potentially having a paracolonial logic in being concerned with issues that go beyond the colonial period or the ideological moorings of colonialism and in being self-critical of itself. In other words, what was being called the Third World does have both an imagination and a history of an imagination of itself beyond colonialism, necessitating a need for a shift in emphasis in theory.

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# **WOMEN ON CORPORATE BOARDS - AN OBJECTIVE APPRAISAL OF SUBJECTIVE BENEFITS**

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## **Abstract**

In all organisations, well-informed, balanced and adroitly evaluated decisions duly embracing diverse perspectives are crucial to improving their functionality. Organisations being accountable to multiple stakeholders need to ensure that their corporate boards are productive, efficacious and receptive to diverse opinions, all of which contribute to worthier decisions. In contemporary times, diversity, equity and inclusion (DEI) have become the buzzword, with organisations increasingly promoting diversity all across. One such diversity-related area that has attracted researchers, practitioners and governments alike is gender diversity. The literature is replete with evidence endorsing the financial benefits of having gender-diverse boards. However, in the process, the non-financial benefits, though equally crucial, have escaped the attention of researchers.

Against this backdrop, the present paper seeks to place the non-financial implications centre stage, with arguments from literature and evidenced by empirical results.

**Keywords: Gender Diversity, Corporate Governance, Decision making, Role model**

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Corporations are one of the most dominant forms of business organisation in all economies. A distinguishing feature of such large corporations is a divorce between ownership and management, implying that the owners of such organisations are not the ones managing them. The owners are the shareholders who provide the requisite equity capital and are vested with ownership rights. They, however, assume a passive role in the day-to-day operations and delegate the management to the Board of Directors. The Board of Directors are thus bestowed with the

authority to manage and accordingly share a fiduciary responsibility to act in the best interests of the shareholders and other external stakeholders, including the employees, the customers, and society. Corporate scandals like Enron, Worldcom, Tyco, etc., have forced companies to relook and revamp their corporate governance systems. Accordingly, the composition of the Board of Directors has assumed inordinate importance, with diversity becoming almost a mandate to ensure pragmatic decisions. Progressive Boards are increasingly realising the importance of having

a judicious mix of talent, age and experience to enable constructive debates and a healthy exchange of ideas, leading to effective problem-solving. (Carter, Simkins & Simpson, 2003; Rao & Tilt, 2016; Yasser, 2012). Diversity increases the possibility of benefiting from diverse resources, skills, experience, talents, and perspectives and ensures fair and just governance. Diversity can be with respect to gender, ethnicity, culture, race, age, religion and/or socioeconomic status (Balasubramanian, N, 2013; Boubaker, Dang & Nguyen, 2014; Ferreira, 2010; Geiger & Marlin, 2012; Labelle, Francoeur & Lakhali, 2015; Mahadeo, Soobaroyen and Hanuman, 2012; Singh & Vinnicombe, 2004; Syed & Murray, 2008). However, the most commonly debated diversity attribute is gender diversity - ***having an adequate representation of women on corporate boards***. Researchers, practitioners and governments have begun emphasising gender diversity on corporate boards. Despite this, the composition of corporate boards is still skewed in favour of men, and women remain largely under-represented. Also, the overall percentage of female directors is still low relative to their number in the workforce. A report by Avtar Group, India's premier diversity, Equity and Inclusion (DEI) consulting firm, reports that while the representation of women at entry levels witnessed an upward trend from 33% in 2017 to 38 % in 2022, their representation at higher levels of management remains relatively low. This drops to 26 per cent at the managerial level, 18 per cent at the senior management level and just 17% at the corporate executive level. Realising the almost negligible voluntary appointment of women on boards, legislation under section 149(1) has been enacted mandating a minimum percentage of Women Directors. As a result, the last few decades have witnessed a noticeable trend towards making the boards more gender-balanced. However, there is still much to be achieved.

The extant literature extends a substantial theoretical rationale and strong empirical evidence across industries to support the need for diverse boards. The Agency Theory (Fama & Jensen 1983; Jensen & Meckling 1976), Resource Dependency Theory (Pfeffer, J; and Salancik, G.,1978), The Stakeholders Theory

(Freeman, R.E,1984) and The Upper Echelons Theory (Hembrick & Mason, 1984), all in their perspective have highlighted the benefits that accrue to organisations with diverse boards on account of better and informed decisions (Byron & Post, 2016). The empirical work to date has evidence endorsing both the financial benefits (Adams & Ferreira, 2009; Ahern and Dittmar, 2012; Boubaker et al., 2014; Carter et al., 2003; Carter, D'Souza, Simkins and Simpson, 2010; Dezso and Ross, 2012; Erhardt, Werbel and Shrader, C. (2003), Francoeur C, Labelle and Sinclair Desgagne 2008; Gregory Smith, 2013; Luckerath- Rovers, 2013; Martin-Ugedo and Minguez-Vera, 2014; Nielsen and Huse 2010; Rose 2007; Terjesen, Kouto and Francisco, 2015;) and non-financial benefits (Adams and Ferreira, 2009; Alvesson and Billing, 1997; Barua, Davidson, Rama and Thiruvadi, 2010; Carter et al.,2010; Erhardt et al.,2003; Ferreira 2010; Gul, Srinidhi and Ng, 2011; Huse, Nielsen and Hagen, 2009); Nielsen and Huse, 2010, Robinson and Dechant, 1997; Simpson et al., 2010; Singh & Vinnicombe, 2004; Smith, Smith and Verner, 2005 Terjesen, Sealy and Singh, 2009 Vishvakarma, 2017). Despite the enormous literature, the results are not conclusive on the magnitude of the impact of having gender-diverse boards. Also, researchers have always preferred exploring the financial implications. This may be due to the ease of measuring financial performance due to objective indices and/or availability of information vis-a-vis annual reports. Moreover, despite pressure to have more women on boards, firms will have them only if that brings them some economic or financial gain. Studies have primarily used accounting-based measures like Return on Assets (ROA) and Return on Equity (ROE) and market-based measures like Tobin's Q for assessing the financial implications of gender diversity. In the process, research on non-financial implications has got a step-motherly treatment, possibly due to lack of information or inability to quantify the subjective benefits. Though most researchers are unanimous about the non-financial implications, a large number of studies have focussed on the financial benefits (Isidro & Sabral, 2015).

The present paper, thus, attempts to add to the literature by understanding the non-financial

impact of gender diversity through a comprehensive examination of extant literature and supporting the conclusions arrived at using empirical evidence.

### **NON-FINANCIAL IMPACT OF GENDER DIVERSE BOARDS- A LITERARY APPRAISAL**

Organisations operate in a monetised economy, and hence, management practitioners primarily focus their efforts on increasing monetary gains. Academicians and researchers follow suit, and hence, a large share of the literary work on having gender-diverse boards is dedicated to quantifying the financial impacts accruing to organisations. However, overlooking the non-financial benefits of having gender-diverse boards shall leave half the story unexplored. Literature, though not conclusive, does endorse that women bring with them intangible and qualitative benefits which may not be captured by accounting-based financial results but have a long-term impact on their overall performance. These benefits cover a broad spectrum, including ensuring a more inclusive and disciplined work environment (Bilimoria, 2000; Eagly & Johnson, 1990; Isidro & Sabral, 2015; Rosener, 1990; Selby, 2000) enhancing the reputation and credibility of the organisation (Billimoria 2006; Daily and Dalton 2003), ensuring compliance with legal, ethical and social standards, assisting in arriving at better decisions by bringing in a different, fresh perspective (Huse et al. 2009; Huse & Solberg 2006; Rosener 1990), all of which might not be possible in a homogeneous board. Such benefits often pass over without getting their due attention as they cannot be measured in quantitative terms and, therefore, do not find a place in annual reports. However, they have a long-term impact on the company's value and profitability and deserve to be treated at par with the financial benefits. An adroit analysis of the prominent seminal works in the domain highlights a wide range of areas where gender diversity has proven itself and does deliver positive results.

For ease of understanding and better comprehension, the researchers have categorised them into four major categories, which shall possibly encompass all the thrust areas that have dominated most of the research in the domain. The rest of the paper, thus,

provides a detailed literary analysis of the four identified areas, followed by empirical support for the same.

(a) **Decision-making-** Decision-making, big or small, routine or strategic, plays a crucial role in the success of any organisation. An effective decision should be timely and rational, based on cognitive and intuitive assessments of the situation, with an adroit analysis of its consequences. One of the ways to arrive at efficacious decisions is by seeking deliberations from a diverse set of individuals. Diversity improves the decision-making process by bringing in a different perspective, which encourages scrutinising available alternatives differently and examining different alternatives. With this perspective, progressive organisations encourage diverse boards based on gender, race, age, culture, ethnicity and /or background to help them arrive at well-informed and calculated decisions.

The extant literature has duly endorsed that having women on corporate boards increases the likelihood of better decisions. Women, blessed with personality traits different from men, bring with them a diverse set of unique skills, ideas and experiences, thereby encouraging exploration of diverse and creative ideas, thus adding value to the decision-making process, which positively impacts overall performance and profitability. (Campbell Minguez-vera, 2008; Huse et al., 2009). By extending a different perspective, they encourage questioning and debating on a wider range of possible options, thereby leading to better and more objective decisions (Zelechowski and Bilimoria, 2004). Additionally, their presence prevents 'group-think', a phenomenon which leads to decisions being based on homogeneous alternatives on account of the lack of heterogeneity in teams (Bilimoria and Wheeler, 2000; Van der Wal & Ingley, 2003). Research also endorses their understanding skills with special mention to market and consumers, thereby providing an additional ground to have gender-diverse boards (Arfken et al. 2004; Daily & Dalton 2003; Singh & Vinnicombe 2004; Terjesen, Singh & Vinnicombe, 2007). Besides adding rationality to business decisions, their sensitive and compassionate nature helps organisations develop a strong ethical work culture, resulting in organisations paying greater attention to the



ethical, moral and legal consequences of decisions (Catalyst 2011b, Labelle, Gargouri and Francoeur, 2010; McCabe, Ingram and Dato-on 2006; Isidro & Sabral, 2015). Overall, the number of studies endorsing a positive correlation between gender-diverse senior leadership and better performance is on the rise (<https://insuranceblog.accenture.com/female-leaders-rank-equality-insurance>). However, diversity brings operational problems that may arise due to diverse viewpoints. The group becomes heterogeneous, does not share common ideas, cooperates less and experiences

higher incidences of emotional and personal conflicts (Williams and O'Reilly, 1998). This, at times, may make the decision-making a time-consuming process (Isidro and Sabral, 2015), reducing its efficiency and thereby working counterproductively for the overall organisation.

Based on the above review of extant literature, the researchers formulated the following statements to be included in the survey to understand the impact of gender diversity vis-a-vis decision-making.

**Table 1: Statements for Survey**

S. No.	Item Description
1.	The presence of women helps organisations make better decisions by giving a different perspective.
2.	Women help bring additional creativity to problem-solving.
3.	Women help companies pay attention to the ethical/moral consequences of decisions.
4.	The presence of women increases the chances of delays in decision-making.

**(b) Work environment-** An organisation's working environment, including the physical, social and psychological aspects of work context, significantly influences the performance and productivity, enhances the morale and motivation of employees, and has a positive impact on employee job satisfaction, all of which contribute to the success and growth of the organisation. In contemporary times, a safe, healthy, participative and supportive work environment is a prerequisite to inspire employees to contribute beyond the call of duty. Therefore, organisations desirous of gaining and sustaining competition need to appreciate the psychology of employment relationships. The psychological contract addresses aspects such as a friendly and supportive work environment, participative work culture, adaptable work policies to suit the unique requirements of employees, etc., which are hard to define and normally do not find a mention in a formal contract, though having a powerful influence on employees behaviour. Progressive organisations, therefore, strive to promote such a healthy work environment.

Having endorsed the importance of work context, it shall be unfair if organisations remain oblivious to the contribution of their female counterparts in making an organisation a better place to work. Women are naturally blessed with soft skills (Eagly et al. 2003), making them more sensitive and caring to acknowledge the needs of fellow employees, thereby propagating a supportive work culture where all feel included, valued and motivated to deliver their best (Adams and Ferriera, 2009; Barua, Davidson, Rama and Thiruvadi, 2010; Bilimoria, 2000; Daily and Dalton 2003; Erhardt et al., 2003; Fondas and Sassalos, 2000; Huse et al., 2009; McKinsey 2021; Nielsen and Huse, 2010; Singh and Vinnicombe, 2004; Terjesen, Sealy and Singh, 2009). Compared to their male colleagues, they are more committed to supporting their teams on strategic issues and more routine issues like helping in workload management, thus proving their leadership skills. Efforts such as these make happier employees who are strongly determined to stay and grow with the organisation (McKinsey,

2021). Additionally, shaped by societal expectations, women are more conscientious and rule-abiding, thereby contributing to bringing discipline to their work environment. Boards with gender diversity are known to be more diligent, civilised, disciplined, and committed to their goals. There is evidence that boards with adequate representation of women ensure greater compliance with respect to legal formalities related to board meetings. Women directors not only have a better attendance rate at board meetings but there is evidence that they also come more equipped at meetings (Adams and Ferreira, 2009; Barua et al., 2010;

Bilimoria, 2000; Clarke, 2005; Daily and Dayton, 2003; Erhardt et al., 2003; Fondas and Sassalos, 2000; Huse et al., 2009; Nielsen and Huse, 2010; Simpson et al., 2010, Singh and Vinnicombe, 2004; Terjesen, Sealy and Singh, 2009).

Drawing from the published research in the domain, the researchers formulated five statements to be a part of a survey to gauge the contribution of women in making organisations a better place to work.

**Table 2: Statements for Survey**

S. No	Item Description
1.	The presence of women promotes a participative work culture.
2.	The presence of women promotes a supportive work culture.
3.	The presence of women promotes a friendly work culture.
4.	Women keep teams united, which can help in retaining employees.
5.	Women bring discipline to the work environment.

(c) **Social and Legal Impact-** In modern times, an organisation has to be conscious of its impact on the environment, including society, individuals, communities, and the legal environment, as that will ultimately affect its value and credibility in the society. Organisations' actions, practices, and policies have to ensure legal compliance as well as reflect their responsibility towards society and the environment at large. Women, being naturally more conscientious and compassionate as compared to their male counterparts, ensure that their organisations are more cognisant towards their social obligations, ensure compliance with ethical principles, are more transparent with high levels of public disclosure as per legal requirements ( Bear et al. 2010; Catalyst 2011b; Donker, Poff and Zahir 2008; Hafsi and Turgut 2013; Isidro & Sabral, 2015; Jo and Harjoto, 2011; Rodgers, Choy and Guiral 2013; Siciliano, 1996; Wang and Coffey, 1992; Williams, 2003) By making the Boards heterogeneous with their presence, women also make them better representatives of the

various stakeholders and their interests (Lückerath-Rovers, 2013). The adequate representation of a minority group is reassuring the stakeholders that their interests are being taken care of, increasing their motivation and satisfaction. This also enhances the company's reputation and credibility in the eyes of the customers, the government, the public and the media. (Ferreira 2010; Rhode & Packel 2010; Smith, Smith and Verner 2005; Singh, Vinnicombe and Terjesen 2007) and impacts resource accessibility and availability. (Bilimoria 2006; Burke 1994b; Daily and Dalton 2003; Kang, Ding and Charoenwong 2010; McKinsey 2007; Singh, Vinnicombe and Terjesen 2007).

After conducting a thorough review of published research, the researchers formulated seven statements to measure the socio-legal impact of gender diversity.

**Table 3 : Statements for Survey**

S. No	Item Description
1.	Women help companies become legally compliant.
2.	The presence of women in management provides stability and security to stakeholders((employees, owners, customers, society, government and shareholders).
3.	Gender diversity helps to improve the corporate image.
4.	The presence of women may lead to a gender-based division in the organisation, harming the interests of the organisation.
5.	Women show effective leadership skills, which lead to corporate excellence.
6.	Women's presence on corporate boards reduces the chances of corporate governance failure.
7.	Diversity may lead to complexity in the organisation.

(d) **Role models-** Role models play a critical role in inspiring and motivating people, and this is especially true of women who face challenges in breaking barriers and stereotypes in reaching top positions. The extant literature shows that a major reason for the lack of progress among women in their careers is the absence of mentors and guides to provide support and guidance (Daily & Dalton, 2003; Hillman, Shropshire and Cannella, 2007; Singh and Vinnicombe, 2004) at various stages of their career progression. For women with ambition, having someone to look up to can go a long way in providing the necessary encouragement and inspiration. Women in senior positions in corporations can serve as role models, mentors and guides to the young promising women who seek to rise up the ladder (Burke 1994a; Billimoria, 2000; Billimoria & Wheeler 2000; Burke 1994a; Catalyst, 1998a; Daily & Dalton 2003; Hillman,

Shropshire and Cannella 2007; Singh and Vinnicombe, 2004; Smith, Smith and Verner, 2005; Singh, Terjesen and Vinnicombe 2007). Additionally, having an adequate representation of women in senior leadership positions goes a long way in ensuring that the recruitment policies are designed to ensure a fair chance for women applicants (Catalyst, 1998a, Billimoria 2000). Having realised the crucial role of women role models, it is time progressive organisations work towards ensuring gender diversity on their boards.

After conducting a thorough review of published research, the researchers formulated three statements to measure whether the presence of women in senior leadership positions helps ensure gender diversity.

**Table 4: Statements for Survey**

S.No.	Item Description
1.	Women in Senior Leadership positions can serve as role models for women in and outside the organisation.
2.	Women in Senior positions can take steps to ensure Gender Diversity at all levels.
3.1	The presence of women in Senior positions encourages Gender Diversity at all levels.

## METHODOLOGY AND ANALYSIS

### Industry sector choice and rationale-

The present study is dedicated to understanding the impact of gender-diverse corporate boards on the insurance sector. The literature has primarily focussed on the banking sector (Anderloni, L., Moro, O., & Tanda, A. 2020), and fewer studies are dedicated to the insurance sector. Although a general study on

the financial sector can be useful, conducting a study focused on a particular sector is equally critical, as the results can extend a better understanding (Adams & Jiang, 2016). Good corporate governance is equally indispensable for the insurance sector owing to its accountability to a large number of stakeholders (Doherty and Dionne, 1993; Lamm-Tennant & Starks, 1993). Undoubtedly, one of the ways to achieve good governance in this sector, as with

all others, is by having a gender-diverse board. Ironically, however, the extant literature shows that there is very little evidence of female presence on the boards of insurance companies (Anderloni et al., 2020). However, recent years have witnessed an upward trend with respect to female representation on boards, either voluntarily or due to legislative requirements. <https://www.moneycontrol.com/news/business/economy/these-women-ceos-are-leading-the-way-in-the-path-to-insured-india-6597731.html>. This study thus focuses solely on the insurance sector with special reference to the non-financial benefits that accrue due to gender-diverse boards.

**Sample and Data Collection-**The data for this study was gathered from employees working in the insurance sector in India, primarily life insurance companies, general insurance companies, and insurance broking companies (identities remain undisclosed due to confidentiality agreements with the HR heads). To ensure a wide range of opinions on the perceptions of individuals vis-a-vis the contribution of female board members, the sample included all employees from the middle management to the board level, irrespective of their functional areas and gender. The study adhered to ethical guidelines, including voluntary participation, confidentiality and anonymity of the respondents to ensure accurate and truthful responses.

Post-pandemic online questionnaires have been the most favoured tool to collect data. Hence, a

Google form was administered to 200 individuals using convenience sampling. Based on an adroit literature review, the researchers concluded to include 19 questions in their survey to cover the four major dimensions endorsed by the literature review. Three negatively worded questions were added deliberately to minimise extreme response bias and acquiescence bias. A five-point likert scale was used (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, and 5 = strongly agree).

A total of 136 responses were received from the target population of 200 respondents. However, during data cleaning, two responses were deleted as they had responded to a 3 for all the questions. In all, therefore, 134 valid responses were used for further analysis (a response rate of 67%), which included 51 responses from females and 83 from men. The ages of participants ranged from 27 years to 54 years.

**Reliability and validity-** The survey results were subjected to a Reliability Test, a statistical tool that helps measure the consistency of responses over time. The most commonly used measure to assess internal consistency is Cronbach Alpha. A higher alpha value (0.7 or higher) indicates better reliability. Table 6 depicts the Cronbach Alpha of all the four variables using IBM SPSS 22. As all the values are higher than the threshold limit of 0.7, it indicates that the data has good internal consistency.

**Table 5: Reliability analysis of the variables under study**

S. No	Variable	Cronbach Alpha
1.	Decision-making	.857
2	Work Environment	.901
3	Socio-legal impacts	.899
4	Role Model	.897

The researchers also ensured that the measure used for data collection was content-valid. Content validity involves the evaluation of how well the questionnaire used for the study covers all relevant aspects. This requires evaluation of the measurement tool by subject matter experts

(SMEs). The experts were selected on the basis of their academic background and professional experience of working in senior positions of reputed organisations, and details are presented in Table 7.

**Table 6: Details of SMEs**

Name	Present Position	Work Experience (in years)
Ms Sakshi Khosla	Head of People	21
Ms Monisha James	Director Distribution HR	21
Mr Rahul Khosla	Global People & Cultural Leader	20

All the reviewers endorsed that the questionnaire captured all possible dimensions the study wants to cover. However, Ms Sakshi and Ms Monisha suggested a few changes in language, which were duly accepted and introduced in the final questionnaire.

**Results and Discussion-** Gender-diverse boards have been positioned to impact the overall performance of the organisation in both direct and indirect ways (Isidro and

Sabral, 2015; Rodgers et al; 2013 Singh & Vinnicombe 2004; Terjesen, Singh & Vinnicombe, 2007). The present survey, based on a 5-point Likert scale, helped measure respondents' agreement, disagreement or a state of being impartial for the statements administered to them. For ease of understanding, the results are tabulated from Tables 8 to 11.

**Table 7: Role of women in the decision-making process**

Item description	Percentage of participants reporting disagreement	Percentage of participants reporting being neutral	Percentage of participants reporting agreement
The presence of women helps organisations make better decisions by giving a different perspective	12	15	73
Women help in bringing innovation in problem-solving.	12	13	74
Women help companies consider the ethical consequences of decisions.	1	10	89
The presence of women can increase the chances of delays in decision-making.	88	8	4

According to the results presented in Table 8, the current study reaffirms the widely accepted notion that women on boards significantly promote more logical decision-making. By bringing diverse viewpoints and innovative ideas to the table, women contribute to a more well-rounded decision-making process that also considers the ethical implications of the choices made. The results endorse that the presence of women on corporate boards significantly contributes to better decision-making, with an impressive 73 per cent attributing it to offering a different perspective, 74 per cent crediting them with bringing innovation and a staggering 89 per cent reporting that their presence does ensure that ethical consequences are taken care

of when evaluating decisions. However, the issue of delays in decision-making becomes a moot point as our results contradict extant literature. 88 per cent of the respondents disagreed on delays in the decision-making process due to the presence of women on boards. Literature has expressed that the presence of female directors usually makes the decision-making time-consuming, which may sometimes work negatively for the overall organisation (Isidro & Sabral, 2015; Williams & O'Reilly, 1998). An introspection into the reasons led the researchers to conclude that the differences in results are attributable to changed societal perceptions over time and/or differences on account of samples chosen for

the study. However, delays are not all-pervasive, and a lot depends on board dynamics and the relationship of the female board

members with other board members (Westphal & Milton, 2000).

**Table 8: Impact of women presence on work environment**

<b>Item description</b>	<b>Percentage of participants reporting disagreement</b>	<b>Percentage of participants reporting being neutral</b>	<b>Percentage of participants reporting agreement</b>
The presence of women promotes a participative work culture.	4	6	90
The presence of women promotes a supportive work culture.	4	20	76
The presence of women promotes a friendly work culture.	4	11	85
Women bring discipline to the work environment.	4	5	91
Women keep teams united, which can help in retaining employees.	3	23	74

The results presented in Table 9 not only revalidate the existing literature but also provide conclusive evidence that the presence of women on corporate boards improves the work environment. Women's friendly and caring disposition enables them to be inclusive in their outlook, which helps promote unity and a sense of belongingness in the organisation. The work culture becomes friendly, participative and supportive. By nature, women are also conscientious, rule-abiding and disciplined, and with their greater presence, the culture spreads across the organisation, leading to a regulated and efficient work environment. The sense of inclusion and empathy that women propagate due to their compassionate and caring nature unites people, promotes a sense of belongingness, and leads to higher employee retention rates (Adams and Ferreira, 2009; Barua et al., 2010; Clarke, 2005; Erhardt et al., 2003; Huse et al., 2009; McKinsey 2021; Nielsen and Huse, 2010; Singh & Vinnicombe, 2004; Terjesen, Sealy and Singh, 2009)

In contemporary times organisations are expected to exhibit responsible practices to improve their value and credibility in the market. This requires them to be legally compliant as well as socially responsible towards their employees, shareholders, customers, creditors and even the environment

at large. They owe to the society not only by contributing to the GDP of the country but in modern times, with increasing numbers of women on their rolls are considered equally responsible towards ensuring gender parity. This, in turn accelerates the process as women are more cognisant towards social obligations, ensure compliance with ethical principles, and are more transparent with high levels of public disclosure as per legal requirements (Bear et al. 2010; Catalyst 2011b; Donker, Poff and Zahir 2008; Hafsi and Turgut 2013; Isidro & Sabral, 2015; Jo and Harjoto, 2011; Rodgers, Choy and Guiral 2013; Siciliano, 1996; Wang and Coffey, 1992; Williams, 2003). The analysis presented in Table 10 shows that the results of the study confirm the existing literature, as 90 percent of the respondents confirmed that the presence of women makes the company legally compliant as well as improves the corporate image. Their (women's) responsible and diligent nature makes them more aware of the need to be legally and morally correct, giving the stakeholders a sense of security. The impressive figures at 87 per cent provide enough evidence for the same. Additionally, their presence ensures a reduction in instances of corporate governance failure, which is reflected by 86 per cent of the respondents endorsing in its favour.



**Table 9: Socio-Legal impact of Women on boards**

Item description	Percentage of participants reporting disagreement	Percentage of participants reporting being neutral	Percentage of participants reporting agreement
Women help companies become more legally compliant.	3	7	90
The presence of women in management provides stability and security to stakeholders(employees, owners, customers, society, government and shareholders).	3	20	87
Gender diversity helps to improve the corporate image.	3	7	90
The presence of women may lead to a gender-based division in the organisation, harming the interests of the organisation.	76	19	4
Women show effective leadership skills, which lead to corporate excellence.	5	24	71
Women's presence on corporate boards reduces the chances of corporate governance failure.	4	10	86
Diversity may lead to complexity in the organisation.	89	7	4

Finally, yet importantly, the presence of women in senior and board positions in organisations serves as role models and/or mentors to young, talented women who aspire to climb the hierarchical ladder. The results depicted in Table 11 showcase that women in senior leadership positions contribute to encouraging gender diversity across all levels in addition to becoming a source of inspiration to women in

and outside the organisation. The high percentage of respondents showing their agreement for the same speaks volumes, leaving no room for doubt.

**Table 10: Women in Senior Positions as Role Models**

Item description	Percentage of participants reporting disagreement,	Percentage of participants reporting being neutral,	Percentage of participants reporting agreement,
Women in Senior Leadership positions can serve as role models for women in and outside the organisation.	2	13	85
Women in Senior positions can take steps to ensure Gender Diversity at all levels.	5	16	79
The presence of women in Senior positions encourages Gender Diversity at all levels.	7	13	80

## CONCLUDING REMARKS

The issue of gender diversity on corporate boards is a foregone conclusion. No other dimension of introducing diversity on corporate boards, like religion, race, etc., has received such an overwhelming attention. The literature is loaded with studies trying to establish a promising relationship between the presence of women on corporate boards and its corresponding financial and/or non-financial implications on corporations. The results, though not conclusive, are majorly skewed in favour of gender-diverse boards. The present work, with its focus on contemplating the non-financial implications, has provided an adroit examination of the literature review, based on which the researchers moved ahead to examine the same empirically. Using survey data collected during the month of May 2023 through a Google form from amongst the employees of the insurance sector, our analysis revalidated existing research to date. Our findings are particularly significant as they have contributed to the scant empirical work based on primary data. On the basis of the evidence presented in Table 8 -11, we thus conclude that gender diversity does positively impact the decision making process, improves the work environment and ensures that organisations are more socially responsible and legally compliant. Despite this, the relative number of women in senior leadership positions continues to be less than their male counterparts, reasons for which may be attributed to men, women and society. There is still a lot of prejudice to overcome before the 'she' element gets a place on the board and gains wholehearted acceptance from all stakeholders. As the future unfolds, societies shall increasingly acknowledge the promising talent women bring with them, and accordingly, mature and progressive organisations shall witness higher representation of women on corporate boards.

Finally, we would be remiss if we did not mention the limitations of our study. While the study does provide valuable insights into the impact of women on organisations, it is not free from limitations. The sample chosen for the study is limited by number; hence, future studies with a larger sample base are desirable before results can be generalised. Furthermore,

despite our best efforts, we could not get an equal number of responses from men and women, due to which we are unable to have the comparison of views of both genders. The study has analysed the results from a survey based on a simple percentage method. Future research with a larger database shall allow more advanced statistical tools to analyse data

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# THE IMPACT OF FINANCIAL AWARENESS ON INVESTMENT DECISION-MAKING WITH RESPECT TO DEMOGRAPHIC VARIABLES

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## **Abstract:**

This study examines the complex link between financial literacy and investment choices, paying special attention to the roles that age, gender, education, and income play in mediating and moderating this relationship. Understanding the dynamic between financial literacy and demographic traits is critical for developing targeted financial education and investing strategies in today's dynamic and diverse financial markets. The major purpose of this research is to examine how different demographic characteristics affect people's financial literacy and, by extension, their investing preferences and behaviours. To gain a full understanding of this complex connection, we will use a combination of ways. The quantitative portion of this study will consist of a massive survey sent to many different types of people. In addition to gathering demographic information, the survey measures the respondents' financial literacy, investing knowledge, and investment preferences. Data-driven statistical analysis will be carried out to reveal demographic differences in financial literacy and investing behaviour. Policymakers, financial institutions, and educators may all learn a lot from this study's conclusions. To further promote financial inclusion and economic empowerment, it is important to tailor financial education and investing methods to meet the specific requirements and preferences of various demographic groups. Better financial planning tools and investment products that take into account each person's unique situation and goals may be developed by studying the interplay between demographic characteristics and financial literacy in the context of investment decisions. The research concluded that investors' investing choices are affected by a number of demographic variables, including their level of financial literacy. In sum, this study has highlighted the impact of demographic characteristics in moulding individuals' financial behaviour, adding to the expanding body of information around financial awareness and investment decision-making. We may move toward a more inclusive and fair financial landscape if we acknowledge the range of financial literacy and personal preference among population subgroups.

**Keywords:** Financial Literacy; Financial Awareness; Investment Decision; Demographic Variables

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**Introduction-** Making sound investing selections is more important than ever in today's fast-paced and intricate financial markets. Individuals' wealth and long-term security are profoundly affected by their decisions about

resource allocation, investment vehicle selection, and risk management. Individuals' financial literacy is a vital and sometimes overlooked aspect in this decision-making process. An individual's investing decisions are

heavily influenced by their level of financial awareness, which includes financial literacy, investment knowledge, and an appreciation of risk. Nevertheless, age, gender, education level, and income all play a role in the complex interplay between financial literacy and choice of investment vehicles.

It's common knowledge that people's age, income, and education level all play a role in determining their saving and spending habits. These factors represent the wide variety of personal and societal factors that influence people's financial choices. For instance, a person's investing horizon, risk tolerance, and financial goals may vary with age, with younger people often prioritising growth of their wealth and elderly people preferring security over growth. There is a clear need to investigate the role of gender in financial decision-making in view of the well-documented gender gaps in both financial literacy and investing preferences. Higher levels of education and money are often connected with more financial knowledge and investing sophistication, and both are major factors in determining financial awareness.

Not only is there scholarly interest in studying the correlation between financial literacy and demographics, but doing so also has important real-world ramifications. The significance of adapting financial education and investment products to the specific requirements of various demographic subsets is becoming increasingly apparent to policymakers, financial institutions, and educators. Given that various demographic subgroups may display varying degrees of financial literacy and deal with unique obstacles in their investment decision-making processes, it has become apparent that a universal approach to financial education and investing may not be fruitful.

This study seeks to bridge a significant gap in the literature by examining the effects of financial literacy on investment choices, with an emphasis on the moderating and mediating roles played by demographic factors. We utilise a mixed-methods strategy to give a holistic picture of the intricate processes at play. Both a large-scale survey and in-depth interviews with people from different backgrounds make up the quantitative aspect of the study.

In the context of investing choices, this study aspires to reveal the complex relationships between financial literacy and demographic factors. Our hope is that this will help pave the way for more nuanced approaches to financial literacy and investment planning, therefore enabling a wider range of people to benefit from them. Not only is this study important for the advancement of knowledge, but it also has practical applications that might improve people's access to financial services and boost the economy as a whole by catering to people's varying degrees of financial literacy and personal preferences.

**Literature review-**In the context of ever-more-complicated financial markets, the relationship between financial literacy and investing choices is gaining prominence. To better understand how demographic factors like age, gender, education level, and income affect investing decisions, this literature review summarises the most important research and discoveries in this area. This study tries to evaluate and integrate existing studies on the issue of demographic features and how they influence individuals' financial awareness and investing decisions.

**Financial Awareness and Investment Decision-Making:** Investment decisions have been found to be strongly influenced by financial awareness, which includes financial literacy, familiarity with investment tools, and an appreciation for risk. Numerous studies have demonstrated that those with more financial literacy are more likely to make educated and logical decisions about their investments. To illustrate the significance of knowledge in mitigating risk, consider the following: Lusardi and Mitchell (2014) discovered a favourable association between financial literacy and investment portfolio diversity.

#### **Demographic Variables and Financial Awareness:**

- a. **Age:** One of the most important demographic factors that might affect one's understanding of money and investing options is age. Money building and risk taking are common traits of the young, whereas wealth preservation and aversion to risk are more common among the elderly (Agarwal, Driscoll, and Gabaix, 2014). According to the life-cycle hypothesis, which postulates that people change their

investing strategies at different points in their lives, this age-related difference in investment choices makes sense.

- b. *Gender*-Recent studies have focused heavily on the gender gap in financial literacy and investment habits. Women may be more risk-averse investors and have lower average scores on financial literacy examinations (Hastings and Mitchell, 2011). Differences in risk aversion, self-assurance, and access to financial education may all contribute to the fact that men and women approach investing differently.
- c. *Education*- Higher degrees of schooling are strongly correlated with stronger levels of financial literacy and investing understanding. Higher-educated people have a better understanding of the markets and how to manage risk because of this (Fernandes, Lynch Jr., and Netemeyer, 2014). This correlation between learning and fiscal literacy highlights the need for widespread financial literacy initiatives.
- d. *Income*-Financial literacy and investing habits are also influenced by other demographic factors, such as income. Those with greater disposable money are often in a better position to invest, and they may also be better able to afford expert financial guidance. Additionally, those with greater disposable income may be presented with more intricate investment alternatives, necessitating a higher degree of financial literacy in order to make well-informed decisions.

### Objectives of the research

- To know whether the demographic variables impact financial awareness.
- To know whether the demographic variables impact Investment decisions.
- To assess the impact of financial awareness on investment decisions.

### Hypothesis of the research

- There is no significant relation between the demographic variables and financial awareness.
- There is no significant relation between the demographic variables and investment decisions.
- There is no significant impact of financial awareness on investment decisions.

**Research methodology-** The quantitative approach was employed to analyse the data in the current study, which was of a cross-sectional design. A questionnaire with clear instructions and a system for randomly selecting respondents was developed. There were a total of 210 responses gathered using online Google Forms. The study's objective was to determine if there is a correlation between demographic factors and financial literacy and investing choices. Both descriptive and inferential statistics were employed in the data analysis. The data was analysed using Jamovi software.

### Demographic Profile of the Respondents

Profile of the Respondents	Frequency	Percentage
<b>Gender</b>		
a. Male	109	51.90
b. Female	101	48.10
<b>Age</b>		
a. 20-29	160	76.19
b. 30-39	40	19.05
c. 40-49	5	2.38
d. 50-59	5	2.38
<b>Marital Status</b>		
a. Single	156	74.29
b. Married	54	25.71
<b>Occupation</b>		
a. Business	1	0.48



b. Government Employees	20	9.52
c. Private Employee	25	11.90
d. Professional	19	9.05
e. Student	145	69.05
<b>Residence</b>		
a. Rural	34	16.19
b. Semi Rural/Semi Urban	55	26.19
c. Urban	121	57.62
<b>Annual Income</b>		
a. Upto 2,50,000	115	54.76
b. 2,50,001 to 5,00,000	55	26.19
c. 5,00,000 to 7,50,000	13	6.19
d. 7,50,001 to 10,00,000	9	4.29
e. 10,00,000 & above	18	8.57
<b>Qualification</b>		
a. Intermediate (12th)	12	5.71
b. Graduation	41	19.52
c. Post Graduation	108	51.43
d. PhD	49	23.33
<b>Family Structure</b>		
a. Joint Family	87	41.43
b. Nuclear Family	123	58.57

**Findings-** Here we evaluate the gathered data for the study. There are three distinct sections within this overall body of text. The first part of the report examines the normalcy and trustworthiness of the data collection. The second part analyses how different demographic factors affect people's financial literacy and their choice to make investments. The final part analyses how much of a difference financial literacy makes in making wise investments.

### 5.1 Normality & Reliability

For the normality checking, Shapiro-Wilk test is performed for both the variables, Financial Awareness (FA) and Investment Decision (ID). It can be seen that the p-value of Shapiro-Wilk test for FA and ID is  $< 0.001$  i.e. data is not normally distributed.

Descriptives		
	FA	ID
N	210	210
Missing	0	0
Mean	4.9	5.45
Standard deviation	1.03	1.2
Minimum	1.14	1
Maximum	7	7
Shapiro-Wilk W	0.962	0.93
Shapiro-Wilk p	$< .001$	$< .001$

Both the Financial Awareness and Investment Decisions scales have strong reliability, with Cronbach's alpha values of 0.830 and 0.897, respectively. To evaluate a measurement's ability to describe a given concept, this technique checks for internal consistency across all components. Cronbach's alpha indicates the reliability of a survey according to Cortina (1993). An alpha of 0.6–0.7 indicates satisfactory dependability, whereas an alpha of 0.8 or above indicates outstanding reliability. It is important to exercise caution when interpreting results above 0.95 since they may indicate duplication (Hulin et al., 2001; Ursachi et al., 2015).

Particulars	Alpha Value
Financial Awareness	0.830
Investment Decision	0.897

Source: Jamovi

## 5.2 Demographic Variables, Financial Awareness & Investment Decision

From Table 4, it can be seen that in the case of Financial Awareness, Occupation, Residence and Annual Income has significant difference, i.e. different occupation possesses different level of financial awareness, similarly, the rural population and urban population both think differently about the finances and different income group have different level of financial awareness, as the p-value of these demographic variables is  $< 0.05$ .

Demographic Variables	Test Performed	p-value	
		FA	ID
Gender	t-test	0.121	0.035
Age	Kruskal-Wallis	0.112	0.477
Marital Status	t-test	0.485	0.982
Occupation	Kruskal-Wallis	0.06	0.382
Residence	Kruskal-Wallis	0.009	0.006
Annual Income	Kruskal-Wallis	0.013	0.209
Qualifications	Kruskal-Wallis	0.256	0.501
Family Structure	t-test	0.762	0.104

In the case of Investment Decision, gender and residence has significant difference i.e. both male and female takes investment decisions differently, similarly, urban and rural population have different investment patterns.

**CONCLUSION-** In summary, the study's findings provide light on the relationship between financial literacy and demographic factors in investment choice. The extent to which demographic characteristics like age, income, education, and risk tolerance have a role in determining an individual's investing choices is a matter of public record.

The results highlight the need for financial literacy and education initiatives to help close the financial knowledge gap that exists across various socioeconomic groups. Better financial results can be the result of increased financial literacy, which enables people to make more educated and thoughtful investing decisions.

Financial institutions, legislators, and financial advisers should adapt their services and communication techniques to meet the varying tastes of their clientele, as this study has demonstrated. These stakeholders may improve their customer outreach and engagement by taking into account the distinct traits and monetary objectives associated with different populations, acknowledging that there is no "one size fits all" approach to investment decision-making.

To help people plan for their financial futures in an uncertain economy, it is important to examine the relationship between financial literacy and demographic characteristics. Research like this is crucial as the world

economy develops because it shows that there is no single formula for achieving financial security and that individualised, learning-based approaches are essential for encouraging ethical and well-informed investing decisions.

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# FOOD SECURITY AND SUSTAINABLE AGRICULTURE: AN ANALYSIS WITH RESPECT TO JHARKHAND

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## **Abstract:**

The concept of ‘Sustainable Food Security’ can be understood through, availability of food or sufficient food production, adequate access to food or ability to purchase food, quality as well as the nutritional value of food, and sustainability in the provision of food. (Hell and Sorbo, 2014). As per FAO (1996) “Food Security, at the individual, household, national, regional and global level is achieved when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life”. Food security is a multidimensional and dynamic concept. According to Hoddinott (1999), there has been considerable progress in defining food security over time, with more than 200 definitions and 450 indicators have been identified. Food security is a product of four different and interrelated aspects, namely: Food Availability, which refers to availability of adequate quantity of appropriate quality foods, Food Access, including households' access to adequate resources to acquire nutritious dietary foods, Utilization, indicating the use or absorption of food through diet and auxiliary factors or non-food inputs in food security such as clean water, sanitation and health care to reach a state of nutritional wellbeing where all psychological needs are met, and lastly, stability, emphasizing that ‘a population, household or individual must have access to adequate nutritious food at all times to be food secure’. The State of Food Security and Nutrition in the world (SOFI) report 2020 shows that 27.8% of India’s population suffered from moderate to severe food insecurity in 2014-16, which increased to close to 31.6% in 2017-19. The number of food insecure people has increased from 42.65 crore in 2014-16 to 48.86 crore in 2017-19. India accounted for 22% of the global burden of food insecurity, this figure is very worrying and it needs proper attention.

**Keywords:** FSARJ. Food Security. Availability. Access. Utilization. Sustainable agriculture.

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**Introduction-** Food Security is described as the condition in which all individual have physical, social and economic access to adequate and nutritious dietary foods at all times for their growth and wellbeing. As per FAO (1996) “Food Security, at the individual, household, national, regional and global level is achieved when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life”. The concept of food security became well known in 1974, when the World Food Conference explained food security as ensuring the availability of food to everyone and price

stability so that all individuals have greater food access. Food and food security as a human rights issue is a new concept in the world. The United Nations was the first institution who recognize the notion of food security in UN Declaration of Human Rights in 1948. The legal adoption of the ‘Right to Adequate Food’ became a significant event in 1996, which lead to a strategy for considering food security as a human right. Food Security is now recognized as a human right in over 40 countries.

There are three components of food security: **Availability, Access and Absorption or Utilization (AAA)**. The availability and access

aspects are concerned with getting food, whereas absorption is concerned with the intake of energy and nutrition into the body. Food Availability, which refers to availability of adequate quantity of appropriate quality foods, Food Access, including households' access to adequate resources to acquire nutritious dietary foods, Utilization, indicating the use or absorption of food through diet and auxiliary factors or non-food inputs in food security such as clean water, sanitation and health care to reach a state of nutritional wellbeing where all psychological needs are met. 'A population, household or individual must have access to adequate nutritious food at all times to be food secure'.

Agriculture is essential for assuring the region's food supply and reaching the second UN Sustainable Development Goal accomplish zero hunger by 2030. Furthermore, agriculture is critical to attaining food security, so, encouraging sustainable agriculture becomes more important. Agriculture has ability to continuously supply food and other necessity to an expanding worldwide population is essential for the survival of humans and consequently to any human activity. However, there also exist various challenges including climate change, a high rate of biodiversity loss, land degradation due to soil erosion, pollution of water resources, increases production cost, poverty that undermine the capability of agriculture to satisfy human needs now and in the future (Velten and et al. 2015). In regards to these concerns, the notion of sustainable agriculture has grown in popularity after the publication of the Brundtland Report in 1987, with a broader concept of sustainable development.

According to ATTRA, "Sustainable agriculture is one that produces abundant food without depleting the earth's resources or polluting its environment. It is agriculture that follows the principles of nature to form systems for raising crops and livestock that are, like nature, self-sustaining. Sustainable agriculture is also the agriculture of social values, one whose success is indistinguishable from vibrant rural communities, rich lives for families on the farm, and wholesome food for everyone". Sustainable agriculture is farming practice in a way that promotes environmental protection, helps and expand natural resources, optimum

the use of finite resources, and fulfil human needs for adequate and nutritious food.

As the first aspects of food security, which corresponds to Availability, sustainable agriculture is crucial. In light of the changing climate, social and market condition, sustainable agriculture bears an important significance to ensuring sufficient food supply. The productivity of the agricultural crops substantially increased during Green Revolution in India, and contributing in achieving food needs. However, as food production increased, correspondingly increased the population of India, this huge rise failed to resolve the problem of food security (Gomiero and et al. 2011). Growing trends of agricultural production leading to an imbalance between ecological sustainability and food security. Financial stability of farmers has improved as a result of the Green Revolution. However, the higher cost of production, excess use of fertilizer, technology, productivity decline has also contributed to economic inadequacy and increase agro-environmental risks from grain production in the future may endangered the sustainability of agricultural land usage (Farooq and et al. 2019).

There are some relevant studies focused on the food security and agricultural sustainability. This study has been referring to some of the important studies to illuminate the significance of the present research paper. Research carried out by Hossain and Fischer (1995) have made a significant contribution to ensuring food security by boosting the production capacity of rice in irrigated systems, decreasing the maturation period of crops and achieving yield stability by creating protection against major diseases and insect pests in HYV seeds. Rice production must be raised by 70 percent over the next 30 years to fulfil the rising demand of food. Sustainable intensification may also contribute in sustaining agricultural productivity without degrading agricultural yield, as well as provide food security and a sustainable economy and society (Farooq and et al. 2019). The steady rise of intensive agricultural activities aimed at rapid earning generates significantly to food insecurity, along with growing environmental hazards (Borodina and et al. 2012). Agriculture plays a dual role with regard to food security. It generates the availability of food as well as

providing employment to the people, so that they can be able to purchase food. A change regarding more intensive and sustainable form of agriculture can make a significant improvement to food security – not just by its capability to encourage sustainable growth of output, but also through an increase in productivity (**Bedlington and et al. 2012**).

### Objectives

The main objective of this study is to study and analyze the situation of food security and sustainable agriculture in Jharkhand. In addition, the specific objectives are:

- To study and analyze the concept of food security and sustainable agriculture.
- To study and analyze availability dimension in particular and other dimensions in general.
- Comparative analysis of availability of food grains in Jharkhand with respect to India.

**Methodology:** The present study is based on secondary data. The secondary data has been collected through Census of India and Food Security Atlas of Rural Jharkhand. Simple descriptive statistical tools of research method such as tables, percentages and trend lines have been used for analyzing and representation of data.

**Discussion and Analysis;** The availability of food originates from production and related factors that contribute to sustaining an adequate level of food production. However, Jharkhand registered an excellent performance in agricultural growth in terms of Gross State Domestic Product (GSDP) during the decade 2004-05 to 2011-12. During 2011-12 to 2019-20, it experienced a negative growth. (FSARJ, 2022). Along with inadequate irrigation coverage the production of food grains is highly volatile in the State. Table 1 shows the growth rate of production of food grains in Jharkhand, and Table 2 represents growth rate of population in Jharkhand.

**Table 1 : Growth rate of production of food grains in Jharkhand ( in percentage)**

Year	Growth rate of production
1983-84 to 1993-94	0.71
1993-94 to 2003-04	3.14
2007-08 to 2019-20	1.09

*Source: Food Security Atlas of Rural Jharkhand*

**Table 2 : Growth rate of population in Jharkhand (in percentage)**

Year	Jharkhand
1981-1991	24.03
1991- 2001	23.36
2001 – 2011	22.42

*Source: Jharkhand population, <https://www.populationu.com/in/jharkhand-population>*

Food grains production grew at the rate of 0.71% in the period of 1983-84 to 1993-94, whereas the growth rate of population in the period of 1981-91 was 24.03 percent. The growth rate of production of food grains in Jharkhand during 1993-04 to 2003-04 was 3.14%, which reduced to 1.09% in 2007-04 to 2019-20, while the population growth rate of Jharkhand in the period of 1991-2001 was 23.36 percent, and 22.42 percent in 2001-2011. This figures clearly indicate that the growth in food grains production in Jharkhand is much

lower as compared to the population growth rate. Low growth of food production that is supply of required food grains are less than the actual demand by the population in other words there is gap between demand and supply of the food grains. This gap is the critical reason for large amount of food insecurity in Jharkhand. This indicates that the availability of food grains is not sufficient among the people affected in different food insecure districts of Jharkhand.

**Table 3: Food grains yield, Cropping intensity and Irrigation Extent in Jharkhand**

Parameters	2011-12		2018-19	
	Jharkhand	India	Jharkhand	India
Food Grains yield	1798	2078	1891*	2325*
Cropping intensity (In percent)	114.4	138.9	142.4	148.7
Irrigation Extent (In percentage)	12.2	46.6	18.0	54.7

Source: Food Security Atlas of Rural Jharkhand

\*Approximate data

Table 3 shows the food grains yield, cropping intensity and irrigation extent of Jharkhand in 2011-12 and 2018-19. Food grains yield refers to the quantity of food grains produced (in Kg) in one hectare of land, whereas cropping intensity represent the percentage of the gross sown area to net sown area, likewise, irrigation extent is represented as the percentage of the net area irrigated to net area sown. The yield of food grains in Jharkhand increased from 1798 kg/ha in 2011-12 to 1891 kg/ha in 2018-19, whereas the all-India figure shows an increase from 2078 kg/ha to 2325 kg/ha. Food grains yield increased at the rate of 5.17% in Jharkhand while this increase at the national

level was 11.89%. Cropping intensity shows an increase from 114.4% in 2011-12 to 142.4% in 2018-19, but still as compared to national average (148.7%) the intensity of crops is low in Jharkhand. Irrigation plays an important role in both increasing agricultural production by increasing cropping intensity and yield as well as improving the condition of food security. The extent of irrigation is very low in Jharkhand which is approximately 18% in 2018-19, more than 37% lower than the national average. Irrigation extent has been increased from 12.2% in 2011-12 to 18% in 2018-19, but this growth is not sufficient. Irrigation has been poorly neglected in the state.

**Table 4: Food Availability Index of Jharkhand in 2007**

District	Per capita Agricultural production	Share of Non-Forest Area	Irrigation Extent	Rural Connectivity	Availability Index
Godda	604	86.49	24.69	21.51	0.312
Garhwa	272	55.42	36.8	21.39	0.300
Lohardaga	792	71.12	6.52	28.29	0.288
Giridih	191	67.88	6.79	19.44	0.104
Deoghar	240	86.04	14.96	13.15	0.132
Pakur	352	88.56	6.55	17.81	0.134

Source: Food Security Atlas of Rural Jharkhand, 2007

In the FSARJ, 2007 the variables used in the food availability index are per capita agricultural production, share of non- forest area, irrigation extent and rural connectivity. There are inter district variations in terms of

food availability dimension in the State. Godda is a secure district, while Garhwa and Lohardaga are moderately secure. Giridih, Deoghar and Pakur are severely secure districts.



Table 5: Food Availability Index of Jharkhand in 2022

District	Rainfall Variability (in Percentage)	Per capita value of Cereal production	Percentage of Net Irrigated Area to Net Sown Area	Rate of Urbanization (in percentage)	Availability Index
Ranchi	79.6	1172	14.6	43.1	0.609
Purbi Singhbhum	75.8	1295	2.7	55.6	0.595
Dhanbad	80.6	373	7.5	58.1	0.549
Jamtara	55.7	690	8.5	9.6	0.119
Godda	69.3	244	12.6	4.9	0.190
Garhwa	56.6	473	36.0	5.3	0.196

Source: Food Security Atlas of Rural Jharkhand, 2022

In the FSARJ, 2022 the variables used in the food availability index are rainfall variability, per capita value of cereal production, percentage of net irrigated area to net sown area and rate of urbanization. There are inter district variations in terms of food availability dimension in the State. Ranchi, Purbi Singhbhum and Dhanbad are highly secure districts, while Garhwa, Godda and Jamtara are highly insecure districts.

### Conclusions and Suggestions

The agricultural sector of Jharkhand is still in a very primitive stage with extremely low level of development. The whole state has been characterized as a food insecure state yet there are inter-district variations in the **Availability of food**. Food security is a major issue in Jharkhand and specially in remote areas of the state. A study carried out by the M S Swaminathan Research Foundation (MSSRF 2008) discovered that, Jharkhand was classified under the category of 'Very High Food Insecurity'. As per the SDG India Index Baseline Report of 2018 and 2019, in terms of Goal 1, Goal 2 and Goal 3, Jharkhand is the worst among the aspirant states in India. Jharkhand has the higher proportion of small and marginal farmers, who practice rainfed agriculture in areas with low water grabbing soil and use of least amount of chemical fertilizers. In interior area of Jharkhand, tribal people perform agriculture without the use of chemical fertilizer and pesticides on a large amount and these places can be recognized as organic farming regions. Organic farming method has an important role in promoting sustainable agriculture. Organic agriculture is an agricultural system that sustains the quality of soil, the environment as well as human

health. In a seminar held at Birsa Agricultural University on 9<sup>th</sup> December 2017, the agriculture minister of Jharkhand announced that, by 2025, 100% farming of Jharkhand will be organic based. (Jharkhand CSO Forum).

- Some of the important suggestions for food security and agriculture, which applicable to the Jharkhand are as:
- Agriculture in Jharkhand is largely dependent on the monsoon being affected by the variability and erratic behaviour of rainfall throughout the year. Therefore, the focus of policies should be on the goal of increasing food availability through proper, efficient and increased irrigation facilities in food insecure districts of the state in terms of availability of food.
- Paddy is the most grown and consumed food crop in Jharkhand. Therefore, increasing the productivity of paddy by increasing irrigation facilities and diversify crops which includes vegetables and pulses are the best way to ensure food security in the state.
- The government should provide the credit facilities at low cost and insurance facilities for the agricultural products to the marginal farmers, so that they encourage to put more effort to produce more.
- Empowering local governments just to enhance participation and promotion of the environmental support for agriculture to be sustainable.
- To avoid the wastage which directly affects the availability of food grains, vegetable items and to avoid the low price which may be even less than the

cost of production, the government should focus on increasing the number of modern well equipped food storage facilities and warehouses.

- What personally we observe that approximate 20 to 30 percent food items get wasted in social gathering like marriage, etcetera and it would indirectly affect the food availability, while availability of food is already low in Jharkhand. So, government should launch a programme or implement an Act strictly to stop or to minimize this wastage of food items in social gathering.

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# POVERTY AND INEQUALITY: INDIAN SCENARIO

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## Abstract

All over the world, disparities between the rich and poor, even in the wealthiest of nations is rising sharply. This is a very serious problem in our country. Poverty is everywhere and it needs to be reduced so that our economy will be more stabilized and balanced than it has been. Poverty is produced by circumstances not individuals. Poverty and inequality remains one of the India's gravest social and economic challenges, despite its growing economy. We are a country which boasts that our economic "development" has lifted millions out of poverty while the World Bank estimated that the number of people living in abject poverty increased by 5.6 crore in 2020, making up a staggering 80% of the people from around the world who were pushed into poverty that year. India's 2023 budget numbers are a great way to understand why wealth and income inequality are a problem. A cursory analysis reveals how little and current political dispensation cares about the poor. Growth needs to be inclusive to reduce poverty and hunger. Economic growth is usually helpful as it can expand the fiscal revenue base, including to finance social transfers and other assistance programmes. In the course of economic growth the disparities have widened. The hope held out by the distinguished economist Simon Kuznets decades ago that economic growth under enlightened capitalism would have a favourable impact on income distribution has not materialised in India's case. It is high time India introduced effective measures to abolish extreme forms of deprivation, reduce gross disparities and provide a level playing field to the wretched of the land. The end of poverty is a choice, not a forecast. To achieve a higher rate of poverty reduction, India will need to address the inequalities in opportunities that impede poor people from participating in the growth process. Writing about conditions in France on the eve of the Revolution, Hilaire Belloc famously observed: "Government is a thing that guides, and if need be, compels. Visible in France there is not such a thing." Regrettably, India is heading towards that kind of situation.

**Keywords:** - Poverty, Inequality, Economic Growth, Deprivation, Challenges.

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## Introduction

Adam Smith's "An Inquiry into the Nature and Causes of the Wealth of Nations" and Gunnar Myrdal's "Asian Drama" as "An Enquiry into the poverty of Nations" are authentic documents to study and analyse the problems of poverty and offer solutions for third world countries. David Ricardo, Thomas Robert Malthus and Karl Marx were indeed concerned about the real problems of the society. Dadabhai Naoroji's work "Poverty and Un-British Rule in India" is a pioneering work in the field of political economy of India. Nobel laureate Amartya Sen's "Poverty and Famine" also attracted the attention of international organizations and governments about the disquieting situation prevailing in the poor countries.

The ultimate goal of all human effort is the attainment of happiness and welfare. It is rightly admitted that the true parameter of development is removal of poverty, unemployment and inequality. Poverty has remained a curse for millions of the people of the world. Poverty is a reflection of shortfalls and inadequacy in various indicators of human development such as life expectancy, educational and nutritional levels, per capital income and access to various goods and services. On the other hand, we need more jobs, not just growth. John Robinson has said that a growth in wealth is not at all the same thing as reducing poverty. As growth goes on at the top, more and more families are thrown out at the bottom. Absolute misery grows while wealth increases. That is why Gandhi has said that there may be work, there may be men to do the

work and tools with which to do it, yet in my view a system that admits poverty and unemployment is not fit to survive even for a day.

Poverty is a worldwide legacy. However, its locus has been concentrated during the twentieth century in the rural areas of the Third World countries. The attempts of poverty alleviation in these countries has been, in general, guided by the dominant view that poverty could best be addressed by raising the economic standards of the poor through the 'trickle down' effect of economic growth at macro-level, hence they continued their poverty alleviation efforts with emphasis on GNP growth. But the situation remained unchanged and the number of poor kept on mounting.<sup>1</sup>

India is the largest democracy and the first largest populous country in the world. After independence, the Constituent Assembly, in the twenty sixth day of November 1949, in its preamble of the constitution envisaged to ensure social, economic and political justice and equality of status and opportunity to all its citizens. Moreover, the first Prime Minister Pandit Jawaharlal Nehru in his speech in the Constituent Assembly at the midnight of the day of independence said "the service of India means the service of the millions who suffer. It means the ending of poverty and ignorance and diseases and inequality of opportunity. The ambition of the greatest man of our generation has been to wipe every tear from every eye. That may be beyond us, but as long as there are tears and suffering, so long our work will not be over." In equal terms, Netaji Subhas Chandra Bose also remarked that "freedom emphasises not only emancipation from political bondage but also equal distribution of wealth, abolition of caste-barriers and social inequalities and destruction of communalism and religious intolerance."

Numerous studies have been made in recent years on the trends of poverty, inequality and level of living in Indian states during the 1990s. Some have highlighted the reduction in poverty (Sundaram and Tendulkar 2003, Bhanumurthy and Mitra 2004) while some others have expressed anguish over the rising inequality (Deaton and Dreze 2002: Sen and Himanshu 2004; Krishna 2004).<sup>2</sup>

It is also appropriate to recollect that poverty is not like altitude or blood pressure that can be measured accurately and finally by a single instrument that answers all relevant questions. No single method of studying poverty-neither the 'orthodox' method, nor panel data studies, nor even our stages-of-progress method-will ever provide a complete set of answers to all aspects of poverty. Each method is more useful for studying some particular facet of poverty. Rather than being viewed as competing with one another, it is much more useful to regard different methods as complementary.<sup>3</sup>

### **Global Scenario**

Contemporary world is full of complexities and contradictions. Indisputably, the contemporary world has seen a mindboggling revolution in science and technology and also an unprecedented increase in the wealth of nations. But a great part of the present population of our planet is suffering from poverty, unemployment, hunger, disease, ignorance, lack of opportunity, insecurity, inequality and hopelessness. According to Mikhail Gorbachev, "a world in which a whole continent can find itself on the brink of death from starvation and in which vast numbers of people are suffering from almost permanent malnutrition is not a safe world to live in. Nor is a world safe in which a multitude of countries and peoples are being strangled with as noose of indebtedness."<sup>4</sup>

The latest update of the global Multidimensional Poverty Index(MPI) with estimates for 110 countries was released by the United Nations Development Programme (UNDP) and the Oxford Poverty and Human Development initiative(OPHI) at the University of Oxford. Poverty entails more than the lack of income and productive resources to ensure sustainable livelihoods. People living on less than USD 1.90 a day typically is considered to be in poverty. Besides India, China lifted 69 million out of poverty between 2010-14, and Indonesia 8 million between 2012-2017. In neighbouring Bangladesh and Pakistan, 19 million and 7 million individuals came out of poverty during 2015-2019 and 2012-2018, respectively, the UN report said. The report asserted that poverty reduction is achievable.

The analysis of trends from 2000 to 2022, focused on 81 countries, according to the report, revealed that 25 countries successfully halved their global MPI values within 15 years. Many countries have halved their MPI in as short as four to 12 years.

Among those countries include India, Cambodia, China Congo, Honduras, Indonesia, Morocco, Serbia, and Viet Nam, it said, reiterating rapid progress is attainable. The poverty levels in Cambodia, Peru and Nigeria have shown significant reductions recently. For Cambodia, the most encouraging case among these according to the report is the incidence of poverty falling from 36.7 percent to 16.6 percent, and the number of poor people halved, from 5.6 million to 2.8 million, all within 7.5 years, including pandemic years. Despite the encouraging trends in many countries, the lack of post-pandemic data for most of the 110 countries covered by the global MPI restricts analysis of the pandemic's effects on poverty, the report pointed out. According to the report, 1.1 billion out of 6.1 billion people (over 18 percent) globally live in acute multidimensional poverty across 110 countries. Sub-Saharan Africa (534 Million) and south Asia (389 million) are home to approximately five out of every six poor people. Nearly two thirds of all poor people (730 million people) live in middle-income countries, making "action in these countries vital for reducing global poverty." Although low-income countries constitute only 10% of the population included in the MPI, they are, however, where 35% of all poor people reside. Among those living in poverty, children under 18 years old account for half (566 million). The poverty rate among children is 27.7% while among adults it is 13.4%.<sup>5</sup>

Inequality is important not only because of the acute perception of injustice it creates. Even economists at the traditionally free-market fundamentalist International Monetary Fund, Andrew G. Berg and Jonathan D. Ostry, have argued that "inequality can also be destructive to growth by amplifying the risk of crisis or making it difficult for the poor to invest in education." They conclude: "reduced inequality and sustained growth may thus be two sides of the same coin."

There is, at the moment, a furious debate among economists about whether global

inequality is rising or falling. No one disputes that there is a staggering gulf between rich and poor, which has survived decades of global economic growth. But what the neoliberals—who promote unregulated global capitalism—tell us is that there is no conflict between the whims of the wealthy and the needs of the wretched. The Economist magazine, for example, argues that the more freedom you give the rich, the better off the poor will be. Without restraints, the rich have a more powerful incentive to generate global growth and this growth becomes "the rising tide that lifts all boats." Now it may be true that global growth, however poorly distributed, is slowly lifting everyone off the mud.<sup>6</sup>

There is evidence that economic growth, on its own, does not reduce poverty or inequalities. This is clear from a report by the United Nations Research Institute for Social Development (UNRISD). A basic attribute of economic growth is the movement of labour force, typically, from the primary sector to the secondary, and then to the tertiary sector. But the trend now is to work for faster growth through the tertiary sector, by passing the all-important manufacturing sector. For a country that embarks upon economic reforms, it is also imperative to put in place adequate institutional support, by way of social policy, so that the transitory process triggered by a smaller role for the state as employment provider does not affect the well-being of its workforce.

Brazilian President Luiz Inacio Lula da Silva said that Brazil will put the inequality issue as the core issue during the G20 Summit under its Presidency and said it was a huge challenge for Brazil to take over the G20 Presidency. "We will put inequality at the top: inequality of gender, race, education, health, poverty and hunger. The world needs balance." He further said, "There's a lot of inequality in the world. We have few with a lot and many with very few resources. And so we have to build and understanding that the world needs more balance in terms of the wealth distribution that is being produced, so that we do not have to sleep every day to knowing that there's 730 million people that are in hunger. And so this is a very extremely important there's a lot of sensitivity."

## **Indian Scenario**

There is a close relationship between high levels of unemployment and underemployment, widespread poverty and unequal distribution of income. After independence the country has adopted planned economic development with the economic objectives of raising the standards of living and the social objective of establishing a socialistic pattern of society- a social order in which justice, social, economic and political, shall inform all institutions of the national life. In this way, in the intoxicating first years after independence, Nehru promised to the 'naked hungry masses' that they would quickly be freed because colonial rule had been ended, the Princely states and the Zamindari system abolished and a socialist pattern of society was adopted. Nehru and his successors pledged to take land from the rich and to redistribute it to the poor and landless. Emphasis has shifted from time to time but no visible improvement is discernible on this front.

But the lack of commitment of India's political leaders and elites to the task of reducing poverty has remained as persuasiveness. Poverty could not be removed to the desired extent and growth with social justice seems a distant dream. The interests of the poor were knowingly ignored because despite the vote and their numerical strength they remain weak, unable to emerge as a political force. Thus a big gap exists between haves and have-nots and the have-nots in rural areas are still drawers of water and hewers of wood and a majority of them are staggering under abject poverty.

Human beings at different points in time have had diverse cultural conceptions of poverty. Not all of them have been negative. Indeed, at a time when India is witnessing a sort of post-modern, pseudo-Vedic revival, It might be pertinent to point out that the sub-continent is home to a long and ancient tradition of fugality, moderation and voluntary poverty that even carried quite a bit of spiritual capital. As are other non-Western cultures. The problematisation of poverty is a recent phenomenon, one that went hand in hand with the rise of the economy as an autonomous domain, independent of the human totality of culture, politics and society. It was only in the

Post-World war II period that poverty was made visible as a global problem.<sup>7</sup>

The Keynesian formula of safety nets from the free market may well be permanently banished from the policy agenda. But that still leaves unresolved the problem of how to manage the social and political consequences of the widening income gap between the 1 percent and the 99 percent. This is critical because growing discontent could lead to political instability. After all, in order for markets to function, and commodities to flow freely and predictably, the excluded masses must be taught to behave. This is where behavioural economics come in. The political theorist Hannan Arendt, in *The Human Condition*, speaks of three kinds of human activity: labour, work and action. Of the three, what distinguishes action is its political nature. When behaviourist economics speaks of poverty as a "cognitive tax", it writes 'action'- the political agency of the poor-out of the equation.<sup>8</sup>

Growth is not the sole objective of economic policy. It is necessary to ensure that the benefits of growth accrue to all sections of society. Eradication of poverty is thus an important objective. Human beings need a certain minimum consumption of food and non-food items to survive. However, the perception regarding what constitutes poverty varies over time and across countries. Nevertheless, there is a need for a measure of poverty. Only then will it be possible to evaluate how the economy is performing in terms of providing certain minimum standard of living to all its citizens. The measurement of poverty, therefore, has important policy implications.<sup>9</sup>

From the time of Dadabhai Naoroji's 1901 book *Poverty and Un-British Rule in India*, poverty has been estimated using a monetary measure. The idea has been to arrive at an amount of money that is considered necessary to either eat a subsistence diet (Naoroji's approach) or to achieve a minimum standard of living. Since data on income was difficult to collect, India used regular (five-yearly) consumption expenditure surveys (which showed how much people were spending on consumption). Based on this data, several expert committees- led by DT Lakdawala (1993), Suresh Tendulkar (2009), and C Rangarajan (2014)- drew a "Poverty line". The line is the level of consumption

expenditure (stated in rupees) that divides those who are poor from those who are not. India's last official poverty statistics are from 2011. The data have not been updated because the government junked the consumption expenditure survey of 2017-18. That survey showed a decline in rural consumption and, as such, pointed to an increase in abject poverty. Several economists have tried to work around the absence of consumption data-by using NFHS data or data from the think tank Centre for Monitoring Indian Economy (CMIE)-and provided estimates of poverty. But the uncertainty around the data continues to undermine a wide-ranging debate.<sup>10</sup>

India has registered a decline in the number of "multidimensionally poor" individuals, from 24.85 percent in 2015-16 to 14.96 percent in 2019-21, according to a report by the government think tank NITI Aayog. In absolute terms, approximately 13.5 crore Indians escaped poverty in the five-year time period, courtesy of improvements in indicators like access to cooking fuel, sanitation, drinking water, and bank accounts, among others. However, the report, titled 'National Multidimensional Poverty Index : A Progress Review 2023', showed that when it came to indicators like nutrition and access to education, the improvement has only been marginal, as these parameters contributed the most in keeping one in seven Indians multidimensionally poor. While there continues to be a major disparity between the number of impoverished people in rural and urban areas, the former witnessed the greater decline in poverty from 32.59 percent to 19.28 percent.

The good news is that the number of states with less than 10 percent people living in multidimensional poverty doubled in the five years between 2016 and 2021. According to the report, in 2015-16 (NFHS-4), only seven states had less than 10 percent of their population living in multidimensional poverty- Mizoram, Himachal Pradesh, Punjab, Sikkim, Tamil Nadu, Goa & Kerala. However, in 2019-21 (NFHS-5), the list had doubled to include 14 states, with the seven new additions being Telangana, Andhara Pradesh, Haryana, Karnataka, Maharashtra, Manipur and Uttarakhand. Except for Bihar, no other state in India has more than one-third of its population living in multidimensional poverty. However,

even in Bihar's case, the reduction in multidimensional poverty has been significant over the five-year time period- in 2015-16, over 51.89 percent of Bihar's population lived in multidimensional poverty. By 2019-21, the figure had dropped to 33.76 percent. Jharkhand reduced the percentage of people living under multidimensional poverty from 42 percent in 2015-16 to 28.82 percent in 2019-21, Uttar Pradesh from 37.68 percent to 22.93 percent, and Madhya Pradesh from 36.57 percent to 20.63 percent.<sup>11</sup>

Poverty research in India is mired in controversies and highly politicised. Research findings are often treated with suspicion. Indian data quality has also worsened over the years. Consumption as measured by the official Consumer Expenditure Survey (CES), which provides the primary data used by several studies, adds up to only 50% of the consumption recorded in the National Accounts Statistics (GDP). The latter are more authoritative. Worse, GOI has refused to release data of the latest consumer expenditure survey in 2016-17, claiming simply that the results are not credible. This has raised allegations of hiding inconvenient data. The decline in inequality and the much modest increase in poverty during the pandemic as observed in various studies is not a finding exclusive to India. In the US, the country most affected by Covid based on the number of infections, poverty and inequality did not worsen but improved. The reason: its government showered enormous benefits on the poor and middle-income families.

Four research papers have addressed the question of what happened to poverty in the Covid years in India. Surjit Bhalla, Karan Bhasin and Arvind Virmani's April 2022 IMF paper, based on projections, calculates poverty rates separately for poverty lines of \$1.90 per person per day (extreme poverty) and \$3.20 (Poverty). For the \$3.20 poverty line, they find poverty rose by 8 percentage points, or 43% in the first year of Covid. They then adjust this for free food, which blunts the impact of Covid greatly: Poverty worsens by: 3.3 percentage points, or 22% (46 million more Poor), much less than what ILO had predicted.

I focus on the paper's findings on the \$3.20 poverty line because the authors recommend that GOI should officially move to

this poverty line, used for lower middle-income countries. I agree. India is, after all, now a lower middle-income country.<sup>12</sup>

India has entered one of its darkest phases of deprivation when the annual income of the poorest 20 percent has fallen by 53 percent and still continues to fall from the level of 2015-16. Since last three decades, economy was evolving at the rate of seven percent a year and was going up constantly till the advent of the pandemic years. Per capita income before the pandemic days had arrived at 2100 dollars a year. It was in the same years that the richest twenty percent were reaping an income growth of 39 percent. It was the result of the Covid days that had impacted the economy splitting the population in a perfect contrast of Haves and Have Nots.

The survey conducted by People's Research on India's Consumer Economy, between April and October 2021, had taken up 200,000 households in the first round and 42,000 households in the second round, spreading it over 120 towns and 800 villages across 100 districts.<sup>13</sup>

India has done better in improving per capita income since 1980 than Pakistan, but not Sri Lanka or Bangladesh. It is the largest economy in South Asia, but not the best-off. Its main advantage is its tax-GDP ratio of 18%, more than double that of its neighbours. Hence, India can afford more freebies than the others without creating a crisis. Yet, it is sobering that India's people remain poorer than others in South Asia, even as the country claims to be a rising superpower.<sup>14</sup>

### **Critical Problem**

The most critical problem in India is perhaps mass poverty. The Indian masses led by Gandhi expected prosperous society to follow independence. Much has changed over the past seven decades. And more rapidly in the Past 30 years. The challenge, however, will be to reorient a government system geared to address problems India faced at the time of independence. It emanated from a situation of scarcity and poverty where providing basic needs to a large population became the priority of the administration and its evolving bureaucracy.

Estimates of poverty and inequality in India have been deeply contested. Differences exist among economists not only on data which forms the basis of their estimation, but also on trends over past decades. In the absence of official data for recent years-the last consumption expenditure survey, which forms the basis of poverty and inequality estimates, was for 2011-12 - the issue has been particularly contentious. More so, given the sharp differences of opinion on the extent to which the pandemic exacerbated poverty and inequality. In absence of official data, several economists have put forth their estimates based on different data sources. For instance, Arvind Panagariya and Vishal More, using PLFS data, find the rural poverty "saw a modest rise" only during the strict lockdown period of April-June 2020, and then declined as sharply as in the pre-Covid period. And that while urban poverty also saw a "modest rise" in 2020-21, by April - June 2021 its decline had resumed.

These trends are, however, at odds with studies that draw on other data sources to estimate poverty. In the "State of working India 2021" report, economists at Azim Premji University, based on CMIE data, found that the pandemic led to a "sudden increase in poverty." As per the report, over an eight month period (March to October 2020), average incomes of the bottom 10 percent of households were lower by Rs. 15, 700. This income shock caused an increase in the poverty rate (below the national minimum wage threshold) by 15 percentage points in rural areas and nearly 20 percentage points in urban areas. Research by Arpit Gupta, Anup Malani and Bartosz Woda, based on CMIE data, found that income poverty, applying that World Bank's \$1.9 cutoff, rose from 7.6 per cent in November 2019 to 50.5 per cent in April 2020. And that while poverty did fall subsequently, it did not recover to pre-Pandemic levels. Other indicators suggest that more workers fell back on agriculture indicating the absence of non-farm employment. More individuals worked under MGNREGA than in the pre-Pandemic Period. Regular real wages witnessed a decline. And, sales of two-wheelers remain subdued.

In the absence of official consumption expenditure data, reliance on alternate data sources has only risen, giving rise to conflicting trends. As understanding the trends in poverty



and inequality, and their underlying reasons, is critical for designing government policies and programmes, this scenario is harmful for policy formulation. The absence of timely and reliable data, especially during times of uncertainty, needs to be addressed. While some steps have been taken - employment surveys are now carried out with greater regularity - more needs to be done. The country's statistical system needs to be strengthened.<sup>15</sup>

NITI Aayog released its national Multidimensional Poverty Index (MPI) for 2023. The big takeaway was that between 2015-16 and 2019-21, about 135 million people were lifted out of poverty. A few weeks earlier, PRICE, an independent not-for-profit think tank, released its latest consumer survey. The report claimed that the country's middle class will balloon from 432 million to 715 million by 2030-31 - an increase of 65.5%. It further projects that if the conducive conditions endure, the middle class will grow to a staggering 1 billion by 2047. The decline in the number of poor is mirrored in the proportionate growth in the middle-class ranks. But as the PRICE report establishes, the cohort is not homogenous. It worryingly observes that the differences across income classes are widening.

The 2023 Indus Valley report from Blume Ventures makes a similar observation in its excellent caricature of India's existing socioeconomic framework. It argues that there are many layers to India. Broadly, the country can be classified as India - 1 of 120 million people (\$ 12,000 per-capita income), India - 2, of 100 million People (\$ 3,000), and India - 3 of 1.2 billion people (\$1500). India's demography is a pyramid, with the bulk of the populace at the bottom. Significantly, India -1, the same report adds, includes 25 million people with a per-capita income of \$35,000. This segment compares to the per-capita incomes of developed countries and the one with ostensible consumption habits. Essentially, PRICE and Blume Ventures argue that India is a country operating at different speeds and needs.

India's demography is poised for a structural makeover, with the middle class replacing the poor as the biggest cohort. This will entail a pivot in public policy, which has long focused on fighting poverty. Remember that pulling people out of poverty is relatively easier than keeping them out - the difference

between handing people free fish and teaching them how to fish. The next challenges include nutrition, skilling, protection against the fallout of climate change and building resilience to withstand shocks like Covid-19. Yes, none of this is easy. Neither is it impossible.<sup>16</sup>

India is still home of the largest number of poor in the world. Under the National Food security Act, 2013, a total of 81.35 crore people were to be covered, 75% population in the rural, and 50% in the urban areas. It was based on the Census Data of 2011. However, under the Act 10 years later in 2023, it would be shocking to know that all of the needy are not even identified. Under PMGKAY only 80.48 crore people are identified as of now. We have also another data from the World Bank which said that more than 97 crore people in India just can't afford healthy food.<sup>17</sup>

It is a matter of worry that at a GHI score of 28.7 in the Global Hunger Index Report 2023, India ranks at 111 position out of the 125 countries surveyed. In comparison, our neighbours' performance is better with Sri Lanka at the rank of 60, Nepal 69, Bangladesh 81 and Pakistan at 102. A GHI score of 9.9 or less is considered to be low, 10.0 - 19.9 moderate, 20.0-34.9 serious, 35.0 - 49.9 alarming, and 50.0 or more is extremely alarming. That we are at a serious level of hunger is a cause of real concern.

According to the State of Food Security and Nutrition in the World (SOFI) 2023 report, which is jointly prepared by the Food and Agriculture Organisation of the United Nations (FAO), International Fund for Agricultural Development (IFAD), United Nations Children's Fund (UNICEF), World Food Programme (WFP), 74% of the Indian population were not able to afford a healthy diet in 2021, which is the fourth highest share among the nations considered. This means that more than 100 crore people in India are bound to eat food with insufficient nutrition. It is well known that poverty causes malnutrition, which, in turn, adds to poverty.

It would be pertinent to quote Oxfam's inequality report, 'top 10% of the Indian population holds 77% of the total national wealth. 73% of the wealth generated in 2017 went to the richest 1%, while 670 million Indians who comprise the poorest half of the

population saw only 1% increase in their wealth. There are 119 billionaires in India. Their number has increased from only 9 in 2000 to 101 in 2017. Between 2018 and 2022, India is estimated to have produced 70 new millionaires every day. This is in contrast to that many ordinary Indians are not able to access the health care they need. 63 million of them are pushed into poverty because of healthcare costs every year - almost two people every second. It would take 941 years for a minimum wage worker in rural India to earn what the top paid executive at a leading Indian garment company earns in a year.<sup>18</sup>

There has also been criticism from opposition especially from former finance minister P Chidambaram that being the fifth Largest economy or for that matter becoming third largest economy in next few years makes no sense unless 16 crore people still living below poverty line that is having an income of less than 2 dollars a day, are uplifted. While growth is necessary and that India should aim to grow at 8-10% annually, it is not sufficient if poverty is not eradicated and inequality is narrowed substantially. Top 1% of the Indian population account for about 50% of the country's income.<sup>19</sup>

### **Conclusion and suggestions**

According to Nelson Mandela, "Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life.... I say to all those leaders: do not look the other way; do not hesitate. Recognise that the world is hungry for action, not words. Act with courage and vision"

U.N. Secretary General Kofi Annan also said, "Development, security and human rights go hand in hand; no one of them can advance very far without the other two. Let us speak with one voice on all three issues and let us work to ensure that freedom from want, freedom from fear and freedom to live in dignity carry real meaning for those most in need."

The acting chairperson of NHRC, Justice Shivraj Pati said the persistence of poverty in many parts of the world pointed to an inequitable distribution of economic, social and political opportunities and violation of human rights. He said violation of human rights

was thus both a cause and consequence of poverty.

To achieve a higher rate of poverty reduction, India will need to address the inequalities in opportunities that impede poor people from participating in the growth process. Eradication of poverty in India is considered to be a long-term goal. Poverty alleviation is expected to make better Progress in the next 50 years than in the past, as a trickle-down effect of the growing middle class. Increasing stress on education, reservation of seats in government jobs and the increasing empowerment of women and the economically weaker sections of society, are also expected to contribute to the alleviation of poverty.<sup>20</sup>

Nobel laureate Amartya Sen said there was no single formula to eradicate poverty. There is no economic magic that I can recommend. Poverty is a malady which could be eradicated only if there existed universal commitment to end it. All the Problems must be analysed in a holistic way and everybody must realise to share in the process of initiation of their eradication. It must be fought collectively. It cannot be tackled in a piecemeal manner. The economic betterment of the rural poor cannot be achieved without social transformation involving structural changes, educational development, increased awareness, and change in outlook, motivation and attitudes.

Continuing and unchecked growth of population is the most important and urgent problem before us. Unbridled population growth compounds the problems of poverty, inequality, illiteracy and unemployment. Our first and foremost duty is to check unbridled growth of population. Family Welfare Programme is the best remedy to meet the problem. The success of the family welfare programme depends on to generate a climate and an atmosphere to awaken the masses, carrying the message to every nook and corner of the state, into every town, village and street and to every home. The implementation and enforcement of the programme must be done and it can be done provided adequate infrastructural and supporting services are made available. The children of many impoverished households are born in poverty, live in poverty and also die in poverty and helplessly accept it as their fate and sin of previous birth. They are deprived of education,

nutrition, health care, housing, employment etc. The social inequality and its related issues sometimes resulted in social unrest, community clashes, and violence in rural areas.

Moreover, investment in the social overhead capital and check on population growth would go a long way to curtail rural poverty, Liuzheng one of the population experts has rightly remarked that “the promotion of human reproduction in a planned way, according to the needs of national interest and social development so as to prevent anarchy in human reproduction.” The check on rural population growth will reduce the percentage of rural poverty, curtail socio-economic problems and raise the quality of life. The social infrastructures need to be strengthened in the hilly and tribal rural areas and in the socially and economically backward districts, blocks and villages of different states. Further splitting up of rural society by casteism, communalism and political polarization also thwart smooth rural development.<sup>21</sup>

There is nothing automatic about a decline in inequality under capitalism. The Kuznets Curve remains a mere fantasy if the right programmes and policies are not in place. Inequality did decline when the appropriate policy framework was adopted in Europe and America during the so-called golden age of capitalism in the mid-20th century. These were the decades that saw the emergence of what economist, public official and diplomat John Kenneth Galbraith termed “countervailing power.” And it is the unravelling of this balancing power and a shift towards free-market fundamentalism that led to the rise in inequality after 1980. Indian policy makers must recognise the urgent need to redefine the very meaning of reforms so as to make them pro-poor, rather than merely pro-corporate. Without these reforms, inequality in India will continue to escalate and create dangerous tensions, threatening the very survival of the delicate fabric of Indian democracy.<sup>22</sup>

But knowing what to do and actually doing it are two different things. To break the age-old bonds of rural poverty once and for all, the world needs to act with more urgency - and more decisively. Political commitment, adequate funding, partnerships, and complementary actions in health and education will be key elements in transforming this vision

into reality. Policy and planning frameworks for rural development, poverty reduction, food security and nutrition need to promote the joint role of agriculture and social protection in fighting poverty and hunger, together with a broader set of interventions, notably in health and education. Pulling together, using the knowledge and tools at our disposal- and without breaking the bank- we can eliminate chronic hunger entirely by 2030. Now that would be cause for celebration.<sup>23</sup>

PM Modi at the B20 Summit India 2023, in New Delhi suggested a reconsideration of the traditional approach to business. He said that there is a need to go beyond brand and sales. He said, “As a business we also have to focus on creating an ecosystem that will benefit us in the long term. Now, due to the policies implemented by India in the past few years, 13.5 crore people have come out of poverty in just 5 years. These people are the new consumers. This new middle class is also giving momentum to India's growth. That is, the net beneficiary of the work done by the government for the poor is our middle class as well as our MSMEs?”

A national development strategy must be open to revision. A country like a person, does best by revising its plans in light of new information. National and international plans for poverty reduction must incorporate flexibility, so that they can reflect the different conditions prevailing in different countries. However, allowing for flexibility is not enough. A practical approach to reducing human deprivations must actively foster learning about the best strategies, rather than presuming that these strategies are known in advance. It is likely that new information will emerge over time about the best strategies. Human beings learn from the results of their own and others' practical experiments. A sound strategy for reducing global poverty must enable and encourage countries to undertake experiments and to learn one another.<sup>24</sup>

The ways to dam the surging tides of inequality are today well known: raising and enforcing statutory wages, expanding taxation of the rich, enhancing public investments in education, health and the small farm agriculture, enlarging social protection for the aged, infirm and disabled, enhancing maternity and child benefits, protecting indigenous and

socially disadvantaged groups, ensuring water, sanitation and basic utilities to the rural poor and urban slums, and protecting the rights of workers. But in India, as in much of the world today, market fundamentalism and powerful economic elites still determine state priorities and resist policies for a more equal world. The world, therefore, remains one in which however hard poor men, women and socially disadvantaged communities toil to survive with dignity remains a distant, often impossible dream.<sup>25</sup>

At the Kennedy Centre in 2021, Vir Das wrote and performed a piece called Two Indias. It was a sometimes wistful, sometimes funny love letter from Das to his homeland. In it, he remarked on the paradox that is our country. And there are many, for example, there are nearly 200 billionaires and the largest number of people living below the poverty line in the world - it boggles the mind. Economist Joan Robinson too had observed this about India in the 1960s: "Whatever You can rightly say about India, the opposite of it is also true."<sup>26</sup>

In the 1900s George Bernard Shaw said "Money is nothing: character, conduct, and capacity are everything." Presumably, he could afford to be profound. But in a sub- prime life where hunger and illness stalk you like day and night there is little room for profound words. For a large section of Indians, it is an economic reality. Arguably, inequality was as much a subject of debate during the industrial revolution when Shaw was around as it is in the age of hedge funds and private equity. As Shaw said, "Idiots are always in favour of inequality of income (their only chance of eminence), and the really great in favour of equality."

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# **A STUDY ON THE RELATIONSHIP BETWEEN PER CAPITA INCOME AND HOUSEHOLD ENERGY CONSUMPTION IN INDIA**

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## **Abstracts**

Energy is the essential part of the human life. The whole world is consuming energy for development in different sectors like industrial, manufacturing, household, agriculture etc. In previous decades it becomes evident that social and economic variables are predictors of the use of energy. There is a lot of determinants like employment, income, educational characteristics of energy, access to resources etc are predictor of energy use. The present paper analyses the relationship between per capita income and household energy consumption. How closely the per capita income and household energy consumption are interlinked. The results show that there is a positive relationship between per capita income and household energy consumption, as the income increases the energy consumption of Indian households also increases.

**Keywords:** Household energy consumption, Per capita income, Renewable energy, Quality of life

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**Introduction-** Human history has become the most powerful species on the planet and can be a living testimony of his progress in spending overwhelming and ambitious energy at every stage of its evolution in the context of any economy, Energy is a critical asset for the financial improvement of an economy and social wellbeing of its citizens. In developing Countries use of modern energy and aid has become an important aspect of the country's development. Modern fuels have high heat, transfer Efficiency, density and high combustion as well as considered clean sources of energy. Modern energy includes non-conventional technologies including LPG (Liquid petroleum gas) and Kerosene. India's energy consumption pattern has changed drastically in recent decades both quantitatively and subjectively. This is due to the natural increase in population growth and increase in economic activity and progress. Meeting the growing energy demands of large and populous countries like India is a daunting task that requires continued development of the energy

sector. The household segment consumes 30% of India's total final consumption (TFC), the second largest user after the industrial sector (IEA 2020). Lighting, cooking, hot water, refrigeration, ventilation, and air conditioning are just some of the uses of this energy. Various energy sources used in the domestic sector include electricity, liquefied petroleum gas (LPG), kerosene, firewood and biomass. Energy source types and usage patterns vary widely between rural and urban family units. Household usage of power and LPG has increased dramatically in recent years. It is because, among many other things, of the widespread power sector, and wider entry of household appliances, and the government has undertaken a social programme for LPG distribution. Since 2000, power consumption in Indian homes has tripled, with the percentage of families with access to electricity rising from 55 per cent of the total in 2001 to over 95% in 2019. (MoP 2020). In the same way, residential LPG consumption has risen dramatically, from

61.9 per cent in May 2016 to 94.3 per cent in April 2019. (MoPNG 2019).

In this context, this study will use three rounds of the NSSO Usage Expenditure Survey to investigate the nature of household energy consumption and its trends. It also examines the various methodologies for assessing energy insufficiency from the Indian perspective, as well as the behaviour of energy imbalance or inequality. The availability to reliable evidence on household energy and usage layouts is critical for future approach planning and policy design to advance feasible usage while reducing the natural consequences of such usage.

**Literature review-** Previous studies show that the fuel choice and consumption patterns at the family level are abundant. In this area, however, we restricted our literature review primarily to the interrelation between income and household energy consumption.

Clean fuel selection and its uses can improve the quality of life by abolishing pollutants inside the household as well as greenhouse gases. The industrial sector consumes 33% of global energy, while families consume 29%. Strong abilities like igniting account for 90% of the energy consumed by family units in the creation of nations. (2006 International Energy Agency) and the residents' sector are the world's third-largest emitters of atmospheric carbon dioxide (CO<sub>2</sub>) (21 percent) (2008, International Energy Agency). When it comes to cooking fuel, where you live affects a lot due to location. For example, a residence in a distant area may be unable to obtain cleaner energy and must depend upon bio-mass. The villages in the distant reaches of the forest are closer to the forest, making the wood more available and affordable (Makonese et al., 2017; Pallegedara et al., 2021; Rahut et al., 2016, 2014). By switching from dirty to clean sources of energy and reducing the use of wood and biofuels, CO<sub>2</sub> emissions might be significantly reduced. Furthermore, forest protection will aid in the reduction of CO<sub>2</sub> emissions through sequestering carbon.

The generally recognized energy hierarchy hypothesis holds that household income and wealth have an impact on fuel choice (Leach, 1975, 1992). As per capita income rises, so does per capita energy consumption, as households switch from solid fuels like wood and chips to Gasoline and electricity. (Pachauri et al., 2004; Rao and Reddy, 2007) Households progressively migrate from dirty to mixture to clean energy sources as their income rises, allowing them to accomplish household activities. Much empirical research has found a positive association between income and clean energy consumption across nations. (Behera et al., 2015; Khandker et al., 2012; Pachauri et al., 2004; Rao and Reddy, 2007). Empirical research in Bangladesh, Bhutan, and Pakistan also shows a favourable relationship between income and wealth and the usage of clean energy sources. (Aryal et al., 2019; Khandker et al., 2012; Mottaleb et al., 2017; Rahut et al., 2019; Rao and Reddy, 2007; Yasmin and Grundmann, 2019). Furthermore, several research studies have shown that non-farm employment has a favourable impact on clean energy consumption, which can be linked (Lin and Zhao, 2021) to the energy hierarchy theory since households with non-farm employment are more capable of earning a better income and have much more education.

### **Objective**

- To study the connection between household energy consumption and per capita income.

### **Hypothesis**

- Ho = There is no relationship between per capita income and energy consumption

**Research Methodology-** This study is based on the secondary data collected from various research papers, journals, and articles.

Analysis of data is done by applying regression, linear regression, correlation and then using regression model to estimate the effect of variable.

Household energy consumption is taken as dependent variable and per capita income is considered as independent variable.

Regression Equation-

$$Y = \beta_0 + \beta_1 X + U_1 \quad \text{————— (1)}$$

dependent variable is shown on left side which is Y and on right side independent variable is shown which is X.  $\beta_0$  is an intercept or the value of X when Y is zero and regression coefficient represent by  $\beta$  where  $U_1$  is regression residual.

For this study, regression equation is

Per Capita Income =  $\beta_0 + \beta_1$ House of energy consumption per capita

Descriptive Statistics

Table 1

Variables	N	Minimum	Maximum	Mean	Standard Devotion
Per Capita income	13	24143	103219	58208.92306	25665.029989
Household energy consumption per capita (in kilowatt)	13	90.8	206.7	136.5230769	36.523744

Analysis of data shows that the mean value of per capita income 58208.923076, the maximum and minimum is 103219 and 24143 crores respectively and standard deviation is 25665.029989.

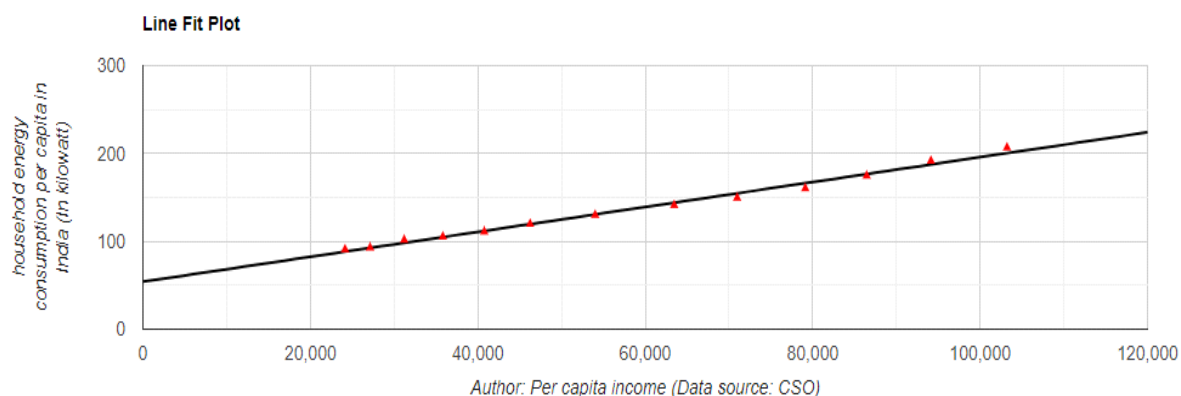
The mean value of household energy consumption per capita is 136.5230769, the maximum and minimum are 206.7 and 90.8

respectively and the standard deviation is 36.5237444.

**Correlation-** Correlation shows that the relation between per capita income and household energy consumption is either positive or negative or has no relationship between each other.

Table: - 2

Variables	Method	Value
Per capita income and household	Person's correlation coefficient	0.9957



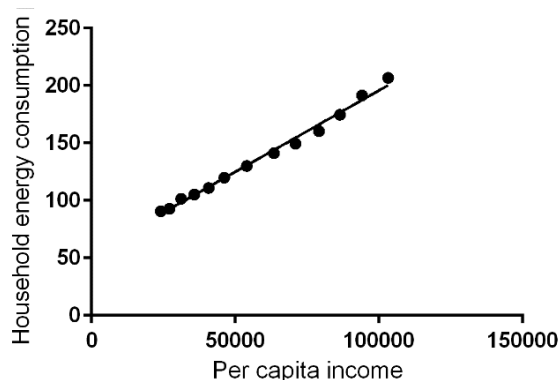


## Linear Regression

Where left side is dependent variable which is Y and X is independent variable which is right side.

$$Y = 54.0814 + 0.001417X$$

reporting linear regression, per capita income predicted household energy consumption per capita in India (in Kilowatt).  $R = 0.99$ ,  $F(1,11) = 1269.5$ ,  $P < 0.001$ ,  $\beta = 0.0014$ ,  $P < 0.001$



**Result-** The coefficient of correlation is 0.9957, and a positive correlation is found between per capita income and household energy consumption. This study shows that there is a positive relationship between household energy consumption and per capita income. It shows that with an increase in per capita income household energy consumption also increases and vice versa. The value of correlation coefficient 0.9957 implies that strong correlation between variables.

R (R square) equals to 0.9914). it means that 99.1% of the variability of household energy consumption per capita in India is explained by X. Correlation (R) equals 0.9957. It means that there is a very strong direct relationship between variables.

Overall Regression: Right-Tailed  $F(1,11) = 1269.4975$ ,  $P$ -value =  $1.023e - 12$ , Since  $P$ -value  $< \alpha (0.05)$ , we reject the  $H_0$ . The linear regression model,  $Y = b_0 + b_1X + U_i$ , provides a better fit than the model without the independent variable resulting in,  $Y = b_0 + U$

**Conclusion-** As India is a developing economy, the need for energy in every sector and economy is developing very rapidly and after industry, the household is the largest consumer of energy. In this study, we analyse, the relationship between per capita income on

household energy consumption. Data on per capita income and household energy consumption used in the study were collected for 13 years from 2004 to 2016. The objective of this study is the impact of changes in per capita income and household energy consumption in India. The findings have revealed that per capita income has a positive relationship with energy consumption in India. When the per capita income increases, the household energy consumption also increases year by year which shows that there is development in the economy. According to the results from the regression model, the null hypothesis which states that there is no significant relation between per capita income and household energy consumption in India has been rejected, as the results have found a significant relationship between per capita income and household energy consumption in India.

**Recommendation-** Based on findings, this paper recommends that, as the income of people increases their energy consumption also increases so when the income of people increases, they should switch to a clean source of energy for their household energy consumption because a clean source of energy is environment friendly. People should use renewable sources of energy for household consumption as use of solar cookers for

cooking and solar water heaters, because with the increase in their income, they can afford these things. People should use energy very efficiently. The government should make the rules such that family with a specific range of per capita income will have to install solar plates in their home for their energy use.

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# EMOTIONAL INTELLIGENCE OF SECONDARY BOY AND GIRL STUDENTS OF GANGARAMPUR BLOCK IN DAKSHIN DINAJPUR DISTRICT

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## Abstract

Emotional intelligence is a vital role in educational arena. Teachers play a significant role to improve the emotional intelligence of the students. Emotional intelligence is influenced by various external factors. A survey is conducted to evaluate the emotional intelligence of secondary students both genderwise and mediumwise. Statistical data analysis was performed to find out any difference exist or not. The results show the difference between boy students and girls studying in English medium schools while there is no difference between them in Bengali medium schools.

**Key Words:** Emotional intelligence, Boy Student, Girl Student, English medium, Bengali medium.

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**Introduction:** Emotion is an important part of our life. The management of emotions is a complex issue, requiring a certain degree of skill and competence. Teacher can develop the emotional intelligence of a student in different ways. Emotional intelligence plays a critical role in a student's progress, nurturing skills that impact their academic performance and future success. It gives them the ability to manage their emotions effectively so as to come with flying colours. In the present study the investigator tries to search whether any difference exist between boy and girl students from Bengali and English medium schools in emotional intelligence.

## Objectives of Study:

- To assess the emotional intelligence of total secondary students.
- To assess the emotional intelligence of secondary boy and girls students in English medium.
- To assess the emotional intelligence of secondary boy and girls students in Bengali medium.

## Null Hypotheses of the Study :

H<sub>01</sub> : There is no significance difference between secondary boy students and girl students in emotional intelligence

studying in English and Bengali medium schools.

H<sub>02</sub>: There is no significance difference between secondary boy students and girl students studying in English medium school.

H<sub>03</sub> : There is no significance difference between secondary boy students with that of secondary girl students studying in Bengali medium school.

**Methodology of the Study:** Data were collected through a questionnaire administered on secondary students from three schools of Gangarampur block in Dakshin Dinajpur district by applying Random Sampling Method. A suitable statistical technique was applied for data analysis.

**Sample of the Study:** A sample of 60 secondary school students, 30 boys and 30 girls equally from English and Bengali medium schools was collected from Gangarampur block of Dakshin Dinajpur district.

**Questionnaire used in the Study:** The Emotional Intelligence Scale by Hyde, Pathe and Dhar was introduced to evaluate the emotional intelligence of the secondary students. The scale consisted of 34 items in a 5-point Likert Scale which was used to record the score the performances of the students.

**Groups used in the Study:** In the present study there were two four groups, boys & girls of English medium and boys & girls of Bengali medium. **Variable of the Study:** Emotional intelligence of secondary school students.

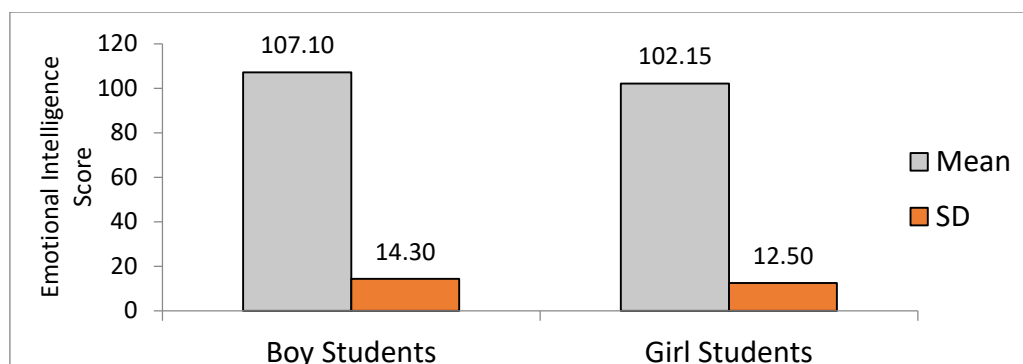
**Result of the Study :** The mean, standard deviation, t-test were employed to test the null hypotheses and accordingly the results were obtained which are given below :

**Table 1 : Emotional Intelligence of Secondary Boy Students and Girl Students**

Groups	N	Mean	SD	MD	df	SE <sub>p</sub>	t-value	Significance level
Boy Students	30	107.10	14.3	4.95	58	3.47	1.43	Not Significant
Girl Students	30	102.15	12.5					

t at 0.05 level is 2.00 for df 58.

**Fig. 1 : Emotional Intelligence of Secondary Boy Students and Girl Students**

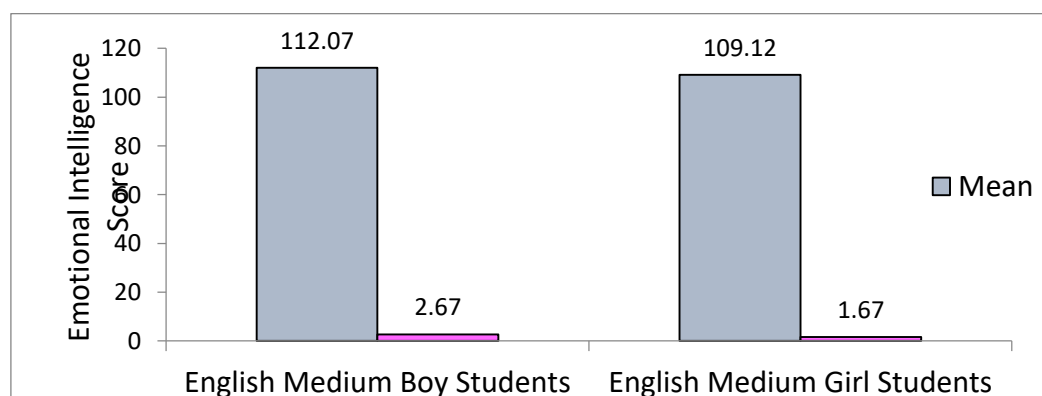


**Table 2 : Emotional Intelligence of Secondary Boy Students and Girl Students in English Medium Schools**

Groups	N	Mean	SD	MD	df	SE <sub>p</sub>	t-value	Significance level
English Medium Boy Students	15	112.07	2.67	2.95	28	0.81	3.63	Sig. at 0.01 level
English Medium Girl Students	15	109.12	1.67					

t at 0.01 level is 2.76 for df 28.

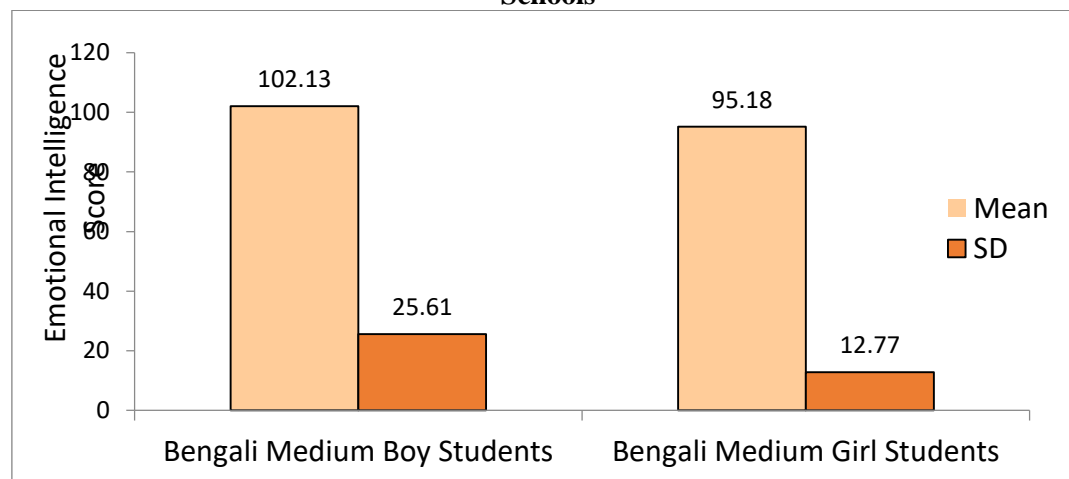
**Fig. 2 : Emotional Intelligence of Secondary Boy Students and Girl Students in English Medium Schools**



**Table 3 : Emotional Intelligence of Secondary Boy Students and Girl Students in Bengali Medium Schools**

Groups	N	Mean	SD	MD	df	SE <sub>D</sub>	t-value	Significance level
Boy Students	15	102.13	25.61	6.95	28	7.39	0.94	Not Significant
Girl Students	15	95.18	12.77					

t at 0.05 level is 2.05 for df 28.

**Fig. 3 : Emotional Intelligence of Secondary Boy Students and Girl Students in Bengali Medium Schools**

### Findings of the Study :

There is no significant difference between the mean scores of boy and girl students of secondary schools in emotional intelligence as the t-value of 1.43 is less than the t-criterion value of 2.00 at 0.05 level for df 58. Hence the null hypothesis  $H_{01}$  is accepted and the alternative hypothesis  $H_1$  is rejected. There is significant difference between the mean scores of boy and girl students of secondary English medium schools in emotional intelligence as the t-value of 3.63 is greater than the t-criterion value of 2.76 at 0.01 level for df 28. Hence the null hypothesis  $H_{02}$  is rejected and the alternative hypothesis  $H_2$  is accepted. The English medium boy students are better since the mean score being 112.07 is higher than that of The English medium girl student students being 109.12.

There is no significant difference between the mean scores of boy and girl students of secondary Bengali medium schools in emotional intelligence as the t-value of 0.94 is

less than the t-criterion value of 2.05 at 0.05 level for df 28. Hence the null hypothesis  $H_{03}$  is accepted and the alternative hypothesis  $H_3$  is rejected.

### Conclusion :

Emotional intelligence is an important part of our daily life. It has a crucial role to play in educational institutions. It shapes the cognitive behaviour of the students. It helps to set the educational path in the student's career. Emotional intelligence is an invaluable quality of students that nurture their academic success. By developing skills such as self-awareness, empathy and effective communication, students are better prepared to face the challenges. It can be concluded from the result of the present study that there is no significant difference between boy and girl students in emotional intelligence for total students and students studying in Bengali medium school, but there is significant difference between boy and girl students in emotional intelligence when they study in English medium school.

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# DIGITAL ECONOMY AND FUTURE OF BANKS WITH TRANSFORMATION IN BUSINESS

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## **Abstract**

The latest advancement in financial technology has posed unprecedented challenges for incumbent banks. This paper analyzes the implications of these challenges on bank competitiveness, and explores the factors that could support digital advancement in banks. The analysis shows that the traditionally leading role of banks in advancing financial technology has diminished in recent years, and suggests that ongoing efforts to catch up to the digital frontier could lead to a more concentrated banking industry, as smaller and less tech-savvy banks struggle to survive. Today, enterprises from many industries experience that moving towards a digital business is a major challenge. The banking industry is heavily affected by the digital transformation as customers' expectations drive the need for adapting strategies, processes and IT. So far, studies on the digitalization in the banking industry have either focused on the strategic level, the customer perspective or the internal perspective. In our study, we integrate the findings of previous studies for each perspective by employing a multiple-stakeholder analysis. The results show that the internal processes and IT systems are not yet ready for meeting the demands of the strategic and customer perspective. The banks' digital strategy is often well-aligned with the customer needs but both are weakly aligned with the internal organization and IT. Especially the low integration of IT and the low degree of process automation are identified as inhibiting factors for the digital agenda.

**Keywords:** Digital Transformation, Digitalization, Digital Business, Banks, Banking, Strategy, Alignment

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**Introduction-** Now more than ever, technology is reshaping the financial ecosystem and the future of banks. New players, such as startup companies specializing in financial technology as well as existing technological companies, have started providing financial services traditionally provided by banks. At the same time, increasingly digitally advanced customers, notably millennials and post-millennials, are demanding more convenience and better customer services through mobile or tablet platforms. Moreover, the COVID-19 pandemic has resulted in an acceleration of the adoption of digital technologies in all areas including financial services. Hence, to stay competitive vis-à-vis new players, attract customers and reduce costs, major global banks have set digital transformation as a business priority in the coming years.

This paper seeks to study the impact of the ongoing digital transformation on bank competitiveness and some of the main factors that have contributed to such a transformation.

Based on a review of the literature, this paper discusses the implications of digital challenges for bank competitiveness. A historical review of banks' digitalization suggests that although banks have been pivotal in advancing some major financial technologies, this leading role may have diminished since the Global Financial Crisis (GFC). The latest efforts by global banks to digitalize may have the potential to boost these banks' competitiveness by increasing their profitability, but large banks could potentially benefit more due to large initial investment needs and increasing returns to scale of the banking industry. Thus, digitalization could result in a more concentrated banking system with larger banks gaining market share, while smaller, less-profitable banks, and local banks with limited customer bases may eventually exit the market. One favorable consequence of banks' digitalization is improving financial inclusion, but less digitally advanced customers may find it even harder to access banking services, and some bank employees may lose their jobs due to

automation. The paper also explores the factors that could support banks' digital advancement. A cross-country comparison shows a global digital divide: banks' digital services are more widely used in high-income economies, while middle- and low-income countries experience lower penetration of such services. To understand this global digital divide, this paper examines a range of factors using a cross-sectional fractional model. These factors include the condition of the broader digital ecosystem (e.g., the digital infrastructure, the digital adoption of the population and the education level), labor market regulations, the business environment, the legal system, overall financial sector development (e.g. the usage of credit and debit card, the development of non-bank financial services), and banks' conditions (e.g., profitability, capital positions and ratios of non-performing loans or NPLs). To the best of the author's knowledge, this is the first empirical study of banks' digital transformation at the global level.

Estimation results highlight several factors that could influence banks' digital transformation. An advanced digital infrastructure and a good legal and business environment could potentially support banks' digital advancement, while weak bank balance sheets (i.e. low profitability and high NPLs) could impede such advancement. The age structure of the population, surprisingly, does not appear to be an important factor. Maturity of the banking industry is negatively correlated with the level of bank digitalization in high-income economies, but this correlation turns positive for low-income countries. This finding could reflect the entrenched use of older technologies in high-income countries. Interestingly, the presence of new players (i.e. fintechs and biotech's) tends to be positively correlated with the extent of banks' digitalization, pointing to their catalytic role in stimulating digitalization of the entire financial industry.

### **Digital transformation in the banking industry**

**Digital Transformation**-Digital transformation is the use of new and fast changing digital technology to transform business activities, competencies, and business models. Virtually all modern electronics, such as computers and mobile phones, are digital i.e., they use

information in the form of numeric code. Due to the widespread use of digital technology in our daily lives, the term "digital transformation" is often used interchangeably with "technological advancement". Many of the most visible new technologies are based on or intertwined with digital platforms, such as Google's search engine, the social platforms of Facebook or Twitter. The digital transformation of the banking industry can be broadly summarized in two dimensions: technologies utilized and services impacted (Table 1). Some popular technologies that have been used in the banking industry include the cloud, artificial intelligence (AI), big data analytics, blockchain, mobile technology, and robot advisors. Meanwhile, banking services affected include payments, lending, asset management, and communication.

For example, an increasing number of banks are migrating to cloud technology to reduce onsite infrastructure management, AI-powered chat boxes that mimic human conversation and messaging applications are currently being tested to replace the unpopular call centers, and robot advisory platforms are being developed to provide consumers asset management solutions, which are often cheaper with transparent cost structures.

The History of Digital Transformation: How have Banks Performed? Digital technology has evolved alongside the development of the computer and the internet. The shift to digital technology from mechanical and analogue electronic technology started as early as the 1940s and led to the adoption of digital computers and digital record keeping. In the 1970s, the home computer was introduced, but it was not used widely until the 1990s. While only 8 percent of U.S. households owned a personal computer in 1984, by 2000, 51 percent of U.S. households owned a computer. In the same period, the internet, developed in the 1960s and 1970s, became one of the most prominent applications of digital technology. Wider internet usage, however, did not happen until the 2000s, once computers had become a common household appliance. In late 2005, the internet was used by a population reached one billion. Another key development in diffusing digital technology has been the rapid rise of mobile technology. Over the past decade, mobile devices such as smart phones and tablets

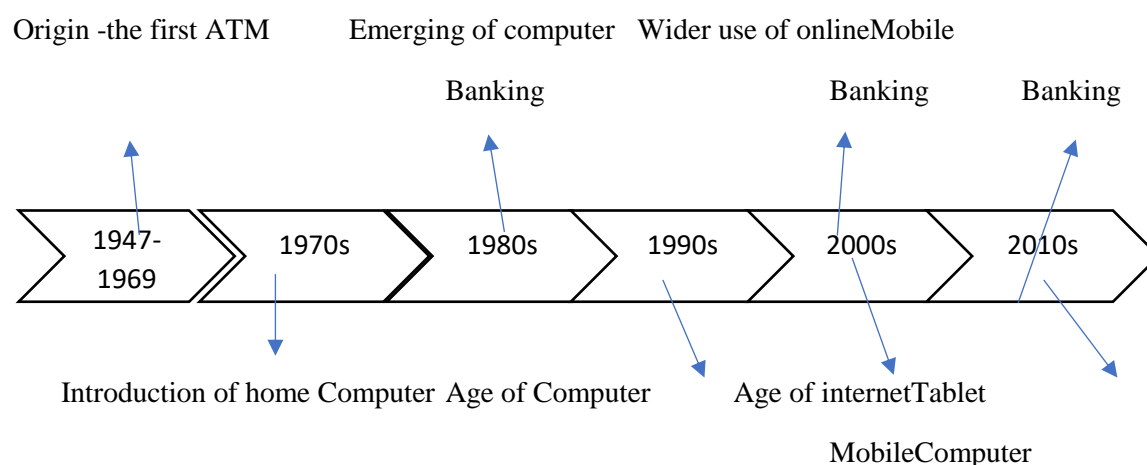


have replaced the use of computers. By the end of 2010, 3 billion people worldwide were using cellphones, and by 2015, tablet computers and smartphones had exceeded personal computers in internet usage. The wide-spread use of mobile devices and intrinsic advantages of a

global network has led to an explosion of mobile-based innovations influencing all aspects of human lives. One prominent example is mobile-based payments.

Table 1. Two Dimensions of Financial Services Digitalization	
Financial Services	Technology
i) Payment, Clearing, Settlement	i) Cloud
ii) Credit, deposit, and Capital rising	ii) AI/machine learning/advanced data analytics
iii) Wealth management	iii) Big data
iv) Investment Banking	iv) Distributed ledger
v) Communication	v) Application programming interfaces (APIs)
	vi) Robot advisor
	vii) Mobile Technology.

Figure 1. History of Digital Technology



As digital technology has advanced, banks have often been leaders in adopting these new technologies (Figure 1). Citibank installed the first ATM machine in 1977, but customers only started using ATMs on a regular basis in the 1980s. Similarly, online banking was piloted in the 1980s by Chemical Bank but was not used widely until the 2000s with more widespread internet usage. However, banks' leadership in adopting newer technologies has weakened since the Global Financial Crisis (GFC). While banks have been busy repairing balance sheets and adopting stricter regulations, digital innovation has become a low priority.

In contrast, major industries such as retail, travel, communications, and mass media have undergone revolutionary changes in their technological platforms. With computer and internet proliferation, a younger generation of customers has quickly adapted to newer technology. and are demanding higher quality and more digital-based services. However, incumbent banks have often struggled to meet this new demand. The gap between customer expectations and services that banks could offer was quickly picked up by new entrants: fintech's and biotech's. The increasing use of digital technology has led to higher demand for bank digital services, particularly demand from

non-corporate bank clients. Since 2015, fintech and biotech companies have expanded rapidly, backed by the Although some leading global banks have identified digitalization as one of their business priorities, maintaining a competitive edge remains challenging. Some European banks aspire to offer innovative payments on a par with those of new competitors (EBA, 2020). However, half-century old technological platforms are still widely used in the banking system, and such legacy systems inhibit banks from embracing innovation to thrive in the twenty-first century digital economy. The latest technological adoption in financial services, led by non-bank new entrants, has the potential to fundamentally disrupt the banking industry (BIS, 2017). For example, financial service platforms built by big techs, without the overhead of physical branches, could leverage parent companies' technology and data to streamline retail banking by offering more convenience and better pricing. To maintain market share, some leading global banks are accelerating their digital transformation to provide better and more digital-based customer services. However, these digitalization efforts are often considered futile.

#### **Digital Transformation in banking sector:**

Implications Empirical studies on the implications of new technology usage in the financial sector are limited.

A few studies have examined linkages between Information, Communication and Technology (ICT) investment and bank performance. For example, Casolaro and others (2007) analyzed the effects of ICT investment in the financial sector using micro-data from a panel of 600 Italian banks over 1989–2000 and found that the shift of both the cost and profit frontiers, as well as efficiency gains, are strongly correlated with ICT capital accumulation. Studies on the impact of a specific ICT technology are even more limited. For example, in a survey, Frame and White (2004) could only identify eight studies six of which use the same data on ATM diffusion. To assess the impact of digitalization, the experience of SWIFT adoption could be a useful reference. Scott and others (2017) studied 6,858 banks in 29 countries in Europe and the Americas to examine the impact of the adoption of SWIFT, a network-based technological infrastructure, on bank

performance. They found that SWIFT adoption has a large impact on profitability in the long term. Initial investment can be costly, including investment in internal and external hardware, software, services, and new staff with information technology skills. However, recurrent costs in the medium to long term are expected to be lower, especially as newer, more flexible development technologies are adopted and banks spend less on inefficient legacy systems. The new technology would also allow banks to enhance their operational efficiency with fewer operational personnel and branches. For example, online distribution channels reduce investment in branches, branch staffs, and back-office departments. More recent evidence largely supports the role of digitalization as a means to boost bank profitability. Although cross-country academic studies have been lacking, abundant work has been done by private consulting firms and banks. Citi (2019) has estimated that digitalization could cut banks' operational cost by 30 percent to 50 percent mainly due to fewer branches and employees, but revenues would also decline for all banks by 10 percent–30 percent due to enhanced competition and transparency.

A recent survey by Accenture (2019) suggested that digital maturity is associated with increased profitability: digital advanced banks have, on average, experienced an overall increase of Return OnEquity (ROE) of 0.9 percent between 2011 and 2017, while less digitally advanced banks have seen a ROE decline of 1.1 percent, and this divergence of profitability is expected to widen in the following years.

Nevertheless, the benefits from digitalization could vary by the size of banks and their business models, foretelling a possible more concentrated banking industry. Digital transformation calls for large initial investment, which could be unaffordable for smaller banks or unprofitable banks. Local banks with smaller and more concentrated customer bases could also be slow in adopting new technologies, and thus find their market shares encroached by digitally advanced international competitors. Consequently, the banking industry could become more concentrated with large banks, especially if the industry exhibits increasing returns to scale.

One social benefit of financial technology advancement is enhanced financial inclusion. For example, mobile wallets in Africa have granted millions without a banking account access to financial services. In regions where banks remain the dominant financial service supplier, such as in Europe, a more digitally advanced banking industry could potentially enhance efficiency, reduce service costs, and extend customer reach. Karlan and others (2016) reviewed behavior of credit, savings, insurance and payments and found that digital financial services significantly enhance client well-being both directly and through enabling a broader ecosystem. However, for some bank employees and less digitally capable customers, bank digitalization may foreshadow difficult times ahead. Ernst and Young (2019)

**Study of the impact of three technology trends—** Robotic Process Automation, Advanced Analytics, and AI—on the future financial service workforce, and identified 40 out of the 121 job roles as highly impacted, with the potential for convergence or displacement. In addition, as digitalization is often accompanied with branch closings and transitioning to more IT advanced customer interface, those customers who are less prone to adopting new technology or live in remote areas may find themselves with no access to customer services. As reported by the Financial Times (FT, 2019): “bank branches in the U.K. are closing at an ‘alarming’ rate,’ many people, especially those living in the rural areas, could be shut out of vital financial services”

**Digital reinvention in banks:** -Banks need to understand what Digital Reinvention means for them based on their specific strategy and readiness to compete in the digital arena. Their efforts will need to be strategic to reach desired business goals with available capital and within an acceptable time frame. All this brings us to Digital Banking Frameworks (which we refer to here as “DBFs”).

**The digital banking journeys-** DBFs provide a clear methodology for holistic Digital Reinvention planning for banks. It starts by identifying the value propositions banks can leverage to differentiate themselves as digital brands. There are many ways to be a digital bank and each bank must find its own path. Using DBF helps banks define the required

fine-grained, digital capabilities for chosen value propositions. Reinvention may require the deployment of new operating models, and changes to architecture, technology, processes, people, partnership models and even culture, to support disruptive business models that can help banks succeed in the digital environment.

DBFs identify specific value propositions banks can use to differentiate themselves and the required digital capabilities of each. These frameworks enable aspiring digital banks to more easily identify and measure in practical terms their ongoing progress toward reinvention.

A DBF can be implemented gradually, driven by a clear business and digital strategy, and planned on five main stages (see Figure 2):

- a. Digital strategy is based on a bank’s specific vision and mission, the competitive context and target business model with methods such as Digital Reinvention.
- b. Digital capabilities assessment is driven by the digital strategy. Identify the business and IT capabilities that the bank should develop and deploy to support a new digital business model. Using a DBF, a bank assesses its current digital maturity to help define the overall set of capabilities and compares it with the bank’s digital ambition to identify any gaps. The DBF links key financial performance indicators to the digital transformation, recommending projects to close the gaps.
- c. Target operating model alignment is based on the DBF operating impact model. This step defines changes required to support the desired digital maturity. Organization, processes, culture, assets, technology and architecture are all affected by the digitization process and should be transformed to support a bank’s digital ambition.
- d. IT architecture alignment is a crucial element in the transformation of the operating model transformation, and the evolution of the bank’s business and IT architecture. The digitization process requires deep changes both in traditional systems of engagement, and in its systems of records. This new generation of front-and back-office systems should be built on data, analytics and artificial intelligence

(AI) to make informed automated decisions, and convey data, events and services throughout the enterprise.

- e. Digital Reinvention roadmap. Once the digital strategy, operating model and target architecture are defined, and the bank's budget plan, resources and risk appetite are considered, all changes are orchestrated into a transformation program. Projects and timelines can be oriented to close capability gaps that are supported in financial models showing the required costs, resources, risks and expected returns.

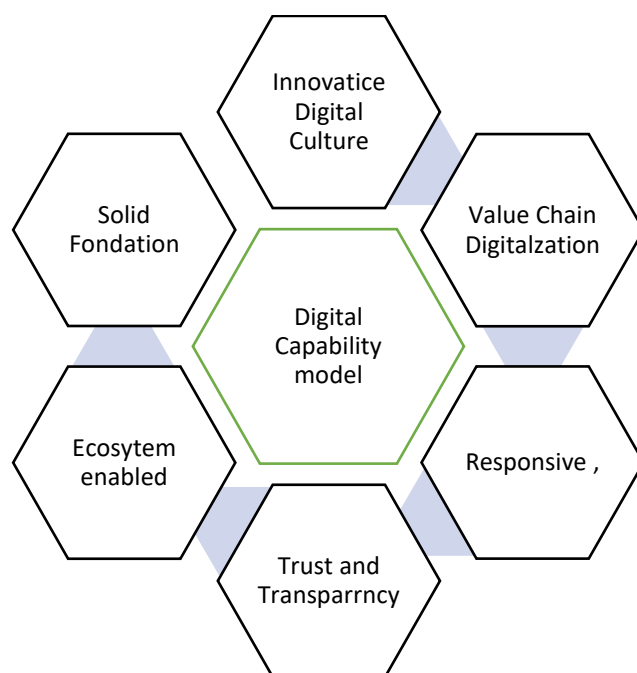
**Holistic Digital Reinvention-** Many banks implement digital changes as isolated initiatives without having a global roadmap encompassing all the changes required to compete in the digital space. By taking a DBF approach, banks can visualize the impact of reinvention across the enterprise and gain a clearer picture of what will happen. A key element is a reference model

that defines the digital capabilities that banks must deploy to compete in the digital space. These capabilities fall into the following areas:

- Value chain digitization. Digitize processes, and adapt products and services to take advantage of the digital context. Supporting this, in the same IBV survey mentioned above, 66 percent of global banking executives said that traditional value chains are being replaced.<sup>5</sup>
- Advanced customer experience. Provide customers with advanced interaction mechanisms, such as personalization, chatbots and consistent omnichannel coverage.

The level of maturity required for each of the capabilities depends largely on a bank's strategy, current situation and geography, as well as the maturity of the market, the society and the ecosystem. DBFs propose a careful analysis about where a bank is and where it wants to be relative to all these capabilities in order to define its transformation roadmap.

Figure 2. Digital Capability model.



### Key takeaways

The imperative for Digital Reinvention in banking is tangible. Taking a structured DBF approach can help minimize disruption and improve the odds of success. Considering these recommendations can help banks to become successful:

- Make your bank more relevant to your customers with flexible financial and non-financial products. Consider the build-or-buy implications, including the relative benefits of speed versus using in-house talent.

- Develop or join digital ecosystems and platforms that deliver traditional and non-traditional products to customers. In a 2016 IBV global CEO survey, 45 percent of respondents already recognized they will need to participate in platforms created by others.<sup>6</sup>
- Ready your organization for the prescribed digital capabilities. Organizational readiness usually is a combination of reassigning, retraining and recruiting
- Affirm your IT architecture is ready to support the transformation. Unambiguous teamwork among the CIO, CMO and CFO is important to success.
- Become agile in your response to customer and market requests. Drive teamwork and self-assessment into your development teams and allow them to react to changing market conditions, not simply follow a plan. Monitor progress but remember the old axiom: counting your money doesn't make you richer.

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# FINANCIAL INCLUSION AND ITS ROLE IN ECONOMIC DEVELOPMENT OF JHARKHAND: A SITUATIONAL ANALYSIS

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## Abstract:

This research aims to examine and evaluate the current status of financial inclusion in relation to Jharkhand's economic development. Finance has emerged as a notable component of the economy for both societal and national development. To reach this goal, a sound financial system is necessary in both developed as well as under developed countries. We can promote equitable and fair growth of the country through financial inclusion. Financial inclusion is the allocation of adequate financial services to the vulnerable groups such as low-income groups and less fortunate population who lack the capacity to utilise the basic banking facilities at a reasonable rate timely. Financial inclusion in the agricultural and particularly in rural areas of the economy is acknowledged as a major tool for enhancing and improving the living conditions of low-income families. In developing countries, the lower segment of the society is completely disregarded by the financial institutions. There is a direct connection between poverty in developing countries and financial exclusion.

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**Introduction-** In past few years, the Indian economy in general and banking services in particular have advanced significantly. Though a sizable chunk of the population continues to be excluded from even the most fundamental opportunities and services offered by the financial sector, especially the weaker and lower income groups. It is crucial to make sure that all the people have access to wide range of financial services in order to address the problems of financial exclusion in a comprehensive way (Singh, 2019). Financial exclusion needs to be understood even before financial inclusion. The financially excluded people are those who lack access to basic financial products and services such as bank accounts, credit facilities, insurance policies etc. There are a plethora reasons of financial exclusion but some prime factors which may accelerate the episode of financial exclusion are inadequacy of regular and surplus income, necessary documents, awareness, trust in the system, hefty transaction fees, remoteness of service provider and poor quality of services.

According to a World Bank Report, 2.5 million people do not possess a bank account and are

therefore entirely cut off from the access to mainstream financial services and products. They lack access to inexpensive and cost-effective financial services, which are the key to reducing disparities in income and ending poverty. Only 50% of adults worldwide, according to a World Bank evaluation, have an account with a formal financial institution; the remaining 50% remain unbanked. Only 46.3% of adult females have an account with a formal financial institution, compared to 54.7% of adult males. (Garg and Agarwal, 2014)

**Financial Exclusion in India-** Only 35% of adults in India have a financial institution account, making it the country with the highest percentage of unbanked people. This puts India's account penetration rate somewhat lower than that of the rest of the developing world. The percentage of adults with a formal account is reported to be around 50% in Andhra Pradesh and Delhi NCR, 40% in Gujarat, Kerala, and Maharashtra, and less than 30% in Bihar, Orissa, and Rajasthan. (Garg and Agarwal, 2014)

**Financial Inclusion-** Financial inclusion has come out as a new way to achieve economic and inclusive growth and a key driver for poverty alleviations. The process of ensuring that the low-income groups and vulnerable population has access to affordable, timely and adequate finance is known as financial inclusion. The goal of financial inclusion is to include those people who are not able to access the opportunities of financial facilities and bring them under the umbrella of inclusion. In simple terms, it provides financial services to various societal groups in an effort to elevate the financial health of the bourgeois class and other underprivileged, marginalised and backward communities. Furthermore, financial inclusion in developing countries like India emphasizes on bringing the unbaked and under banked population into the world of finance in order to provide opportunities for the economically disadvantaged and underprivileged classes to raise their earning, saving and investment. Thereby, being financially included serves as an effective catalyst for anticipated expansion of the economy and the society. (Chauhan et. al 2022)

7 out of the 17 Sustainable Development Goals have been highlighted as being enabled by financial inclusion. Together, the Indian Government and Reserve Bank of India have been working to advance financial inclusion as one of the major national goals of the country.

According to the Committee on Financial Inclusion, which was led by C. Rangarajan, 73% of Indian households do not owe any money to the official financial institutions. The example underlines how the official banking system in India has to complete the challenging mission of reaching the enormous untapped population. (Dhar and Barua, 2020)

To achieve higher level of economic growth, the economy must try to incorporate all the sections of the society irrespective of their social and economic background. It is widely acknowledged as a severe impediment to economic- progress particularly in developing nations, that small farmers and weaker groups in society do not have financial services availability. The committee headed by C. Rangarajan recommended the establishment of two funds with NABARD: the Financial Inclusion Fund (FIF) and the Financial Inclusion Technology Fund (FITF). Both the

funds would be utilised for covering the costs of various promotional and developmental initiatives that would improve the weaker section, poor and vulnerable groups' capacity to absorb credit as well as the use of technology to help and facilitate the required levels of inclusion.

**Financial Inclusion in Jharkhand-** On November 15, 2001, Jharkhand, India's 28th state, was created. The state with Ranchi as its capital ranks 14th in regard of population and 15th in terms of area. Over 40% of all natural resources in India are found in Jharkhand, but 39.1% of its residents live in poverty, and 19.6% of its youngest residents are underweight. The state has 3.3 crore people in total, (Census, 2011) with 48.48 percent of them being women. Only 24% of the people of the state live in cities, making it predominantly a rural state. Major portion of the population lacks the knowledge about financial facilities and predominantly have to be dependent on the informal sources for credit which have high interest rate as well as they are exploitative in nature. Due to lack of basic facilities and literacy, the people are unable to save their income properly and invest which hampers their scope of capital formation.

### **Scope of the study:**

The basic necessity for economic development is the accumulation and circulation of finance. A growing country like India has to emphasise financial inclusion in order to achieve inclusive growth. The present study has focussed on the role of financial inclusion in the economic development of Jharkhand through Self-Help Group- Bank Linkage Programme.

### **Objectives:**

The following are the objectives of this present study-

1. To examine the theoretical concept of Financial Inclusion and its role in economic development.
2. To examine the financial Inclusion and its status in economic development of Jharkhand in term of Self-Help Groups.

**Methodology:** The paper is based on the study the role of SHGs in particular for the economic development of Jharkhand through financial inclusion. It is based on the secondary data and

the data has been collected from different reports of NABARD, Status of Microfinance in India, Jharkhand Economic Survey and various published articles in number of journals and periodicals. Simple descriptive statistical tools of research method such as tables, graphs are used to analyse the data.

**Discussion and Analysis:** Reaching India's poorest people, whose credit needs were modest, frequent, and unforeseen, was found to be challenging despite the country's vast network of rural bank branches. The largest obstacle is achieving universal financial inclusion before the formal banking system in India. For the purpose to fulfil the requirements of the poorest, it was regarded that new delivery mechanisms, alternative policies, systems, and procedures, savings and loan products, and additional services were needed. NABARD subsequently introduced the self-help group bank connection initiative in 1992. (Sarania and Maity, 2014)

**Self-Help Groups-**Self-Help Groups' very existence is crucial for fostering optimism and independence among those who live in poverty. SHGs give people the means to raise their income, raise their level of living, and elevate their social standing. It serves as a spark to

mainstream this aspect of society. Self-help group is a group of people who associate with each other to enhance their well-being.

Since 1992, the National Bank for Agriculture and Rural Development (NABARD) and its partner organisations, including banks, NGOs, government agencies/departments, etc., have planned, implemented, and facilitated the SHG-Bank Linkage Programme in India. The SHG-Bank Linkage Programme and other NABARD microfinance efforts have been very beneficial to the development of financial inclusion in India. SHG-Banking is an initiative that aids in promoting financial transactions between the informal Self-Help Groups (SHGs) as well as public and private sector commercial banks in India's official banking system. (Sarania and Maity, 2014)

Self-Help Groups play a significant part in achieving the purpose of financial inclusion. In Jharkhand, Self-Help Groups significantly help in economic development as it supports in improving the standard of living of the people as well as give the job opportunities. The paper shows the progress and growth of SHGs saving, loan disbursed & loan outstanding from the year 2019 to 2022

**Table 1: Progress of Savings of Self-Help Groups with Bank**

(Amt Rs. crore)

Years	Commercial Banks		Regional Rural Banks		Cooperative Banks		Total	
	No. of SHGs	Saving Amount	No. of SHGs	Saving Amount	No. of SHGs	Saving Amount	No. of SHGs	Saving Amount
2019	137712	188.77	99920	107.85	936	0.56	238568	297.19
2020	161046	234.69	103431	47.31	2050	0.85	266527	282.85
2021	174457	335.87	105463	48.57	2261	1.32	282181	385.77
2022	196332	528.19	109386	56.69	2278	3.56	307996	588.45

Source: Status of Microfinance in India

The above table 1 show the progress of saving of Self-Help Groups with banks from the year 2019 to 2022. The self-help groups save in Commercial, Cooperatives and Regional Rural Banks. The saving amounts was Rs. 297.19 Crore in 2019 which later increased to 307996

during the year 2022. Whereas the number of SHGs shows the growth from the year 2019 to 2022. The growth in saving of SHGs is shown in above shown graph 1 and graph 2.



**Table 2: Progress of Self-Help Groups- Bank Loan Disbursed**

(Amt Rs. crore)

Years	Commercial Banks		Regional Rural Banks		Cooperative Banks		Total	
	No. of SHGs	Loan Disbursed Amount	No. of SHGs	Loan Disbursed Amount	No. of SHGs	Loan Disbursed Amount	No. of SHGs	Loan Disbursed Amount
2018-19	27004	189.99	5994	84.18	139	1.91	33137	276.09
2019-20	34082	306.61	23352	197.14	181	1.95	57615	505.70
2020-21	29696	251.51	33156	322.96	379	3.98	63231	578.46
2021-22	122794	2625.18	43779	628.21	418	6.22	167991	3259.63

*Source: Status of Microfinance in India*

Table 2 shows the number of self-help group and loan disbursement in Jharkhand. The number of self-help group has increased from 33137 in 2018-19 to 167991 in 2021-22. It

increased by 400% approx. from 2018-19 to 2021-22 in Jharkhand. The total loan disbursed amount in 2018-19 was 276.09 crore, which increased to 3259.63 in 2021-22.

**Table 3: Progress of Self-Help Groups- Bank Loan Outstanding**

(Amt Rs. crore)

Years	Commercial Banks		Regional Rural Banks		Cooperative Banks		Total	
	No. of SHGs	Loan Outstanding Amount	No. of SHGs	Loan Outstanding Amount	No. of SHGs	Loan Outstanding Amount	No. of SHGs	Loan Outstanding Amount
2019	55396	312.56	35100	159.76	115	2.41	90611	474.74
2020	71401	528.87	40977	285.70	145	2.52	112523	817.10
2021	87116	597.48	50709	458.01	677	34.8	138502	1058.98
2022	189056	3362.81	60889	718.79	870	4.40	250815	4086.01

*Source: Status of Microfinance in India*

Table 3 shows the number of self-help group together with their loan outstanding in Jharkhand. Number of self-help group has increased from 90611 in 2019 to 250815 in 2022. Total amount of the loan outstanding in 2019 was 474.74 crore, which increased to 4086.01 in 2022.

**Challenges-** There are various challenges faced in achieving the objective of financial inclusion which hampers the path of economic development. Some of the challenges are as:

1. There is lack of knowledge of among the people about the benefit of financial inclusion and the disadvantages linked to the absence of financial inclusion.

2. The uneducated people still find difficulty in understanding financial terms and conditions.
3. The people still face the problem of absence of trustworthy, affordable and high-quality economic guidance.
4. Access to banking facilities is challenging for those with disabilities.

**Suggestions and Conclusion-** The rate of growth of financial inclusion has grown quickly since 21<sup>st</sup> century in India. In addition to this, the definition of financial inclusion has evolved. The fundamental objective of financial inclusion is using bank accounts for saving and credit purposes rather than simply opening an account. Financial inclusion in India is still in its initial stage and there is still much to be

done. There is still various region which are incapable of access the basic facilities of bank, loan availability and not having the habit of saving.

The following are some crucial recommendations for advancing microfinance initiatives and financial inclusion:

1. Self-Help Group Bank Linkage Program has still little coverage. The institution's primary goal is to extend credit. both rural and urban improvised people should access the simple financial lending facilities from the government
2. There are still many people who do not have proper knowledge about the merit of financial inclusion. the Self-Help Group-Bank Linkage Programme and credit facilities are still unknown to large number of people
3. The competence of human resources involved as the service provider determine the quality and standard of micro finance services and financial inclusion. So, it is also important to provide employment to those individuals who have better technical knowledge.
4. The Financial Inclusion Programme should not only focus on the establishment of accounts; rather, it should be the very first step towards achieving the goal of financial inclusion, and subsequent activities should be started with credit and support.
5. All information connected to opening accounts, disclosures, etc. should be provided by in regional languages so it will be more convenient for the people to comprehend the procedure and importance.
6. Mobile van facilities ought to be made available in rural and semi-urban regions to foster financial literacy among the population.

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# **A STUDY ON CLIMATE CHANGE AND ENVIRONMENTAL LAWS WITH SPECIAL REFERENCE TO AGRICULTURAL SECTOR OF JHARKHAND**

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## **Abstract:**

This research paper is an attempt to study and analyze the effect of climatic changes and environmental laws with special reference to the agricultural sector of Jharkhand. It is evident from the study that 47.67 percent geographical area of Jharkhand is under cultivation and receives around an average of 130 cm annual rainfall but still has low productivity due to climatic change. Agriculture is the most major and vulnerable sector to climate change, as it wholly relies on rainfall, weather, and climatic condition for agricultural productivity and efficiency. So, to protect and preserve the natural resources from the effect of climatic change, the Government of Jharkhand has executed the required environmental laws to save the environment simultaneously with the agriculture sector. Here, we have analyzed the prevailing situations about climate change on production and productivity of the agricultural sector of Jharkhand as well as various laws related to environmental protection, its success, and failure.

**Keywords:** Climate change. Weather. Environmental laws. Agriculture sector. DPSP. Fundamental laws. NICRA.

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## **Introduction**

The climate is mean weather of an area affected by temperature and other climatic conditions such as clouds, winds, precipitation, etc. over a long-lasting time. The long-term drift in temperature and pattern of weather contributes to climate change. There are several contributing factors that are responsible for accelerating climate change such as greenhouse gases, burning of fossil fuels, pollution, erratic rainfall (precipitation), humidity, temperature, winds and ocean currents, solar radiation, topography, etc.

## **Agriculture productivity**

Agriculture productivity is measured as the ratio of agricultural outputs to agricultural inputs and it is also measured in terms of total volume of crop production per unit of available land. On the other hand, cropping intensity is the ratio of the gross sown area to the net sown area. Agriculture in Jharkhand is chiefly rainfed and it is rainfall and temperature which plays a

significant driving force for the production and productivity of agricultural land across Jharkhand. The validity of 'The Food Security Act' in terms of food availability among its beneficiaries as well as absorption capacity and utilization capacity by the beneficiaries is highly challenging in food insecure states like Jharkhand and the pivotal factor for this phenomenon is the erratic behaviour of climatic changes like low or erratic rainfall, rising trend of temperature in recent years, increasing volume of pollutants due to industrialization or urbanization, etc. It has been found that at least six districts of Jharkhand are highly vulnerable to climate change effects on agriculture and analysis by National Innovations In Climate Resilient Agriculture (NICRA) project which is a district-level vulnerability assessment analysis. This project in its analysis assessed those six districts of Jharkhand- Garhwa, Godda, Gumla, Pakur, Sahibganj, and West Singhbhum are highly vulnerable and highly risk-prone to climatic change effects on agriculture.

Climate change affects the agriculture sector in several ways. Above a certain range of temperature associated with other adverse atmospheric situations leads to low agricultural production and productivity as the growth rate in terms of the size of crops increases but it has been seen that with an increase in the size of cropping tends to produce less volume of grains in proportion to utilized inputs like fertilizers, machinery etc. The increased atmospheric temperature reduces the plant's capacity to absorb and use moisture. When the temperature rises, plants increase transpiration, or the discharge of more moisture from leaves, which drives up soil evaporation. The collective outcome is referred to as "evapotranspiration".

Carbon Emissions, a significant factor of climate change, nevertheless, can also benefit agriculture by stimulating Photosynthesis in a several ways, so-called C3 crops (including wheat, rice, and soyabeans). The benefits of carbon fertilization, however, are not entirely clear from scientific evidence. However, we know that C4 crops (such as sugarcane and maize), which represents about one-fourth of all crops in terms of value, are not greatly aided by the occurrence (Cline 2008). Agriculture is the most major and vulnerable sector to climate change because this sector largely relies on rainfall, weather, and climatic conditions for productivity and efficiency (Bai D et.al. 2022). Zhai and Zhuang (2012) study the economic impact of climate change on Southeast Asian nations up to 2080. The findings reveal that while the overall effect of climate change on the agriculture sector was mild and the uneven distribution of agriculture productivity decreases across the world requires significant fundamental changes in global agricultural commerce and production. For survival, the Southeast Asian nations need to concentrate on curtailing the current fall in agricultural production. Adams et.al (1990) analyzed that agriculture productivity is highly susceptible to climate change, as demonstrated by the expansion of irrigated land as well as changing regional trends in US Agriculture.

In order to protect and preserve the natural resources from the misutilisation and over-exploitation which is responsible for climate change, the government of Jharkhand has executed the required environmental laws to save the environment. Environment laws

consist of all legislative rules that are intended to protect and safeguard the environment. In Indian Constitution, both states, as well as citizens, are legally or morally abiding to protect and preserve the environment. The 42<sup>nd</sup> amendment act was introduced in 1976 in our constitution and a new article 51 A inserted which talked about the fundamental duties of Indian citizens towards the nation. Under article 51A, sub-clause 51A(g) stated that "to protect and improve the natural environment including forests, lakes, rivers, and wildlife, and to have compassion for living creatures".

The Indian states were also directed to protect the environment by the constitution of India mentioned in Directive Principal of States Policy (DPSP) under Article 48. Article 48 states: "Protection and improvement of environment and safeguarding of forests and wildlife – The state shall endeavor to protect and improve the environment and to safeguard the forests and wildlife of the country".

To follow the instructions of DPSP related to the safeguarding of the environment and strengthening cooperative federalism, the Government of Jharkhand framed legislation and guidance documents for the proper execution of environmental laws in the state. Environmental rules and acts are:

- Environmental (Protection) Act (EPA), 1986 - The EPA, 1986, provides the framework for researching, organizing, and implementing to use long-term environmental safety requirements along with establishing a system of prompt and appropriate reactions to environmental threats.
- The Water (Prevention and Control of Pollution) Act, 1974 - To prevent and manage water pollution and to maintain or restore the country's water's cleanliness, the Water (Prevention and Manage of Pollution) Act was passed in 1974.
- The Water (Prevention and Control of Pollution) Cess, Act, 1974 - Under the Act, a type of tax i.e., Cess is imposed and collected on water consumed by people operating and carrying out specific types of industrial operations which spoil the water and to prevent water pollution this Act was passed.
- The Air (Control and Prevention of Pollution) Act, 1981 - The Indian

Parliament enacted the Air (Prevention and Control of Pollution) Act of 1981, commonly referred to as the Air Act, to prevent and mitigate the detrimental effects of air pollution in India.

**Objectives-**From the point of view of the study, the following objectives are framed concerning Jharkhand:

1. To make a conceptual evaluation of climate change and environmental laws.
2. To study and analyze the trend of crop production over the period.
3. To evaluate the pattern of monsoon/rain and its effect on crop production.
4. To study the role of environmental laws in the agriculture sector.

**Research Methodology-**The study is based on secondary data collected from the Jharkhand Economic Survey (Govt. of Jharkhand),

Aadhaar Statistics, and Food Security Atlas of Rural Jharkhand. For data analysis, descriptive statistical tools were used i.e., tables, percentages, and graphs.

**Data Analysis:** Jharkhand is mostly dependent on agriculture and allied occupations. It includes crop production as well as animal husbandry, dairy, poultry farming, processing based on agriculture production, etc. The agricultural land of the Jharkhand is plenty in terms of access and availability of micronutrients and it is having enough humus required for enhancing agriculture output with efficient management of water. The total area of Jharkhand is about 79 lakh hectares and 17 percent of the total area is the net sown area. In the year 2018-19, approximately 12.8 lakh hectares were used as a total net sown area whereas in the year 2021, it is approximately 13.3 lakh hectares.

**Table 1: Pattern of land by Use (2018-19 to 2020-21) in Jharkhand**

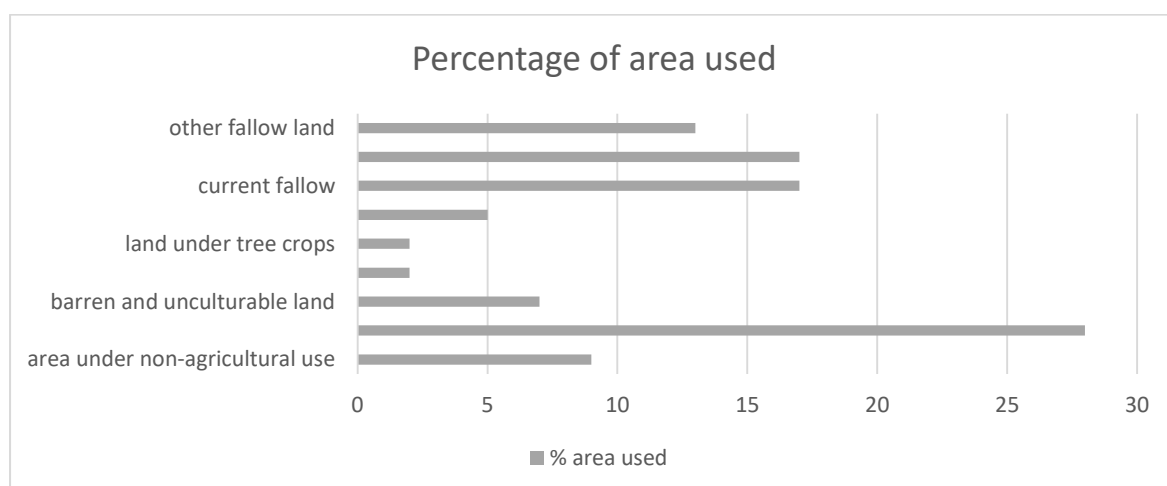
Sl. No.	Land Utilization	2018-19 (Area in Lakh hectares)	2019-20 (Area in Lakh hectares)	2020-21 (Area in Lakh hectares)
1.	Geographical territory	79.72	79.72	79.72
	(a) Area under non-agricultural usage	70.5	73.5	69.9
	(b) Barren and unculturable land	57.9	58.4	58.01
2.	(a) Area under Forest	22.39	22.39	22.39
	(b) Land not available for cultivation	12.84	13.19	12.79
3.	Uncultivated land excluding Fallow land	65.26	64.28	66.25
	(a) Permanent pasture and other grazing land	12.69	13.05	13.16
	(b) Land under miscellaneous trees crops and groves not included in the net sown area	14.56	14.36	12.52
	(c) Cultural wasteland	38.01	36.86	40.57
4.	Fallow land	25.12	24.76	24.59
	(a) Current Flow	14.26	14.39	13.92
	(b) Fallow lands other than current Fallows.	10.86	10.37	10.67
5.	Cropping intensity	54.39	46.82	47.46
6.	Net sown area	12.8	12.9	13.3
7.	Gross cropped area	18.25	17.59	18.03

Source: Jharkhand Economic Survey 2022-23, Deptt. of finance (Centre for Fiscal studies), Department of Planning and Development, Govt. of Jharkhand.

Table 1 shows the land utilization pattern of Jharkhand in which the total area of Jharkhand is about 79.72 lakh hectares. The non-agricultural area of the state is reduced from 73.5 lakh hectares in 2019-20 to 69.9 lakh hectares in 2020-21 and around 58.01 lakh hectares in 2020-21 is barren and unculturable land. 22.39 lakh hectares area of the state is under forest cover which is unchanged over the years. The uncultivated land of the state covers area of about 66.25 lakh hectares (2020-21) of land which shows an increase in the area to the earlier year 2019-20 i.e., 64.28 lakh hectares. The cropping intensity of the state has been reduced to 47.46 lakh hectares in 2020-21 from 54.39 lakh hectares in 2018-19 due to atmospheric changes and low rainfall in the state which leads to a shortage of water and deplete the level of groundwater and the net

sown area has increased to 13.3 lakh hectares in 2020-21. The Gross cropped area of the state is 18.03 lakh hectares in 2020-21 which is reduced from 18.25 lakh hectares in 2018-19 because of an increase in pollution which affect the fertility of soil and resulted in low agriculture production. Jharkhand agriculture relies primarily on rainfall. Only 15% of the total land used for crop production is inadequately irrigated. As a result, monoculture farming predominates in the state. Only 16% of the crop is harvested. A study shows that the state's major crop, accounting for around 78% of its total planted area is Kharif crops. The total amount of gross cropped area consists of 5%, 15%, and 1% of Rabi crops, two area crops, and more than two area crops respectively. Only 0.17 percent of the total cultivated land is utilized for Zaid crops (Jeyaseelan 2012).

Figure 1: Land Utilization pattern for 2020-21(in percentage)



Source: Jharkhand Economic Survey 2022-23, Deptt. of finance (Centre for Fiscal studies), Department of Planning and Development, Govt. of Jharkhand.

Figure 1 shows the land utilization pattern of Jharkhand in which a large area is under forest cover which is 28 percent. The net sown area and current fallow land of the state is 17 percent and 13 percent of the state comprises other fallow land. 9 percent of the state is under non-agricultural use because the land is used for

other purposes such as housing, setting industrial factories, etc and around 7 percent is barren and unculturable land. The total culturable waste land is 5 percent. Around 2 percent of land is under tree crops and 2 percent is under permanent pasture and other grazing land.

Table 2: Food Grains in India (in kg per hectare) and in Jharkhand

Crops	States/UT	2006-07	2011-12	2016-17	2019-20
Food grains	All- India	1756	2078	2129	2325
	Jharkhand	1550	1798	1856	1891
	The gap in Jharkhand in %	11.3	13.4	12.8	18.7

Source: Food Security Atlas of Rural Jharkhand 2022.

Table 2 reflects that the food grain production of Jharkhand has shown a significant increase from 2006-07 to 2011-12 by almost 248 kg per hectare but there is an increase of only 58 kg per hectare production of grains if we compare the 2011-12 and 2016-17. This shows a declining growth of food grains production from 2011-12 to 2016-17. Again, it is remarkable to point out that within the period of 2016-17 and 2019-20, there is insignificant crop production which is almost 35 kg per hectare. This declining growth

of food grains production in Jharkhand can be attributed to various factors including adverse climate behavior like substantially low and erratic rain, high levels of humidity, etc. This decline in grain production in respective years as shown in the table may also be attributed to the gradual diminishing productive quality of the land caused by the overuse of inorganic matter which ultimately disturb sustainable agriculture.

**Table 3: Production of Kharif and Rabi crops in Jharkhand (000' tonnes)**

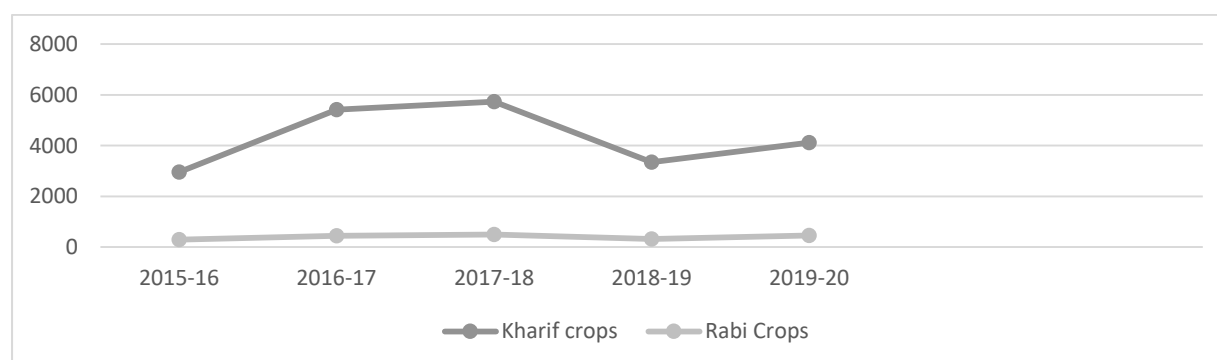
Year	Total Production in thousand tonnes	
	Kharif Crops	Rabi Crops
2015-16	2955.701	296.507
2016-17	5420.628	443.159
2017-18	5729.153	489.330
2018-19	3350.864	313.879
2019-20	4121.792	455.444

Source: Jharkhand Economic Survey 2020-21, Deptt. of finance (Centre for Fiscal studies), Department of Planning and Development, Govt. of Jharkhand.

Jharkhand agriculture is mainly dependent on monsoon. Table 3 reflects that the production of Kharif crops increased from 2955.701 thousand tonnes in 2015-16 to 5420.628 thousand tonnes in 2016-17 but it decreases from 5729.153 thousand tonnes in 2017-18 to 4121.792

thousand tonnes in 2019-20 because of monsoon effect. Monsoon also affects the production of Rabi crops; it decreases from 489.330 thousand tonnes in 2017-18 to 455.444 thousand tonnes in 2019-20.

**Figure 2: Production of Kharif and Rabi crops in Jharkhand**



Source: Jharkhand Economic Survey 2020-21, Deptt. of finance (Centre for Fiscal studies), Department of Planning and Development, Govt. of Jharkhand.

Figure 2 shows the higher production of kharif crops in Jharkhand in comparison to Rabi crops as Jharkhand is mostly dominated by Kharif crops. Production of Kharif and Rabi crops

increased from 2015-16 to 2017-18 by 93.83 percent and 65.1 percent respectively. From 2017-18 to 2018-19, the production of Kharif and Rabi crops fell drastically due to the effects

of climate change. The Production of Kharif and Rabi crops increased from 2018-19 to 2019-20 by 23.01 percent and 45.3 percent respectively but the growth rate of production

of Kharif and Rabi crops decreased compared from 2015-16 and 2017-18 to 2018-19 and 2019-20.

**Table 4: Trend of Average Temperature (degree Celsius) in Jharkhand**

Year	Temperature (in degree Celsius)	
	Maximum	Minimum
2016	26.0	18.0
2017	28.0	16.0
2018	27.0	14.0
2019	27.0	19.0
2020	26.0	18.0

Source: Weather and Climate (Jharkhand)

Table 4 reveals the maximum and minimum temperatures of Jharkhand over the years. We noticed that in 2016, the maximum temperature of Jharkhand is 26.0 degree Celsius and the minimum temperature is 18.0 degree Celsius. In the next year, the maximum temperature of Jharkhand is increased by 1.0 degree Celsius but there is a decline in minimum temperature by 2.0 degree Celsius. The average maximum temperature in 2016 and 2017 is 27.0 degree Celsius, and the same maximum temperature persist in the year 2018 and 2019 but the average minimum temperature in 2016 and 2017 is 17.0 degree Celsius and in 2018, the minimum temperature is reduced by 3.0 degree Celsius whereas in 2019, it is increased by 2.0 degree Celsius from the average minimum temperature of 2016 and 2017. In 2020, the maximum temperature is reduced to 26 degrees Celsius from 27 degrees Celsius in 2019. Similarly, the minimum temperature is also reduced to 18 degrees Celsius from 19 degree Celsius in 2019. The fluctuations in

temperature are the major effect of climate change and climate is the most significant factor that influences the crop suitability factor in a particular area because climate affects more than 50% of crop varieties for the growth of seeds, the ideal soil temperature is between 20-30 degree Celsius and the ideal temperature for the growth of kharif and rabi crops is between 16-20 degree Celsius and 10-26 degree Celsius respectively during the sowing period. By the data, it is evident that temperature is increased over time which adversely affects the production of crops, growth of plants, scorched leaves, disturbs photosynthesis and respiration process, sun scald (damaged outer layer of the plant or barks). Ultimately, increased, or decreased temperature may downgrade the quality of crops and their entire production. The changing trend of monsoon over the years is the result of climate change and Indian food prices are influenced by monsoon because still Indian agriculture is heavily dependent on monsoon for food production (Sharma 2022).

**Table 5: Average Annual Rainfall in Jharkhand (In mm)**

Year	Average Annual Rainfall (In mm)
2018	960.0
2019	1137.8
2020	1222.7
2021	1444.8
2022	1048.1

Source: indiastat.com (Jharkhand)

Table 5 shows the pattern of average annual rainfall in Jharkhand. The table reflects an average annual increase in rainfall from 2018 to 2019 by almost 177.8 mm but in the next year 2020, the increased average annual rainfall is

only 84.9 mm which is comparatively less than from the previous year of 2018-19 by 92.9 mm approximately. Though, a tremendous increase is shown in average annual rainfall in 2021 by 222.1 mm which is highest in the last three



years. From Figure 3, it is evident that average annual rainfall fell drastically by 396.7 mm in 2022. The declining trend of average annual rainfall has an adverse effect on the soil fertility of agricultural land. The low rainfall leads to the condition of drought and hinders the water absorption capacity of plants which ultimately affects the overall crop production.

The data of the Indian Meteorological Department (IMD) on rainfall, shows a decadal downward trend of rainfall in India to 868.8 mm average rainfall (1971 to 2020) from an average rainfall of 880.6 mm (1961 to 2010) with an 11.8 mm decrease in average rainfall because of natural multidecadal epochal variability of wet and dry epochs of rainfall throughout India. Over the years, the rainfall trend is changed. In 1950, the average rainfall was 1107 mm which was reduced to 1070 mm in 1970 and further declined to 1062 mm in 1990 and in 2010 it was 1034 mm. Although in 2020, the average rainfall was increased to 1095 mm. The year 2019 and 2021 received the highest rainfall in the last decadal years of nearly 1240 mm.

**Conclusion-** Climatic changes are the result of man-made activity and natural occurrences and it impacts the agriculture sector in ample ways. Agriculture is the most major and vulnerable sector to climate change because this sector largely relies on rainfall, weather, and climatic conditions for productivity and efficiency. Jharkhand is mostly dependent on agriculture and allied occupations. The total area of Jharkhand is about 79 lakh hectares and 17 percent of the total area is the net sown area. Jharkhand agriculture relies primarily on rainfall. Only 15% of the total land used for crop production is inadequately irrigated. As a result, monoculture farming predominates in the state. Only 16% of the crop is harvested. The production of Kharif crops increased from 2955.701 thousand tonnes in 2015-16 to 5420.628 thousand tonnes in 2016-17 but it decreases from 5729.153 thousand tonnes in 2017-18 to 4121.792 thousand tonnes in 2019-20 because of the monsoon effect. Monsoon also affects the production of Rabi crops; it decreases from 489.330 thousand tonnes in 2017-18 to 455.444 thousand tonnes in 2019-20. To protect and preserve the natural resources from the effect of climatic change, the govt. of Jharkhand has executed the required

environmental laws to reduce the adverse effect of climatic change on agricultural products such as the Environmental (Protection) Act, 1986, The Water (Prevention and Control of Pollution) Act, 1974, etc. Some suggestions to protect the environment, are:

- a) It is essential to adopt sustainable development techniques to protect and conserve the environment.
- b) To ban single-use plastic and govt. should focus on the consumption of the best out of waste. For example- the Use of biodegradable products.
- c) To switch the techniques from inorganic to organic food production.
- d) Promoting the use of alternate water sources such as treated wastewater, would cut down the demand for groundwater.
- e) To spread awareness regarding the importance of water conservation.
- f) Government should intervene to execute environmental laws strictly.

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# **FINANCIAL INCLUSION IN INDIA: A STUDY ON PRADHAN MANTRI JAN DHAN YOJANA (PMJDY)**

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## **Abstract:**

In any economy, finance is the major driving force which pushes the economy in front and the establishment of a stable and well functioning financial system can only serve this purpose. The stability of a financial system and the consequent gain can be achieved if the Govt. can secure a system that includes all economic players uniformly. Financial inclusion is the provision of financial facilities and services uniformly among all the members of the society. It is the availability of unimpeded accession of financial products viz. banking services, borrowing facility, insurance facility to the entire population without discriminating any individual of the society. For economic empowerment, it is important to include each and every member of the society in the financial inclusion process. In the last five decades, Govt. of India has been making continuous efforts to promote financial inclusion by launching different projects and schemes. The fundamental objective of all the initiatives is to reach the large section of the vulnerable financially excluded Indian population. PMJDY is one of the important financial inclusion programs whose achievement has been proved remarkable in recent time. In this paper an attempt has been made to study the initiatives taken by Govt. of India for financial inclusion program and also to evaluate the performance of PMJDY in financial inclusion in India.

**Key Words: Financial Inclusion, Economic Empowerment, PMJDY**

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## **Introduction**

In order to achieve the economic growth of a country, all the members of the society without discriminating gender, religion and economic status, are to include in accessing financial services. Lack of access of financial services for smaller marginal farmers and weaker sections of the society has been recognized as a serious threat of economic progress. The recent development in banking technology has transformed the banking system from traditional staffed based to internet based banking system by other channels like automated teller machine (ATM), debit and credit card, net banking etc. But the access to such technology is restricted only to certain segments of the society. Many of research report and surveys clearly shows that the large number of population does not have an access to basic banking and financial services and products not only in India but also whole world. This is termed as financial exclusion. These

people, particularly, those living on low income, cannot be access main stream of financial services and products such as bank accounts, ATM cards etc. which are used for making payments and keeping money, remittance affordable credit , insurance and financial services.

According to censuses 2001, only 30% of rural household were availing Banking services, this percent was increased to 54% in the census 2011, in urban the percentage increased to 67% from 49%. In 2014, around 53% of adult in India reported of managing banks accounts. CRISIL-Inclusive reports reveal that 73% of the farmer households have no access to formal sources of credit. Inclusive financing aimed at providing financial services at affordable cost to each and every segment of the society especially low income groups. In the year 1969, Indian banks were nationalized and India took a major step towards financial inclusion .Some of the major milestones of financial inclusion

are-establishment of priority sector Lending Banks on 1971, establishment of Regional Rural Banks in 1975, establishment of NABARD in 1982, launching SHG bank linkage programmed in the year 1992, NABARD sets a goal for linkage of one million SHGs by 2008. In addition, ample of programs and yojanas were formed especially for women to promote participation of female in financial services. Some important schemes are- Rastriya Mahila Kosh, Dhan Lakshmi Yojana, Indira Gandhi Matritva Sahyog Yojana, Pradhan Mantri Jan Dhan Yojana (PMJDY) etc. Among all the initiatives, PMJDY is one of the biggest financial inclusion initiatives in the world. It gave a chance to the unbanked residents of the nations to have a bank account with least documentation. This paper focuses the concept and ideas of financial inclusion, initiatives taken by banks and govt. in financial inclusion programs and specially evaluates the contribution of PMJDY in financial inclusion in India.

### **Objectives of the Study:**

The following are the main objectives of the Study:-

- To understand the concept of financial inclusion and its importance in economic empowerment.
- To know the various policies measures (initiatives) taken by the GOI and RBI for financial inclusion in India.
- To evaluate the performance of PMJDY in financial inclusion in India.

### **Methodology of the study:-**

This study is based on mainly secondary data. A descriptive and analytical research methodology has been used for this research paper. The secondary data has been collected from books, journal, newspapers etc. In order to enrich the study, the related websites and articles have been searched. Editing, classification and tabulation of the data collected from the above mentioned sources have been done as per requirement of the study.

### **Financial Inclusion and its Importance in Economic Empowerment-**

The World Bank defines financial inclusion as “individuals and businesses have access to useful and affordable financial products and

services that meet their needs- transactions, payments, savings, credit and insurance- delivered in a responsible and sustainable way.” However, the Reserve Bank of India (the committee of financial inclusion, chaired by C. Rangarajan, 2008) opts for a more targeted definition, as, “the process of ensuring access to appropriate financial products and services needed by all sections of the society, and particularly vulnerable groups such as weaker sections and low income groups, at an affordable cost, in a fair and transparent manner by mainstream institutional players”. Literature reveals that a country where large proportion of people is excluded from formal financial systems suffers from higher poverty and inequality rates, in general. Financial inclusion on the other hand, promotes thrift, and helps to develop a culture of savings and at a macro level, has been known to increase access to productive assets, thereby improving productivity and general well-being. So, financial inclusion can be described as the provision of affordable services viz. savings, credit, insurance services, access to payments and remittance facilities by the formal financial system to those who are excluded. It is the delivery of financial services and products to the sections of disadvantage and low income segment of society at an affordable cost in a fair and transparent manner by regulated institutional players.

According to RBI, the process of financial inclusion in India happened in three phrases- The first phrase (1960-1990), focusing on channeling of credit to the neglected sectors of the economy. The Second phrase (1990-2005) emphasized the need to strengthen financial institutions as part of financial sector reforms such as through SHGs and Kisan Credit Cards, with the former having a significant positive impact on rural women. During the third phrase (2005 onwards), financial inclusion was explicitly made as a policy objective and thrust was put on providing safe facilities of savings deposits through “no frills accounts”. The late 2000s and after saw an emphasis on use of digitization and technology to overcome barriers that inhabits the financial agency of vulnerable groups, particularly women.

The main objective of financial inclusion is to include the people in basic financial services. It makes the nation economically strong and

equipped by incorporating the entire population in financial services, such as, savings, investments, borrowings, lending, money transfer etc. Individuals of different earning groups may generate higher organized savings and investments, which may lead to the economy in higher savings-investment ratio. It also takes care social sickness such as, poverty, wealth inequality among individuals, inadequacy in required fund, indebtedness etc. Easy access of financial services can financially empower the low income vulnerable people and bust up the confidence to initiate small business. Sometimes, developmental schemes for the poorest of the poor cannot reach to the right destination; financial inclusion can overcome the problem. Financial inclusion generates the habits of savings among common people, which necessarily contributes the asset formation of a nation. It secures the individual from financial uncertainty in old age and provides more security in formal financial services.

#### **Initiatives Taken by GOI and RBI for Financial Inclusion in India**

With the view to achieving financial inclusion, RBI and GOI have taken a lot of initiatives and policy measures for financial inclusion in India. Some important initiatives are-

- **Simple KYC Norms**-One of the major constraints faced by the public in getting link to the formal and strict financial system is Know Your Customer (KYC) norms approved for opening bank accounts. People can coming forward and comfortable if KYC norms are simple.
- **No-Frill Accounts**-No-Frill Accounts allows the customer to open a savings account which requires no or negligible balance leading to lower costs which enable excluded people to open a savings account. This scheme accommodates those unbanked rural people whose income is very low to get account opened earlier.
- **Easy Credit Facilities**- Easy credit facility will promote women entrepreneurship. RBI advice banks to consider introducing General Purpose Credit Card (GECC) facility up to Rs, 25,000 at rural and semi-urban branches. Various small and micro loans help the women to concentrate and focus on their works.
- **Simplified Branch Authorization**-To address the issue of uneven spread of bank branches, domestic scheduled commercial banks are permitted to freely open branches in remote areas. RBI has directed the commercial banks to provide information on opening and managing bank account in possibly regional language.
- **Promoting Self-Help Groups (SHG)**- Banks are permitted in January 2006, to use other rural organizations like, NGOs, SHGs, microfinance institution etc. for extension of financial inclusion. In rural and remote areas, the SHGs help to empower women by financially attaching with financial services.
- **National Pension Scheme**-In 2004, National Pension Scheme was initiated under Pension Fund Regulatory and Development Authority (PFRDA) in order to promote the labour force in compulsory savings during working years to avoid uncertainty after retirement.
- **Aadhaar Unique Identification Authority of India (UIDAI)**-Since 2009, the initiatives has been taken by the GOI to provide single identification number (Aadhaar number) to each and every individual, which can link them any formal institution. This number provided by UIDAI is serve as a proof of identity and address, anywhere in India. The aadhaar number is also enable people to have access to services such as banking, mobile phone connection, and other government and non-government services in due course.
- **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)**- This scheme aims to enhance the livelihood of the rural people by guaranteeing at least one hundred days of wage employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work. As payments are made through the bank/post office accounts, through this scheme, cores

of rural people are financially included.

- **Indira Gandhi Matritva Sahyog Yojana (IGMSY)**-IGMSY is a centrally sponsored scheme for state government and union territories. It was introduced in the year 2010-11, featured by maternity benefit scheme of the pregnant and lactating women. Under this scheme, pregnant and lactating women 19 years and above will get the direct cash transfer of Rs.4, 000 in three installments.
- **Pradhan Mantri Jan Dhan Yojana (PMJDY)**- PMJDY is one of the popular financial inclusion program by the GOI in recent times. The objective of the scheme is to provide universal access of banking accounts with an overdraft facility and Ru-Pay Debit card to all household. This is a fully loaded scheme with technological innovations such as Ru-Pay card, mobile banking etc.
- **Pradhan Mantri Mudra Yojana (PMMJ)** - PMMY was launched by the Prime Minister of India on 8<sup>th</sup> April 2015 as a central sector scheme. It set up by the Micro Units Development and Refinance Agency (MUDRA) for laying policy guidelines of Micro Finance Institutions (MFIs), including credit protection and indebtedness. It has been able to simplify access of formal credit for first time loaners and focus on women entrepreneurs. In 2019 Budget, government has announced that one woman in every SHG will be eligible for a loan up to Rs. 1 lakh. This will motivate women to include more in financial process.
- **Financial Literacy Project and Financial Inclusion Plan**- In addition to that, government has initiated to provide financial education among the individuals to make them skilled and enlightened on basic financial issues, so that they can be capable of taking personal monetary decisions carefully. In respect of this, the RBI has launched

“Project Financial Literacy” to literate individual with financial terms and education through several target groups. All commercial banks have been directed to prepare a three years roadmap in advance to organize their plan of extension of services in unbanked rural areas in any mode either branch extension or through business correspondents(BC) or by ATM or satellite banking etc.

### **Contribution of PMJDY in Financial Inclusion in India**

The GOI has been making continuous efforts to promote financial inclusion as one of the important national objectives of the country. Some of the major efforts include-the nationalization of banks, the building up of a robust branch network of scheduled commercial banks, co-operatives and regional rural banks, introduction of mandated priority sector lending targets, lead banks scheme, formation of self- help groups, business correspondents appointed by banks to provide doorstep delivery of banking services etc. The fundamental objective of all these initiatives is to reach the large sections of the vulnerable groups who are excluded financially. With a view to further enhance the financial inclusion interventions in the country; GOI has initiated the National Mission for Financial Inclusion (NFI), namely PMJDY in August 2014 to provide universal banking services for each unbanked household. It is based on the guiding principle of “banking the unbanked, securing the unsecured, funding the unfunded and Serving the un-served and under-served areas”. PMJDY is one of the biggest financial inclusive initiatives in the world. The aims of PMJDY are to ensure access of financial services namely-banking savings and deposit accounts, remittance, credit, insurance and pension –in an affordable manner and use of technology to lower cost and widen reach.

The followings are the important benefits of PMJDY-

- **Banking the Unbanked**-One basic Savings bank account is opened for unbanked person.

- There is no requirement to maintain any minimum balance in PMJDY accounts.
- Ru-Pay card is provided to PMJDY account holders.
- Every PMJDY account has cover insurance of Rs.1 lakh (enhanced to Rs. 2 lakh from 28.08.2018 with new PMJDY account).
- An overdraft facility up to Rs.10, 000 is available to eligible account holders.
- PMJDY accounts are eligible for Direct Benefit Transfer (DBT), Pradhan Mantri Jeevan Jyoti Bima

Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY), and Micro Units Development & Refinance Agency Bank (MUDRA) Schemes.

The level of financial inclusion has been measured using a variety of indicators-such as number of bank accounts opened, number of branch branches in rural and urban areas, number of ATM card issued and the amount of bank deposits etc. PMJDY is a major catalyst in achieving the goal of financial inclusion. As on 23th September 2023, the number of PMJDY account details is as under:

**Table-1, Number of Beneficiaries (as on 21<sup>st</sup> September 2023)**

Type of Banks	Number of Beneficiaries at rural bank branches (in crore)	Number of Beneficiaries at urban bank branches (in crore)	Number of Total Beneficiaries (in crore)	Number of Rural and Urban Female Beneficiaries (in crore)	Deposit in Accounts (in crore)
<b>Public Sector Banks</b>	24.74	14.71	39.45	21.73	1,59,081.09
<b>Regional Rural Banks</b>	8.06	1.34	9.40	5.43	39,488.72
<b>Private Sector Banks</b>	0.72	0.72	1.44	0.76	5,692.00
<b>Rural Co-operative Banks</b>	0.19	0.00	0.19	0.10	0.01
<b>Total</b>	<b>33.71</b>	<b>16.77</b>	<b>50.48</b>	<b>28.02</b>	<b>2,04,261.83</b>

**Source:** <https://www.pmjdy.gov.in>

Table-1, shows that the total number of PMJDY accounts is 50.48 crore, out of which 39.45 crore accounts are in the Public Sector Banks, 9.40 crore in Regional Rural Bank, 1.44 crore in Private Sector Banks, 0.19 crore in Rural Co-operative Banks. Out of the total number of beneficiaries, the women beneficiaries are 28.02crore, which is about 56% of Jan Dhan Yojana total accounts.

Table-1 also represents that the amount deposit in Public Sector bank is highest followed by regional rural banks, private sector banks and rural co-operative banks. The performance of PMJDY in terms of number of accounts opened, deposits in accounts, average deposit in accounts and number of Ru-Pay debit card issued over the time since its inception is given below:

**Table-2: Performance of Pradhan Mantri Jan Dhan Yojana (PMJDY)**

<b>Year</b>	<b>No. of PMJDY Account (in Crore)</b>	<b>Deposit in PMJDY Account (Rs.in Crore)</b>	<b>Average Deposit per Account (in Rs.)</b>	<b>No, of Rupay Debit Card Issued (in Crore)</b>
<b>March,2015</b>	14.72	15,670	1,065	13.14
<b>March,2016</b>	21.43	35,672	1,665	17.75
<b>March,2017</b>	28.17	62,972	2,235	21.99
<b>March,2018</b>	31.44	78,494	2,497	23.65
<b>March,2019</b>	35.27	96,107	2,725	27.91
<b>March,2020</b>	38.33	1,18,434	3,090	29.30
<b>March,2021</b>	42.20	1,45,551	3,449	30.90
<b>March,2022</b>	45.06	166,459	3,694	31.62
<b>March,2023</b>	48.65	1,98,844	4,087	32.94
<b>August,2023 (Till 16<sup>th</sup> Aug.)</b>	<b>50.09</b>	<b>2,03,505</b>	<b>4,063</b>	<b>33.98</b>

**Source:** Press Information Bureau, Ministry of Information and Broadcasting, GOI, 28.08.2023

From the above table, it is seen that since inception of PMJDY, over 50 crore new accounts have been

opened. The number has grown more than three times from 14.72 crore in March 2015 to 50.09 crore in August 2023. It is also known that about 56% Jan-Dhan account holders are women and 68% Jan –Dhan account holders are in rural and semi-urban areas. So this PMJDY scheme plays an important role in financial inclusion of rural women in India. Total deposit has been increased to Rs. 2, 03,505 crore (as on August 2023); it is about 13 times of deposit than March 2015. The number of operative PMJDY accounts has also been increased during this period 2015 to 2023. It is also seen that average deposit per account is Rs, 4063 as on August 2023, in March 2015, average deposit was Rs. 1,065. Increase in Deposit per account indicates the increase use of accounts and growing savings habits among the account holders. The Ru-Pay cards issued to PMJDY account holders has increased to 33.98 crore as on August 2023 from 13.14 crore in March 2015. It shows 2.5 times increases in RuPay Cards issued and indicates more use of mobile based payment systems like UPI and increase digital transactions.

Under PM Garib Kalyan Yojana, an amount of Rs.500 per month for three months-(April 2020 to June 2020) was credited to the account of women account holders under PMJDY. A total of Rs. 30,945 crore has been credited in women

PMJDY account during Covid-19 lockdown. India witnessed a remarkable swiftness and seamlessness with which DBT has empowered and provided financial security to vulnerable sections of society. An important aspect of DBT via PMJD accounts have ensured every rupee reaches its intended beneficiary and helped in preventing systematic leakages.

Actually, PMJDY provides an avenue for the poor to bring their savings in to the formal financial system and remit money to their families in villages besides taking them out of the clutches of the usurious money lenders. It has brought the unbanked into the banking system, expands India's financial architecture, and brought financial inclusion to almost every adult.

**Conclusion-** Financial inclusions is the process of ensuring access to appropriate financial products and services needed by all sections of the society including vulnerable groups such as weaker sections and low income groups at an affordable cost in a fair and transparent manner by mainstream institutional players. The GOI and RBI have been taken several initiatives to promote financial inclusion and economic empowerment in India. The fundamental objective of all initiatives is to reach the large sections of the financially excluded vulnerable



people. Among the important initiatives, PMJDY aims to provide universal access of banking facilities to all household in the country. It has not only integrated the informal sector into mainstream economy, but also provided financial literacy to the poor and illiterate people. This scheme is able to put a greater section of the population under banking mechanism by taking a constructive approach of opening zero balance accounts with simple KYC norms. The contribution of PMJDY in making reach banks to the most vulnerable section of the society and increasing financial inclusion is remarkable. The scheme PMJDY has been successfully operating. But it requires constant attention of the government in formulating policies, motivating people towards financial inclusion and focus on raising awareness of the benefits of formal financial services among financially excluded people.

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# **EFFECT OF WORKFORCE DIVERSITY ON EMPLOYEES' PERFORMANCE IN THE INDIAN INFORMATION TECHNOLOGY INDUSTRY**

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## **Abstract**

Workforce diversity can be defined as differences among employees on the basis of demographics, socio-cultural identities and personality traits of employees working in the organisation. After globalisation, workforce diversity has become natural phenomenon where members of a company have dissimilarities in terms of various factors like nationality, age-group, gender, religion, culture, experience, academic qualifications and so on. With time, workforce composition is becoming more complex as new dimensions are being added in this list as dual working families, part-timers, members of LGBTQ community etc. are becoming part of the organisation. Therefore, it becomes pertinent for the companies to respect individual differences and increase cooperation and coordination among them in order to get best efforts from them. This study is empirical and analytical in nature. Primary data is collected in this research using questionnaire method through online as well as offline way. Total 147 respondents have filled questionnaire in which 139 responded online while 8 respondents contributed offline in the data collection process. For the purpose of analysis, dummy variables are used to represent categorical variables like gender, age-group and academic diversity. For purpose of conducting regression analysis, there must be a normal distribution and normality of data related with performance is checked through Kolmogorov-Smirnov test (K-S test). Regression analysis is done to look into the effect of variables related with workforce diversity and employees' performance. In case of gender diversity and employees' performance, the effect of gender diversity is significant on employees' performance where one unit change in gender diversity can bring 3.6% variance in performance of employees. For age-group diversity, there is absence of any effect of AGD on ED then homogenous groups may be formed for their best performance. As far as effect of academic diversity is concerned, diversity must be inculcated in case of group of graduated employees as there is significant related with AD and EP while for post-graduates, homogenous group can be formed as there is no effect on the performance of employees. Lastly, this paper mentions limitations of the study and recommendations to overcome these limitations for improving the findings of similar studies.

**Keywords:** Gender diversity, age-group diversity, academic diversity, employees' performance, regression analysis

**Introduction-** With time, homogeneity of workforce has become irrelevant because international economy is interconnected due to globalisation. The term 'global village' was introduced by Marshall McLuhan in 1960s. The reasons of such change is due to development of digital technologies which enhanced speed of interactions of people among different parts of the world (McLuhan, 1964). In the same context, Ohmae (1999) gave the concept of

"borderless world" in which countries are free to promote multilateral trade without any trade restrictions and fear. Such changes in business environment brought change in human resource as International HRM has become a common practice among companies operating in multiple countries. Now, employees are being recruited from various backgrounds like different age-groups, gender, regions, nationality, race, religion, caste, ethnicity etc.

and they are working under the same roof for attainment of common goal. Erasmus (2007) considers that new workforce is historically more diverse because new dimensions are being added in the concept of diversity as the time passes on e.g. part timers, dual working families, AIDS affected people, minorities, members of LGBTQ community etc. are becoming part of the today's workplace. Adhikari & Shrestha (2019) list out factors which causes diversity in the workforce like globalisation, more old population, participation women and minorities, part-time workers, seasonal workers, knowledge oriented workers, virtual workers, and people from various countries.

An organisational achievement and growth is lied in the fact that how these companies are eager to welcome diversity and interested in the benefits arising out of its proper management (Greenberg, 2008). Benefits of workforce diversity include broader perspectives and understanding to solve a problem, better management of relations with customers and other stakeholders of the company, flexibility to adapt according to the changes in the business environment, enhancement of innovations, a congenial workplace for employees having different backgrounds, a better goodwill of the company etc. However, for the purpose of increasing its effectiveness there is need to develop a 'welcome attitude' by the management as well as employees. In the same context, strategic use of differences of employees in also necessary to create a cooperative environment at the workplace. Giving fair chances to perform, adequate compensation and reward for work performance, unbiased leadership and developing an inclusive work environment are some of the steps to nurture workforce diversity.

As far as challenges of workforce diversity is concerned with proper management of their diversity because its management is not only accepting the differences among them but it is more than that. Devoe (1999) asserts that problems in managing personnel arises due to discriminations and legal actions originated because of such type of prejudices. Cockburn (1989) assumes that conflict between diverse groups is a natural process and proper handling of their relationships is necessary to build cohesiveness among them by adopting transformational approach of personnel

management. Its disadvantages include negative perception about other community members, discrimination on the basis of ethnicity, race, gender and other grounds, internal politics, cross-cultural communication issue as well as control over cost are the other problems associated with manpower dissimilarities. Thus, it becomes mandatory for manager to understand the differences of personality, attitude, culture and other dimensions in order to create a healthy work environment. Basically, three methods are used for management of the diversity among employees. It includes: radical approach, liberal approach and transformational approach. Supporters of radical approach focuses on positive policies and actions for attainment of equality of employees belonging to different backgrounds. Liberal approach talks about equality to work at the workplace is beneficial for the company in monetary terms. Lastly, a transformational approach is crucial to gain short and long-run objectives of the organisation by bringing drastic changes in management of employees.

**Literature Review-** Generally, diversity can be defined as recognising, comprehending, adopting and nurturing differences among personnel in context like age, gender, physical and mental abilities, class, spiritual orientation and other grounds (Esty,et. Al., 1995). Omankhanlen and Ogaga-oghene (2011) defines that the dissimilarities among workforce as the discrepancies among different employees working in an organisation that will probably impact relationship between management and employees as well as among employees. Such dissimilarities is concerned with generations, gender, ethnic groups, educational qualifications, age etc. Developing a stable, flexible and diversity friendly working environment is necessary to uncover the potentials of these employees. Hence, the author considers management of diverse workforce is a complex and important task for organisational leadership. Carrel, Mann, & Sigler (2006) mention that main dimensions of determining diversity of workforce are sex, age-group, ethnic identity and academic qualifications. Kandola and Fullerton (1998) mentions the visible and non-visible factors of diversity on the basis of assumption that valuing the differences could create a harmonious work environment and full

utilisation of talents will be possible. Kyalo & Gachunga (2015) noted that workforce diversity must be recognised and treated as an organisational resource along with its management is necessary to deliver outstanding customer relationship management (CRM) or in order to create competitive edge over rivals. Emiko and Eunmi (2009) asserts that proper management of issues related with diversity of workforce helps in improving the productivity of employees as well as organisation. Welcoming and nurturing the differences among employees of diversity within the organization involves respecting differences among individuals by the management and other members of the organisation. Further, it does not merely talks about tolerance but it also talks about utilising these differences in innovative way for attaining excellence in organisational performance.

According to Leonard & Devine (2003) providing a workplace with equality and proper representation of employees belonging to different genders is necessary to enrich gender diversity. Gender diversity has been part of the society throughout the history and across different cultures. In traditional societies, conservatism and negative notions regarding capabilities and freedom of female enhanced the discriminations with women. As a result, a male-dominated society was existed in past and its perpetual nature justifies gender-based biasness in a business organisation. Kochan et al. (2003) found out a positive correlation between gender-based diversity within a group and intra-group performance of the organisation because gender diversity helps in enhancing cooperation and coordination among employees as well as at managerial level. Hence, there is requirement of considering women for the leadership position is crucial for the organisational development. Eagly and Wood (1991) mention that a group having employees belonging to different gender performs better than a group of homogeneous gender. Emiko & Eunmi (2009) states if gender diversity is accepted, celebrated and managed properly then it will create a win-win situation for female employees in form of employment opportunities as well as for the company.

Another dimension of workforce diversity is age-group where a business organisation may

hire individuals of dissimilar age groups. Respect for experience of employees of aging manpower in all operational and managerial role is a common factor to enrich age diversity at the workplace. Therefore, through this tactic inclusion of old age people becomes easy for many companies. Studies conducted by Barrington & Troske (2001) and Algahtani (2013) have justified that aging employees can contribute as energetic, skilled and motivated employees in hand-to-hand with young employees of the organisation. Williams & O'Reilly III (1998) recorded a well-diversified workforce having people from different age groups must have more effective decision making and more profitable in comparison of a group belonging similar age group. Different levels of academic qualifications of employees may be seen in an organisation. Combining capabilities of employees with varied education can increase efficiency of individuals as well as organisation as a whole. Choi and Rainey (2010) suggests that an uplift in production is driven by providing proper training for skill enrichment of employees of different educational backgrounds. Emiko and Eunmi (2009) describes that varied educational backgrounds of employees matters a lot because efficiency of employees varies in accordance with their qualifications.

### **Objectives of the Study**

- To analyse the effect of gender diversity on performance of employees working in the Information Technology sector.
- To look into the effect of age-group diversity on performance of employees working in the Information Technology sector.
- To evaluate the effect of academic diversity on performance of employees working in the Information Technology sector.

### **Hypothesis of the Study**

- **H<sub>0</sub>:** There is no significant effect of gender diversity on performance of employees working in the Information Technology sector.
- **H<sub>1</sub>:** There is significant effect of gender diversity on performance of employees

working in the Information Technology sector.

- **H<sub>0</sub>:** There is no significant effect of age-group diversity on performance of employees working in the Information Technology sector.
- **H<sub>2</sub>:** There is significant effect of age-group diversity on performance of employees working in the Information Technology sector.
- **H<sub>0</sub>:** There is no significant effect of academic diversity on performance of employees working in the Information Technology sector.
- **H<sub>3</sub>:** There is significant effect of academic diversity on performance of employees working in the Information Technology sector.

**Research Methodology-** This paper is empirical and analytical in nature. Data collection is done in form of primary and data collected through online as well as offline mode. Sample size of this research is 147 in which 139 respondent filled questionnaire online while 8 responded offline. For purpose of analysis, regression is used where gender diversity, age-group diversity and academic diversity are treated as independent variable while employees' performance is considered as dependent variable. For applying regression analysis, one of the basic assumption is normality of data. Hence, test of normality of collected data regarding performance is done through SPSS software. In this context, Kolmogorov-Smirnov test with significance value above 0.05 is regarded as normal distribution. The data set of performance shows significance value of K-S test above 0.05 i.e. 0.055 that's means it is a normal distribution.

**Table 1: K-S Test of Normality**

	Kolmogorov-Smirnov <sup>a</sup>		
	Statistic	df	Sig.
Performance	.073	146	.055

This analysis dummy variables as dimension of diversity are categorical variables. These variables are qualitative in nature e.g. gender, religion, colour, affiliation to any political party etc. In process of regression analysis, quantification of these variables is done through using 0 number for absence while 1 for presence of that feature. Due to assumption of using symbolic or dummy numbers, we refer these as dummy variables. These may be dichotomous i.e. categorical variables with two characteristics used as independent variables like gender i.e. rural and urban or categorical variables with more than two characteristics used as independent variables e.g. nationality of different people belonging to dissimilar countries. Regression Model is presented in form of following equation-

$$Y_i = \alpha_1 + \alpha_2 D_i + \mu_i$$

Where. Y is Dependent variable,  $\alpha_1$  is constant,  $\alpha_2$  is slope,  $D_i$  dummy variable and  $\mu_i$  represents variations

First part of the analysis is regarding the hypothesis tests the effect of gender diversity on the employees' performance is significant or not. The dependent variable employees' performance (EP) was regressed on independent variable gender diversity (GD) to test the hypothesis H<sub>1</sub>. Dummy variables are used to show categorical variable i.e. gender diversity where female are considered as reference variable and outcomes of analysis is depicted as comparison between performance of male and female. EP significantly predicted by GD,  $F(1,146) = 5.372, p < 0.05$ , which reveals that the employees' performance is significantly affected by GD ( $B = 0.435, p < 0.05$ ). These outcomes clearly indicate the positive effect of the gender diversity on employees' performance. Further, the R square value of 0.036 explains that one unit change in gender diversity brings 3.6% of the variance in ED. Table shows the findings of the analysis-

**Table 2: Analysis Regarding Effect of Gender Diversity on Employees' Performance**

Hypothesis	Regression Weights	Beta Coefficient	R Square	F	p-value	Result
H <sub>1</sub>	GD-EP	0.190	.036	5.372	.022	H <sub>0</sub> rejected and H <sub>1</sub> accepted

**Table 3: Regression Model Summary for Effect of Gender Diversity on Employees' Performance**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.190 <sup>a</sup>	.036	.029	1.1147902

a. Predictors: (Constant), Male

**Table 4: ANOVA Result for Effect of Gender Diversity on Employees' Performance**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.676	1	6.676	5.372	.022 <sup>b</sup>
	Residual	178.957	145	1.243		
	Total	185.633	146			

a. Dependent Variable: EP

b. Predictors: (Constant), Male

**Table 5: Coefficients for Effect of Gender Diversity on Employees' Performance**

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.119	.144		21.673	.000
	Male	.435	.188	.190	2.318	.022

a. Dependent Variable: EP

Second part of the analysis is regarding the hypothesis tests the effect of age-group diversity on the employees' performance is significant or not. The dependent variable employees' performance (EP) was regressed on independent variable age-group diversity (AGD) to test the hypothesis H<sub>2</sub>. Dummy variables are used to show categorical variable i.e. age-group diversity among employees where above 60 years are considered as reference variable and outcomes of analysis is depicted as comparison of other age groups and above sixty years. EP is not significantly predicted by AGD,  $F(1,146) = 1.854$ ,  $p > 0.05$ , which reveals that the employees' performance is not significantly affected by age-group

diversity. In case of multiple independent variable, we prefer unstandardized beta for interpretation. For age-group above 18 to 30 years, B value is 0.500 with  $p > 0.05$ , for above 30 to 40 years, B value is 0.230 with  $p > 0.05$ , for above 40 to 50 years, B value is -0.398 with  $p > 0.05$  in negative figure and for above 50 to 60 years, B value is 0.563 with  $p > 0.05$  in respect of our reference variable. All these outcomes have significance level above 0.05 which means the age-group diversity (AGD) does not affect employees' performance (EP). Further, the t values in all cases are below 1.96 indicates that it does not lies within the 5% of significance level. Table shows the findings of the analysis-

**Table 6: Analysis Regarding Effect of Age-Group Diversity on Employees' Performance**

Hypothesis	Regression Weights	Beta Coefficient	R Square	F value	p-value	t value	Result
H <sub>2</sub>	AGD-EP	>18 to 30 years 0.500	.050	1.854	.122	>18 to 30 years 1.305	H <sub>0</sub> accepted
		>30 to 40 years 0.230				>30 to 40 years 0.570	H <sub>0</sub> accepted
		>40 to 50 years - 0.398				>40 to 50 years -0.740	H <sub>0</sub> accepted
		>50 to 60 years 0.563				>50 to 60 years 1.509	H <sub>0</sub> accepted

**Table 7: Regression Model Summary for Effect of Age-Group Diversity on Employees' Performance**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.224 <sup>a</sup>	.050	.023	1.0913303

a. Predictors: (Constant), >18 years to 30 years, >30 years to 40 years, >40 years to 50 years, >50 years to 60 years

**Table 8: ANOVA Result for Effect of Age-Group Diversity on Employees' Performance**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.833	4	2.208	1.854	.122 <sup>b</sup>
	Residual	167.931	142	1.191		
	Total	176.764	146			

a. Dependent Variable: EP

b. Predictors: (Constant), >18 to 30 years, >30 years to 40 years, >40 years to 50 years, >50 years to 60 years

**Table 9: Coefficients for Effect of Age-Group Diversity on Employees' Performance**

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.643	.345		7.658	.000
>18 to 30 years	.500	.383	.207	1.305	.194
>30 years to 40 years	.230	.404	.081	.570	.570
>40 years to 50 years	-.398	.538	-.077	-.740	.461
>50 years to 60 years	.563	.373	.251	1.509	.134

a. Dependent Variable: EP

Third part is related with the hypothesis tests the effect of academic diversity (AD) on the employees' performance (EP) is significant or not. The dependent variable employees' performance (EP) was regressed on independent variable academic diversity (AD) to test the hypothesis H<sub>3</sub>. Dummy variables are used to show categorical variable i.e. academic diversity among employees where qualifications of polytechnic/Diploma/Ph.D. are clubbed in a single category and considered as reference variable. EP is significantly predicted by AGD,  $F(1,146) = 12.261$ ,  $p < 0.01$ , which reveals that the employees' performance

is significantly affected by academic diversity. In case of multiple independent variable, we prefer unstandardized beta for interpretation. For UG, B value is -0.734 with  $p < 0.01$  and for PG, B value is 0.355 along with  $p > 0.05$  in respect of our reference variable. These outcomes clearly indicate that in case of UG, there is a positive as well as significant effect of the academic diversity on employees' performance and in case of PG, there is no effect on EP. Further, the R square value of 0.147 explains that one unit change in academic diversity brings 14.7% of the variance in ED. Table shows the findings of the analysis-

**Table 10: Analysis Regarding Effect of Academic Diversity on Employees' Performance**

Hypothesis	Regression Weights	Beta Coefficient	R Square	F value	p-value	t value	Result
H <sub>3</sub>	AD-EP	UG -0.734	0.147	12.261	.122	UG -3.742	H <sub>0</sub> rejected and H <sub>3</sub> accepted
		PG 0.355				PG 1.629	H <sub>0</sub> accepted

**Table 11: Regression Model Summary for Effect of Academic Diversity on Employees' Performance**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.384 <sup>a</sup>	.147	.135	1.0220509

a. Predictors: (Constant), PG, UG



**Table 12: ANOVA Result for Effect of Academic Diversity on Employees' Performance**  
**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.615	2	12.807	12.261	.000 <sup>b</sup>
	Residual	148.332	144	1.045		
	Total	173.946	146			

a. Dependent Variable: EP

b. Predictors: (Constant), PG, UG

**Table 13: Coefficients for Effect of Academic Diversity on Employees' Performance**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.182	.126		25.291	.000
	UG	-.734	.196	-.312	-3.742	.000
	PG	.355	.218	.136	1.629	.106

a. Dependent Variable: EP

### Conclusion, Limitations and Recommendations

Workforce diversity has become one of the pertinent issue for modern day organisations working in any sector of the economy. This study conducts a regression analysis to analyse the impact of workforce diversity viz. gender diversity (GD), age-group diversity (AGD) and academic diversity (AD) on performance of employees working in the Indian Information Technology industry. After analysis, we conclude that there is significant effect of gender diversity on employees' performance. It indicates that companies must promote gender diversity at the workplace for increasing performance of their workforce. In case of age-group diversity, there is absence of any effect of age-group diversity on employees' performance. It means companies should form task groups of similar age in order to get maximum of their efforts. Lastly, in case of academic diversity, effect of academic diversity, diversity with under-graduates employees is significant while for post-graduates, there is no effect on the performance of employees. It implies that for group having manpower with graduates, diversity must be introduced while for group having majority of post-graduates, a homogeneous group may be formed for attaining maximum performance out of them.

This study has some limitations as this research paper is entirely based on primary data and purely quantitative in nature. The sample size of this study is limited to 146 respondents which is ideally less than an appropriate sample size and that's why generalisation of its result is difficult. Lastly, this study is limited to only the information technology sector. Therefore, some of measures can be taken in order to overcome these limitations and improve the findings of future researches on this topic. Firstly, secondary data and qualitative analysis could be referred to support the outcomes of this research. Further, this study can be extended to large sample along with to other sectors of the economy other than the Information Technology industry in order to have an appropriate generalisation of its outcomes.

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# DEVELOPING A ROBUST ECOSYSTEM FOR STARTUPS IN INDIA - A STUDY

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## Abstract

Startups many times are referred as an entity which is not sure what 'product' to sell, whom (target customers) to sell to and how to make money (revenue model). These founders find answers to these questions through experimentation before running out of money and motivation.

India has the highest number of startups after the United States. In India, thousands of startups are started every year but they also close down at the same rate.

A startup ecosystem is formed by people, startups in their various stages and various types of organizations in a location (physical or virtual), interacting as a system to create and scale new startup companies.<sup>1</sup> In this research paper, mainly a section of ecosystem of Startups in India has been studied, and an attempt has been made to know the reason for the failure of a large number of startups in India from entrepreneur's side. In this research paper, we studied about the major startups of India and those Startups that ended prematurely after their launch. We also studied why these startups close down in such large numbers.

In a huge country like India where the world's second largest consumer market is available, foreign investors are ready to invest money, but for this it is necessary that an excellent startup ecosystem should be developed in India.

**Keywords: Startups, startup ecosystem, Unemployment, Financial and accounting illiteracy, poor market knowledge, unethical business practices, greed and irresponsible business acumen**

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Startups and enterprises both sound similar. But, there are lot of differences between the two. When an entrepreneur starts a new business, it is not necessary that he is working on a new idea or concept. His business model may be a 100% copy of some other business model. Technically, Startups are businesses that want to disrupt industries and change the world—and do it all at scale. Startup founders dream of giving society something it needs but hasn't created yet—generating eye-popping valuations that lead to an initial public offering (IPO) and an astronomical return on investment.<sup>2</sup>

But when a startup starts, there is a combination of innovativeness, creativity and constructively in it. -There is something new in it. Many

startups have started in India, for example, Ola, Paytm, Dream11, BoAt etc. The main characteristic of all these startups is that there is innovation in their business model, and they tried to meet the needs of the customers in a new but better way.

The promoters of these new startups, have put forward some new ideas, concepts or business models to the world, and have tried to develop as the profitable business concepts. The pace of growth of a startup is usually faster than that of an ordinary enterprises and it also gets funding easily. Venture capitalists prefer to invest money in such new concepts where they can get better returns. Of course there might be more risk in startups than in traditional businesses, but the scope for profit is also much greater.

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<sup>1</sup> Deeb, George. "[How To Build A Startup Ecosystem](#)". *Forbes*. Retrieved 12 September 2023.

<sup>2</sup> <https://www.forbes.com/advisor/business/what-is-a-startup/>

This is why in the opinion of many people, investing money in startup business is like gambling.

If you look at the startup ecosystem in India in the last 10 years, you find that about 70% to 80% of the startups have closed within 5 years of their inception.<sup>3</sup> But, the speed of success of those who have been successful is much higher than the average. There are many reasons why there is a great need for innovative startups in India. But I would like to focus my attention on two major issues. First, employment potential and second, development of innovative culture and ecosystem within. It has been seen that small companies provide better employment opportunities as compared to big companies. Apart from this, employees in small companies are also given higher salaries as compared to big companies. Thus, small companies create more employment opportunities than big companies through less investment.

As we all know, unemployment has become a big problem in India. A lot of efforts are being made by the government to deal with unemployment. One of them is to develop new employment opportunities through startups and innovativeness. The purpose of many programs of the Government of India is to support innovation among people and efforts to convert new ideas into physical form. First of all, let us see which are those big startups in India which have made a distinct identity for themselves in the whole world in the last one decade or more. There have been many successful startups in India including CRED, PharmEasy, Vernacular.ai, Digit Insurance, Nykaa, Udaan Dream11, Meesho Groww, Swiggy etc.

Apart from those mentioned in the above, the first name that comes in this is Ola. Ola is a company which does not have a single passenger car. But it runs a huge network of passenger cars across the country. And, all this is based on a very large computer based network. You download an app of Ola on your mobile phone, and through it you book cars. There are many benefits of this type of booking. On one hand, it is very cost efficient, on the other hand, with the help of Ola, you can easily fulfill your transportation needs in any urban or semi-urban area of India. For a single girl or a

single woman. Ola is a safe mode of transportation for even the Indian consumers. It is a concept that has given a new direction to passenger transportation in India and has made a strong interception in the lives of crores of people to meet their transportation related needs.

Similarly, there is another company named Oyo. Like Ola, this company has also established a network of small, medium and big hotels located in all the big and small cities of the country. You can book a hotel with the help of OYO no matter where you are in the world and make your journey safe and enjoyable. OYO certified hotels guarantee 'quality' and 'excellent hospitality'. Similarly, Paytm has launched a hotel in India. Has provided a new direction to cashless transactions. Paytm is the company which first made rupee transactions easy in India. Similarly, a company called Phone Pe has also presented before you an excellent network of mobile banking on Android phones.

There are now thousands of small and big companies in India, which are fulfilling the needs of the people through modern information technology and in return are providing good profits and employment opportunities to hundreds of people. One such company is Zomato. It is a food chain that brings food and snacks from various restaurants to the customer's doorstep. In urban areas where both husband and wife work, companies like Zomato have become a boon. You can order bhajan through Zomato even in heavy traffic and late night. Zomato has brought about a tremendous change in people's food behavior, and this change is permanent.

There are many startups in India which started very well but ended very badly, one of them is a big company named Paytm, but soon it got into financial problems. The second company which made its mark in the market in a very strong way is Baiju. But soon that company also got trapped in a huge financial scam. Economic corruption was a major reason in both these cases.

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<sup>3</sup> <https://www.linkedin.com/pulse/one-reason-why-do-80-90-indian-startups-fail-within-first-amit-doraya/>

In the last few years, many big startups have failed in India, among which are some prominent names. Qn 1, Hotels AroundYou, Protonn, Lido, Udayy, Stayzilla, Pepper Tap etc. These startups were related to Ed Tech, hotel business, online education, e-commerce and food technology.

Government agencies have found many evidences of scams by many new startups. Creating cell companies and investing money in them wrongly, sending money outside the country, and not living up to the expectations of investors are the important reasons for the failure of today's big startups. It is important for engineers who start new startups, whether small or big, to do a course in business management and finance and accounts so that they can get proper information about business finances and customers.

Reasons for the failure of large number of Startups have been studied by many researchers and agencies and found that lack of innovation, lack of funds, lack of focus, product market fit, leadership gaps, lack of agility, business model failure, lack of talent & competency, ignoring customers etc., have been the main reasons . Following table gives birds eye view of reasons for failure of Startups in India.

There can be many reasons for startup failure in India. Some of these reasons may be-

- Lack of innovation-copying the business model of another successful company.
- Lack of funds- Starting a big business without estimating the budget.
- Lack of focus- Doing less business and more show off.
- Product Market Fit- Not paying attention to the balance between customer and product
- Leadership gaps- failing as a leader
- Lack of agility- Lack of agility in personality
- Business model failure- Choosing the wrong business model
- Lack of talent and competency- lack of skills, knowledge, education and experience
- Ignoring customers- Paying less attention to customers and more to the product.

Apart from above mentioned reasons we found some other specific reasons for the failure of Startups in India.

There is a great need for these types of startups in India. And there are also people who can develop modern type of business models and run them successfully. It is seen that a large number of youth and engineers in India work on new business models. They get some success in the beginning, but in the long term they It is seen that a large number of youth and engineers in India work on new business models. They get some success in the beginning, but in the long term they are not able to develop their business properly. This is the reason why more than 80% of startups in the country close within 5 years. After all, what is the root of this problem? We found that, the root causes are lack of experience, haste to earn profits and in many cases indifference towards the basic principles of business management. In their thirst to earn quick money, many young entrepreneurs do not manage their finances and accounts properly, due to which they get involved in many types of illegal activities. Through engineering degree, they get technical knowledge of the product development but they lack basic skills of business management.

Their knowledge in areas like business finance, accounts is very little, due to which they are unable to understand many types of financial problems, and sooner or later they get caught in financial scams. Making a product and launching it in the market is not enough. Rather, there are many other market related issues which are important to be focused upon.

In their lure to earn a lot very quickly, young entrepreneurs take the help of lies, immorality and dishonesty. they make false promises to their customers and make lies to investors and other stake holders. Because of this, even if their business model is good, ventures die prematurely.

We have observed that many youth start a new business but after reaching a certain level, they fail to expand their business. One of the main reasons for this is that these businessmen do all the work themselves. They do not trust their employees, do not hire skilled employees paying higher salaries. If we look at some examples from the past, we come across Dhirubhai Ambani, how he hired the best employees in India to develop his business.

It is important that when you launch a startup, you hire good human resources at good salaries and try to keep them mentally and financially satisfied. Avoid lies and dishonesty. Maintain complete honesty in financials and accounts and avoid the temptation to develop your business model into a cashcow too quickly. Rather, give your venture a chance to develop naturally.

There is no dearth of hardworking and diligent entrepreneurs in India. But it is important to see that in the modern times, you cannot achieve great success only on the basis of hard work and dedication. It is very important for you to have complete technical knowledge of social, economic, cultural, political and business. Especially it is very important to have knowledge of legal aspects. If you make a mistake, then you keep making many more mistakes to hide the mistake and ultimately you end up behind the bars of a jail. All the big financial scams that have happened in India had one thing in common that the businessmen associated with them had big political contacts. Apparently he expanded his business empire with its help but he was not successful. Getting political patronage can be an important help, but it cannot be the ultimate mantra for your business success. A company like Tata Steel has dominated the minds of Indian customers for more than 100 years because ethics comes first in its business model. But on the other hand, there are companies like Adani which are accused of financial scams and their financial condition keeps on deteriorating. We have to understand that even if our pace is slow, success is sure.

**Conclusion-** In this research paper we have come to the conclusion that one of the main reasons for the failure of startups in India is the lack of sufficient business experience, market knowledge and financial efficiency among the entrepreneurs. Apart from that, they also do not hesitate in committing scams and frauds. They lie to their investors, customers and other stakeholders, and impatient to maximize profits as quickly as possible. Due to such attitude and weaknesses, most of the startups end up in a very small span of time.

Our study shows that startups have a very important role to play in solving the problem of increasing unemployment in the country and in

establishing the country as an economic power at the global level to attract global investors. Therefore, it is important that Startups not only start in India but also successfully make their mark in India and outside India.

In this research paper, we studied about the major startups of India and those Startups that ended prematurely after their launch. We also found why these startups close down in such large numbers. It is quite likely that due to cessation of a large number of startups, the morale of new entrepreneurs is adversely affected and they prefer jobs instead of new startups or self-employment.

As we know that the number of jobs in India is limited and to increase it, establishment of new institutions is necessary. So from this point of view it is necessary to reduce the rate of startup closure and develop such an ecosystem for Startups where more and more startups not only grow successfully but also attract venture capital from all over the world to India.

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# TALENT MANAGEMENT AND ITS EFFECTS ON ORGANIZATIONS

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## Abstract

Today, the main source of a company's competitive advantage is its talent. The effectiveness of a company's employees affects the performance of that organization. If an organization's employees have specific skills they will set them apart from competitors. In this competitive market, finding and retaining skilled employees is a major challenge for human resource managers. The process of managing talent is both important and extremely difficult. The acquisition of suitable talent strengthens the organization's strategy. The current state of the world economy has led to an increase in the number of job seekers, yet there is still a talent shortage in many industries and countries, worsening the issue of "talent mismatch." Talent acquisition is becoming increasingly challenging as today's business world demands individuals with multitasking abilities. That's why it's becoming increasingly difficult to find the "right" person for a given job. The main problem for the company now is not only to find talented employees but also to retain them. Your HR department needs to act more strategically in view of the changing nature of the company to promote employee engagement, which is an excellent talent management tool. Talent management focuses on how people enter, move up, or leave a company. A solid organizational structure will aid in the effectiveness of talent management. Talent management should be given an important role in the organization because more talent has the potential to change the direction of the business. When an organization uses talent management strategies efficiently, employee engagement increases, which in turn helps the firm perform better. Productivity increases as employee participation increases. The goal of the present study is to find the relationship between talent management and organizational performance. The empirical research evidence used in this study was obtained from literature reviews conducted in this direction. The researcher intended to identify the beneficial relationship between talent management and organizational performance by using a variety of publications, research papers, and literature. This empirical study paper will provide suggestions to HR managers to frame talent management as a strategic tool to enhance employee engagement and thus boost organizational performance. The empirical research evidence used in this study was obtained from literature reviews conducted in this direction. The researcher intended to identify the beneficial relationship between talent management and organizational performance by using a variety of publications, research papers, and literature.

**Keywords:** Talent Retention, Employee Engagement, Organization Performance, Competencies, Strategic Tools

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**Introduction-**The definition of talent management is the carefully planned, strategic process of bringing in the right personnel and helping them reach their full potential, keeping in mind organizational objectives. Decisions made about talent management shape and form organizational capability and success. From an individual's perspective, these choices affect the direction and pace of their career. Long-term talent management strategies can also have a significant impact on society. To identify talent during recruitment interviews or at work one must keep an open mind and go beyond the traditional criteria of pedigree, academic

achievements and social impact. The key is to look for passion and look at first impressions, pre-existing knowledge, abilities and attitudes. Some businesses may consider the entire process quite unethical, especially those that stand to gain profits and lose valuable employees. But considering the cut-throat competition and uncertainty about survival, this idea seems reasonable. If businesses are unable to meet the talent demands of their employees, they may find it difficult to achieve their objectives. A solid personnel management strategy can promote productivity, innovation, financial goal-achievement, employee

satisfaction and retention of outstanding people. An effective people management approach can promote both employee success and business success. Talent management is an ongoing, forward-looking process that puts the needs of employees or individuals first so that they can meet their goals and long-term ambitions. To be successful, this HR strategy needs support from all organizational levels. Thus, the focus of this study is on businesses that implement digital technology in their HR processes. It aims to share knowledge on talent management strategies that can improve organizational performance.

**Objectives of the Study-** The study aims to examine talent management and its effects on organizational competitive advantage. However, the following goals are being pursued:

- Determining the value of talent management and how it impacts competitive advantage.
- To see how top managers view talent management strategies and how they impact business results.

**Literature Review-** Douglas J. Novona (2005) emphasized the elements that contribute to the effectiveness of talent management initiatives. The author mentions that the talent management task can be scary and challenging for managers and HR personnel in companies. However, when the author talked about “talent,” he was referring to the most important job in the company. According to the author, without people, organizations would not exist, and when company management thinks and plans about the development of these valuable products, things can become complex and seem innumerable. The author provides five recommendations for implementing strategies to ensure the success of any organization's talent management system.

In his study of how the hotel and tourism labor market has evolved and changed at both the macro and micro levels in terms of talent identification, recruitment, development and retention, Baum (2008) analyzed the evolution and key characteristics of the industry. The study concludes that talent is a challenging concept in the tourism and hospitality industry, where training and development is essential for TM, and recommends adequate investment in

training for all staff members, not just elected officials.

According to Chattopadhyay (2013), it should be emphasized that return on talent is a calculable measure in both quantitative and qualitative terms, as the author has already explained. According to the author, this concept may raise questions in regular organizational settings, although it should be noted that employees, especially those of equal rank, may have problems with camaraderie.

M. Amiri and B. Chavan (2016), argued that computerization of higher education and higher education institutions has changed how students are taught, how they learn, and how they have discovered better approaches to assessing their skills. Even in this situation, the task of talent management between teachers and students can be important in identifying their latent potential and skills.

After identifying poor performers, the talent management process should be able to determine whether the employee is unskilled, in which case training will be required (McDonnell et al., 2017), or whether the employee is skilled and should be transitioned to another position. Should be transferred to a post where they can demonstrate their inner skills.

**Research Methodology-** The paper used textbooks written by multiple authors on the subject, journals, magazines, information from the Internet, and other published and unpublished materials related to the work form the secondary source of data generation. Content analysis method was used to examine the data. This is due to the fact that it relies heavily on secondary source data.

### **Processes of Talent management**

- **Talented workforce planning-** It is a common saying in business that an organization's employees contribute the most to its value. According to workforce planning, managers must understand how their human resources duties and the process of attracting, recruiting, developing and retaining employees directly relate to the primary goals of the organization. This understanding motivates managers to put in extra efforts to accomplish their tasks when they realize



how important their role is in the success of the entire organization.

- **Talent identification-** A strategic talent requirement should be analyzed to find the best candidate for the position. The basis of all assessment interventions is task analysis. Individuals filling the talent gap will be found through recruitment, prescreening and pre-employment testing. Many of the evaluation possibilities and treatments described earlier apply to the Discovery dimension.
- **Talent recruitment-**According to a talent recruitment company, the right talent should be attracted and selected through various approaches and processes. The first and most important step in the talent management process is recruiting the talent pool. The talent pool consists of a group of applicants who are potential executives for the business and will help it achieve competitive performance. Therefore, it is essential to find and select talented people to improve and maintain company performance. Two methods can be used to create a talent pool: one internal, and the other external.
- **Talent development-**To improve company performance, strategy makers and HR professionals are turning their attention to the learning and development of talented employees. Talent development is the process of enhancing the skills and attitudes of employees in this competitive and dynamic business environment. Without continuous learning, it may be impossible to maintain performance.
- **Talent retention-**Talent retention refers to the practice of keeping talented employees on board for a long period of time. Talented employee turnover is detrimental to any company for many reasons, including decreased productivity and higher recruitment costs for the new talent pool. If talented personnel are not satisfied with the overall compensation, leadership, business policies, etc., they leave the organization.
- **Talent non-wage benefits-**Every non-salary benefit provided by an employer is included in the employee benefits package. Employee perks are an important aspect in determining whether a business meets the expectations of both current

employees and job prospects because they are included in the total compensation and total rewards.

**Relationship between Talent Management and Business Performance-** There is broad consensus among management researchers that sustained competitive advantage derives from internal characteristics that are difficult to copy, for example, from the product and the firm's position in the market. Such a resource is human capital, and in particular resource- and knowledge-based approaches accept the firm's knowledge resources as its weapon to achieve long-term competitive advantage (Odoñez de Pablos, 2004). According to Heinen and O'Neill (2004), talent management can be the most effective strategy for developing sustained competitive advantage. Unique, company-specific resources that customers cannot imitate or substitute give the company a sustainable competitive advantage. According to Ordóñez de Pablos (2004), sources of long-term competitive advantage may also include relational capital, structural capital, and human capital.

### **Benefits of Talent Management**

Businesses are realizing more and more how important talent management solutions are. In addition to increasing their investment in HR-related technology, more than 50% of organizations also intend to increase their investment in talent management software.

The purpose of talent management is to ensure that companies recruit the best candidates for the job (both internally and externally), engage them, challenge them, and compensate them appropriately.

**Increase in Recruitment** In some industries and some occupations, there is still considerable competition for qualified workers. Poor communication with qualified prospects and a lack of tools to advance the best applicants through the process hampers your ability to hire the best people. Technology and processes that support workforce planning, sourcing, applicant tracking and analytics are essential to a faster recruiting process.

**Reduce attrition** Turnover statistics are important because they provide a lot of clues about faults during the talent management process. Replacing an employee can cost half to

two times their annual salary. The average turnover rate across all industries is around 10%.

An advanced succession plan Senior level staff members usually have specialized knowledge that is necessary to carry out critical business processes. Without a defined process for transferring this expertise, the business may be at risk, so succession planning is important.

**Employment Advancement** When training and development opportunities are linked to performance goals, employee engagement and retention increases. Thanks to talent management systems, it's easy to keep track of goals and connect employees with opportunities that will advance their careers.

**Employees' Background** Together, these processes enhance the overall employee experience, which influences how staff members view the company as a whole and determine whether they want to develop a strong bond with it.

#### **Drawbacks of talent management**

- Implementing a people management program can involve significant time, resources, and financial costs.
- Lack of support from line supervisors can hinder the level of employee commitment.
- The basic flaw of talent management is that it increases tension between HR and management by failing to achieve adequate consensus or agreement.
- When an employer is pressed for time to fill a position, they often hesitate during the hiring process and select the wrong applicant. Interviewers should thoroughly review candidates' resumes to confirm their accuracy and focus on specific deliverables.
- Encourage your employees to accept responsibility for their work to foster a culture of trust. By taking this step, they can reduce their workload and develop their skills while lightening their workload. Encouraging employee ownership also increases engagement and fosters a culture of learning throughout the company.

#### **Recommendations**

Businesses should offer adequate remuneration and incentive programs for employee productivity to entice and retain talented workers while reducing turnover.

Companies will have to initially hire internally from within their current team before moving on and selecting new talent.

Employing great people should be a business's top priority, and one of their most important investments. 4. To assist talented people in their efforts to acquire new information, skills and experience through training and development.

Businesses should provide a pleasant work environment to their employees to perform well.

Finally, it is advisable to focus on talent management techniques as they enhance organizational performance.

**Conclusion-**The management of the firm should not underestimate the importance of talent management. Management should always keep in mind that a talent management plan can help an organization perform better by finding, developing, rewarding, motivating and retaining talent that keeps it ahead of the competition. . Most studies have been conducted with a fairly narrow goal, focusing primarily on the importance of talent management in the company, determined through surveys of topic-related literature. In many studies, the concept of talent management is not viewed as a core competency; As a result, evaluation of corporate culture has become low and unbalanced. To evaluate current research and suggest possible directions for theoretical research. However, like any other research the current study also has its limitations. First, it lacks a thorough review of the literature and ignores issues such as the demographic composition of previous studies, weighted and meta-analyses of available empirical research, and the application of MASEM to identify potential frameworks for advancement in this field. Is. Second, it did not take into account any research aimed at a general understanding of TM principles or studies where TM analysis was conducted in non-specific industries. To thoroughly evaluate the literature in this area, all similar studies should be examined in future studies.

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# CUSTOMER ACCEPTANCE OF ONLINE BANKING IN DEVELOPING ECONOMIES

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## Abstract

Online banking is affecting the life of every person in India. At present online banking has billions of customers around the world. People are accepting this technology very fast. It is believed that adopting online banking information system will be more economical and productive for the economy of a developing country than traditional banking. Many businesses involved in the banking industry have taken advantage of the Internet. The acceptance of online banking information system is on a very large scale in the development of the economy.

The present study is descriptive in nature. In this article the challenges and issues faced by the online banking sector in India have been discussed. This study also highlights the importance of online banking information systems in a developing economy like India

**Key words :-** economies based on information and technology

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**Introduction:** India is a developing country, a large section of the people here earn their livelihood from agriculture, industry and service sector. Modern revolution in technology is now changing the lifestyle of Indians. In recent years the online banking system has influenced the banking sector. This has made it easier to promote e-business. This secondary data based study aims to highlight the importance of online banking information system in a developing economy.

**Review of Literature:** Evaluation of online banking service began in 1980, with New York City being the first place in the US to test the innovation in 1993. Online banking was first introduced in India ICICI Bank in 1996. According to Malaquias and Hwang (2019)<sup>1</sup> banks and many financial institutions suggest alternative innovation electron channels to maintain competitive advantage and meet customer expectations, mobile devices and desktops have become the tools that customers turn to pay for products and services through e-billing. According to Kumar (2019), the objective of digitalization is to bring rural

remote areas into the financial sector connected through electronic banking channels which in turn will contribute to economic growth. According to Zhang et al (2018), e-banking can be tailored to customer needs such that banking is applied to adapt a particular technology to consumer behavior, the development of information and communication technologies focused on cool value Provides innovative opportunities for setting business strategies.<sup>2</sup> According to Sharma and Govindaluri (2014)<sup>3</sup>, three additional factors, namely technical convenience in terms of computers, self-efficacy, social perception, and infrastructure influenced the acceptance of online banking. According to Shilpi Khandelwal (2013) in her research titled, “E-banking factors of adoption in India”<sup>4</sup>, this paper presents the changes in the economic and banking environment around the world. With the economic and financial sector reforms initiated in the country, the widespread use of cell phones and internet is certainly playing a role in opening up a whole new world of opportunities for banks in new customer segments.

The concept of online banking in India originated as recently as 1997. The main challenge for the online banking industry today is to increase customer satisfaction through improved quality services and protect them from cyber frauds. There is increasing acceptance of customers towards the growth and development of online banking system in India. Over the past few years, the banking industry has experienced a remarkable transformation with the advent of digital technologies. The banking landscape has been revolutionized with the rise of digital banking, giving customers unparalleled access and convenience to banking services. Gone are the days of being tied to physical branches and tied to traditional banking hours. With digital banking, customers now have the freedom to manage their finances with ease, anytime and anywhere. As digital technologies continue to evolve and permeate our society, it is becoming clear that digital banking is increasingly becoming the norm, setting the stage for an exciting future in the banking sector. According to a survey, about 68% of the total people who responded to the survey are using e-banking. Today in India (as per RBI data) about 35% of the population is using e-banking for daily transactions.<sup>5</sup>

The banking industry is considered one of the many businesses that have taken advantage of the Internet. Acceptance of online banking information systems helpful in developing the economy, online banking has been communicated by academic and professional oriented

The biggest advantage of this system is that any person can avail the banking facility from home or office or anywhere. Online banking is a banking related facility available on the internet, through computer or mobile phone. A consumer can access the banks' networks and their websites for shopping, money transfer and many other tasks and information while sitting at home.

In India, according to preliminary data released by the Reserve Bank of India, transactions worth Rs 55.8585 crore were made through electronic means from April 2008 to January 2009.

Unicommerce report has revealed that an annual growth of 26.2 percent has been recorded in the e-commerce industry in 2022-23.<sup>6</sup> Whereas GMV (Gross Merchandise Volume) has increased by 23.5 percent on annual basis<sup>7</sup>. But challenges are ahead as well.<sup>8</sup> Benefits of e banking is challenged through e fraud. Nowadays, due to misuse of technology through phishing, internet fraudsters are causing harm to people by hacking their accounts. In such a situation, it is necessary to take utmost precautions while using net banking. While using net banking the user should check the URL.

Many reports confirm that 50 percent of the websites used are insecure. In such a situation, it is very important for a person surfing the net to open the website only after thorough investigation. Check the URL address and domain of any site and see that it is similar to the URL and domain of the same bank, in such a situation the chances are much stronger that the user is using a secure website. Those using net banking service should keep checking it every three days. Cyber fraud cases are continuously increasing in the country. Till October 2023, double the number of cyber-attacks for ransomware were carried out compared to the first 10 months of 2022. But in the meantime, a good news is that a new system is proving effective in getting back the money of cyber fraud happening to the common people. The name of this new system is Citizen Financial Cyber Fraud Reporting and Management System (CFCFRMS). In the year 2021, CFCFRMS system was prepared to prevent cyber fraud, which has proved to be very effective in preventing online fraud. It has been created by the Cyber Crime Control Department of the Home Ministry. In the 10 months between January and October this year, ransomware attacks cost an average of \$1.54 billion. This figure has doubled since 2022.<sup>9</sup>

The concept of online banking originated as recently as the early 1990s. Banks are the backbone of the economy of any country. Banks play an important role in organizing small capital and motivating people to deposit it. Information systems are considered one of the most fundamental drivers of change in financial services. Area for economic development. Development in human culture

has resulted from the development of modern technologies.

ICICI Bank first introduced internet banking services in India in 1997. Today, most of the new generation banks offer the same to their customers. Actually, all major banks provide e-banking services to their customers.<sup>10</sup>

### **Types of e-banking services in India**

- **Internet Banking** Internet banking enables you to perform a variety of financial and non-financial operations online. This can be done by visiting the official website of the bank and logging into your account.
- **Mobile Banking** Many large and small scale banking institutions have introduced their own dedicated mobile applications. These apps are available for both iOS and Android platforms. You can easily download the app and make transactions.
- **ATM.**
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There are many benefits of online banking information system in a developing economy like India:

- Reaching more and more people
- Environment friendly
- Low number of frauds
- Time saving
- Development and promotion
- Economic Development
- Mobility on operations

The high pace of growth of online banking can be seen most through the availability of computers in the developed world. The common man in India has easy access to the internet through mobile phones and has facilitated the performance of online services. According to a report by Amar Ujala, the number of active internet users in India in 2022 was 759 million.<sup>12</sup> Of these, 399 million are from rural India, while 360 million are from urban India, which shows that the Internet continues to grow in rural India.

Government of India enacted IT Act 2000 from October 2000, RBI is monitoring and reviewing the legal and other requirements of online banking on an ongoing basis, to ensure that

online banking grows in a sustainable manner. Digital records reduce paperwork and make the process easy and eco-friendly.

Online banking conveniently provides lots of benefits to the customers. But there are still many challenges related to internet banking. According to a report by Business Standard, Indian banks are facing challenges due to old technology, regulations and lack of skilled people. Indian banks want to grow digitally and gain more business in the country, but they face hurdles like outdated technology, regulations and lack of skilled people.

### **Conclusion**

E-banking, which started in 1997 in India, has now entered a new phase in the country. Due to the efforts of Prime Minister Modi, now most of the people in India have started transacting money through online and mobile banking. Now in India, e-banking has developed as a very useful tool not only for the highly educated and elite class people but also for the working class. If you go to cities like Jamshedpur, you will find that vegetable vendors, rickshaw pullers, tea vendors and small shopkeepers are making full use of e-banking. With the use of e-banking, money transactions have become very convenient. The government is also benefiting a lot from this. Illegal transactions of money have been reduced and there is now more transparency in transactions than before. The future of e-transactions in India seems very bright, and it seems that transactions of paper currency will reduce drastically in the coming days. This is a sign of India becoming a developed economy. In a country like India, it could not have been imagined 15 years ago that digital transactions would replace rupee transactions.

But along with the expansion of e-banking, many new challenges have also come before us. Interestingly, cases of online fraud and phishing are related to less developed states like Jharkhand. Jamtara model of online fraud works in Jharkhand. People living in many villages of Jamtara district of this state are involved in digital fraud on a large scale. It is surprising how the youth living in these semi-urban areas and adjacent rural areas commit online fraud despite their little education. This is a very dangerous trend which is moving from semi-urban areas towards metropolitan cities.

In this connection, the name of 'Dark Web' is also emerging very fast, in which it is almost impossible to detect the IP of the computer of the person making the call. In such a situation, it is certain that in the coming days, the biggest hurdle in the field of digital banking will be in the form of digital fraud.

Many times it happens that the same bank employees who are responsible for digital protection are also involved in digital fraud. Therefore, it is very important that new inventions keep happening in this field continuously and to avoid digital fraud, companies keep encouraging and training their employees and keep coming up with new inventions in this field.

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# PERFORMANCE APPRAISAL OF BHARAT SANCHAR NIGAM LIMITED

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## Abstract

Communication is one of the most important activities in human life. Due to communication revolution, many unprecedented changes have taken place in the field of business in India. Earlier small businessmen were not involved in digital transactions. These businessmen used to do transactions manually. But in the last few decades, there has been a lot of change in the Indian industry. India ended its licensing policy in the 1990s. We are now freer than ever to do business in any other country. Today India is among the largest producer and consumer countries in the world. The communication industry plays a huge role in this expansion. In India, many telecom companies like BSNL, Tata Telecommunication, Airtel, Vodafone etc. are the major sources of communication. BSNL is a government communication institute. BSNL operates business approvals through various placements in Secondary Switching Areas (SSAs).

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**Introduction-** Bharat Sanchar Nigam Limited (abbreviated as BSNL) is a central public sector undertaking headquartered in New Delhi, India. It is under the ownership of the Department of Telecommunications, Ministry of Communications, and Government of India. It was incorporated on 1 October 2000 by the Government of India. Its top official is designated as Chairman and Managing Director who is a central government civil servant of the Indian Communication Finance Service cadre or a central government engineer of the Indian Telecommunications Service cadre. It provides mobile voice and internet services through its nationwide telecommunications network across India. It is the largest government-owned-wireless telecommunications service provider in India.

**Performance appraisals-** Performance appraisals have become an increasingly important tool for organization to manage and improve the performance of employees, to make more valid staffing decisions and to enhance the overall effectiveness of the firm's services and products. Performance assessment is a motivating tool. Koontz and Weihrich write "managerial appraisal has sometimes been referred to as the Achilles heel of managerial staffing, but it is probably a major key to managing itself". Performance appraisal is a technique for developing an effective

workforce. Performance appraisal is the assessment of an employee's job performance. It comprises the steps of observing and assessing employee's performance, recording the assessment and providing feedback to employees. Performance appraisal is a process consisting of a series of steps. Performance is often defined simply in output terms – the achievement of quantified objectives. But performance is a matter not only what people achieve how they achieve it. Brunch brach says, "Performance means both behavior and results." Hence when managing performance both inputs (behavior) and outputs (results) need to be considered. On the other hand, John Bernardin has stated, "performance refers to a set of outcomes produced within a certain period of time, and does not refer to the traits, personal characteristics, or competencies of the performer. Performance appraisal generates data on the promotability and potential of each employee. The evaluation information is useful in making provision for succession and replacement in employees. On this basis, future requirement can be projected or curtailed. Performance appraisal is helpful in creating and maintaining a satisfactory level of performance by employees. The mere knowledge that their performance is being assessed can motivate the employees to sustain or improve their present level of performance. It serves as a means of telling an employee's how he is doing and

suggesting change in his knowledge, behaviour and attitude. Performance evaluation method can be held annually or monthly depending on the commitment. A performance appraisal is a sporadic evaluation of an employee's routine measured against the stated or perceived demands of the job (George Terry 2003).

In the last three decades in India, there have been revolutionary changes in the field of information technology. Technology is the basis of every person's life today. Today many companies are providing information technology services in India. Like - Reliance Airtel Vodafone Idea BSNL etc.

### **The issue**

BSNL is a service provider of Government of India. BSNL Mobile is a major provider of GSM network under brand name CellOne and BSNL all over India. It has wide network coverage in both urban and rural areas of India. It has over 121.82 million customers across India. But in recent years, market share of BSNL Star communication services have been continuously declining. How can BSNL move forward? India is a country of high consumption. Everyone is motivated when they are told about their actual performance and they accept their previous mistakes positively.

**Significance of Performance appraisal in Telecom sector-** In the telecommunications industry, evaluating employee performance is a function of human resource planning (HRP), which combines subjective (qualitative) measures with objective (quantitative). Accurate evaluation of each employee's performance can be used to assess:

- **Workplace satisfaction/motivation:** The employee's desire to improve the performance of job-related responsibilities.
- **Need for training:** Identifying weaknesses in a worker's performance can identify areas where further training is needed.
- **Salary, bonus, reward decisions:** Basing corporate financial rewards on job performance can be an incentive to encourage employees to work harder to meet corporate objectives.
- **Personnel Decisions:** Performance appraisal data is also very useful for HRM in taking decisions regarding

employee promotion, demotion, discipline, training, layoff and so on.

Additionally, the very act of monitoring and measuring employee performance can produce side effects that interfere with the overall performance of the specific telecommunications company. Thus, assessing the performance of employees in the telecommunication industry requires the implementation of proper appraisal procedures.

1. **Worker Satisfaction** – Measuring employee perception of quality of work life (QWL) provides ratings of workers' job satisfaction, which relates to their commitment and enthusiasm for completing job tasks. To what extent does improved QWL contribute to greater productivity? Are better satisfied employees more motivated? Employee motivation-assessment can determine whether each employee's measured motivation adds value to the company's productivity and performance.
2. **Technical skills**—virtually every aspect of telecommunications work requires technical proficiency, from basic repair and job scheduling to higher-level tasks associated with new system development. Does the employee have sufficient technical skills to efficiently handle the assigned work, adding value to corporate operations?
3. **Job-Specific Performance Efficiency-** Each job has a series of performance-levels that must be met to ensure satisfactory completion of job responsibilities, job cost, and production-related measures
4. **Employee Compensation/Promotion-** Performance appraisal generates data suitable for human resource decisions regarding employee pay, benefits and bonuses. It provides reliable criteria for promotion/promotion decisions, as well as guidelines for disciplining poor performance, lateness, absenteeism, etc.

According to a study, BSNL uses the Job Descriptive Index (JDI) scale to evaluate the relationship between performance management and job satisfaction. The JDI scale includes the following factors: Work, Supervision, Pay, Promotions, Co-worker. A performance appraisal is a systematic process that evaluates an employee's work performance against the

requirements of their job. It's a subjective evaluation of the employee's strengths and weaknesses, relative worth to the organization, and future development potential

**The performance appraisal process in BSNL includes:**

- Establishing an assessment method
- Drafting required competencies and job expectations for each employee
- Conducting individual appraisals on employee performance
- Scheduling a one-on-one interview between the manager and employee to discuss the review

The appraisal process provides employees with feedback on their work, helps managers make decisions about pay increases and bonuses, and identifies areas that need improvement

**Analysis**-Employee Performance Appraisal System is the backbone of the HRD department of any organization. On the basis of its feedback, the employees of that institution are developed as a human resource. In human resource development, a human being is

considered as a resource, but at the same time it is necessary to consider him as a human being.

The performance of BSNL has declined significantly in the last decade. Its old business, the landline business, has gradually ended and mobile technology and internet have taken a prominent place. Today BSNL is seriously competing with big telecom companies of the country like Reliance Jio, Airtel, and Vodafone etc. It is important for BSNL that the employees are fully motivated and committed to taking their company back to its previous heights.

In this research work, I surveyed to 40 managerial and non-managerial level employees of BSNL regarding BSNL and tried to know how effectively their performance appraisal system is working. Performance appraisal system has three main objectives. First, to find out the training and development needs of the employees through performance appraisal, second, to provide them salary, promotion and remuneration on the basis of performance. And third, to keep them motivated loyal to the company

**Data Analysis**

**Table 1 Overall Employee satisfaction level with respect to training and development programme in BSNL**

Particular	Managerial		Non Managerial	
	No. of respondents	Percent	No. of respondents	Percent
Excellent	6	15	4	10
Good	24	60	21	52.5
Average	8	20	5	12.5
Poor	4	10	7	17.5
Very Poor	2	5	3	7.5
Total	40	100	40	100

**Table 2: Overall satisfaction level with respect to work culture**

Particular	Managerial		Non Managerial	
	No. of respondents	Percent	No. of respondents	Percent
Excellent	6	15	12	30
Good	18	45	10	25
Average	7	17.5	8	20
Poor	5	12.5	6	15
Very Poor	4	10	4	10
Total	40	100	40	100

**Table 3: Overall Satisfaction level with respect to Salary and Compensation in BSNL**

Particular	Managerial		Non Managerial	
	No. of respondents	Percent	No. of respondents	Percent
Very satisfied	22	55	18	45
Satisfied	10	25	14	35
Neither satisfied nor dissatisfied	5	12.5	4	10
Dissatisfied	2	5	2	5
Strongly dissatisfied	1	2.5	2	5
Total	40	100	40	100

In this regard, I found that respondents from both managerial and non-managerial categories are satisfied with the programs provided by BSNL in terms of Training and Development Initiatives. 15% of the respondents from managerial category and 10% of non-managerial category respondents rated its Training and Development Initiatives, excellent. 60% of managerial category people and 52.5% of non-managerial category respondents have rated BSNL's training and development program as 'good'. Most of the respondents from both managerial and non-managerial categories are quite satisfied with the training and development program of BSNL. *But about 25% of non-managerial category respondents and 15% of managerial category respondents are not satisfied with the training and development policy of the company.*

Similarly, when I asked respondents how satisfied they were with the work culture of the organisation, I found that 30% people from

**Non-managerial category** were very satisfied with the work culture of the company, 25% people were quite satisfied and 20% People were neither satisfied nor dissatisfied in this regard.

But in **managerial category**, 15% respondents were satisfied with the work culture of the company and 10% people are very much satisfied. Similarly, in managerial category, 15% people are very satisfied with the work culture of the company, 45% respondents were satisfied to some extent, 17.5% respondents were neither satisfied nor dissatisfied, but 12.5% people were not satisfied with the work culture of BSNL and 10% were very dissatisfied in this regard.

If we look at the data, we find that about 20-25% people in both managerial and non-managerial categories are not satisfied with the work culture of the company. Similarly, if we examine the salary and other benefits given BSNL to its employees, then we find that 45% people in the non-managerial category are very satisfied with the salary and compensation provided by the company. 35% people are quite

satisfied, 10% people are neither satisfied nor dissatisfied, but 5% people are dissatisfied and 5% people are totally dissatisfied.

When we focus upon about managerial category, we find that 55% respondents are fully satisfied with the salary and compensation provided by BSNL. 25% respondents are satisfied to a great extent. 12.5% respondents are neither satisfied nor satisfied, 5% people are dissatisfied and 2.5% people are very dissatisfied.

If we try to look at the data as a whole, we find that about 20 to 25% of the respondents are dissatisfied in some way or the other with the company's salary or compensation, the company's work culture and the company's training and development policy. Whereas 70% people cannot be said to be dissatisfied with the company's policy to a great extent. But when we analyse this data more closely, we find that the number of people who are very satisfied or satisfied to a great extent with the selected areas of HR policies, is not more than 60%.

The dissatisfaction of such a large percentage of employees raises questions on the future of BSNL. After the retirement of a large number of employees in BSNL, there has been a significant reduction in the number of employees in the company. But even after this, if the company is not able to keep its employees properly satisfied, then it is a big alarm bell, which a company like BSNL should listen to in time. BSNL was once counted among the largest companies of India. It was a Navratna company, but in the last few years its performance has declined rapidly. One of the main reasons for this is the dissatisfaction of its employees. BSNL needs to make a lot of changes in its HR policy at the basic level, in which the companies should make the employees of the company better through better training, job satisfaction, good salary, good work culture, good training.

### **Conclusion & Suggestions**

BSNL as an organization contributes a lot to the development of Indian economy. It is an employee centric company and hence its objective should be to ensure the growth and development of the employees. It should proceed with a corporate philosophy that

considers human resources as the most prized asset of the organization.

It is imperative that BSNL continuously hones the skills of its employees, enhances their knowledge and expertise and strives to meet their aspirations. BSNL should emphasize on continuous enhancement of knowledge and skills through regular training programmes.

To meet the technical challenges, it is mandatory for the employees to be trained for the technological developments in the telecom infrastructure. For this there is a need to work in major areas like, suitable performance appraisal methodology, tailor-made training & development facility for enhancing individual skills.

Bharat Sanchar Nigam Limited has a huge pool of highly skilled and experienced workforce of approximately 63966 personnel (as on 01.06.2021). We believe that BSNL has one of the best trained manpower in the telecom. The future of BSNL depends on its employees who provide services and remain in touch with valued customers. Hence, to meet the technical challenges, the employees should be trained in the training centers of BSNL, spread across the country. These centers should be properly equipped with necessary infrastructure facilities like lecture halls, modern audio-visual materials, library, hostels etc. BSNL's top training centers i.e. Advanced Level Telecom Training Center (ALTTC) at Ghaziabad and Bharat Ratna Bhimrao Telecom Training Center at Jabalpur are at par with any world class telecom training centre. ALTTC, Ghaziabad has 6 regional training centers under Apex Training Center covering the entire country and focusing on enhancing the technical and managerial skills and competencies of its employees. These training centers also participate in providing skill development programs (Skill India) run by the Central and State Governments.

But, all these facilities will be able to achieve their goals only when there is regular performance appraisal of the employees and they are given training as per their needs. Knowledge and other facilities and rewards should be provided so that they remain satisfied and motivated.

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# RELEVANCE OF GANDHIAN PHILOSOPHY OF PEACE AND NON-VIOLENCE IN THE THIRD DECADE OF THE 21ST CENTURY IN INDIA

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## Abstract

Mahatma Gandhi's principles have been ideal for Indians in the struggle for independence. It is broadly believed that Mahatma Gandhi used his Satyagrahi ideas very successfully against the British rule and played an important role in liberating the country. However, voices have been raised against it as well.

Almost 80 years have passed since the assassination of Mahatma Gandhi, but even today Mahatma Gandhi is present in the social, economic and political system of India. It is another matter that in the last few decades, the number of people opposing the ideas of Mahatma Gandhi has increased in India. Many people do not acquit Mahatma Gandhi of the charges of partition of India and Muslim bias.

But despite all the controversies, Mahatma Gandhi is established throughout the world as the messiah of peace and non-violence. Statues of Mahatma Gandhi are installed in big cities of the world. People fold their hands in front of these statues and take oath on the principles of peace and non-violence.

Things are changing rapidly in present India. Here, unrest and social unrest is being spread by various types of elements. Are Mahatma Gandhi's principles still relevant for establishing peace in India? And if so, to what extent is it relevant? I have written this research paper to discuss this topic. For this, I talked to many experts and studied in depth the articles written in various books and newspapers. In this research work, important details have been given mainly related to the relevance and use of Mahatma Gandhi's thoughts in India, and in conclusion it has been concluded that Mahatma Gandhi's ideology is definitely an ideal, but on the contrary use of force cannot be avoided in the circumstances. You should not be prohibited from using force at the immediate level. This is also written in the ancient texts of India. It has been clearly described in Geeta and Ramcharitmanas that in adverse circumstances, when you have no option left, you should not be deterred from using violence. But use of force for a long time should be avoided.

**Key Words-** Gandhi, THIRD DECADE OF THE 21<sup>ST</sup> Century, BJP, RSS, Islamic fundamentalists, Hindu Rastra, Nationalism, Peace and war, social and religious unrest

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Mahatma Gandhi is the most famous person of the Indian freedom struggle.

When India became independent, he was the most popular person of India, and was respected all over the world. Even after independence, Mahatma Gandhi's ideas and political weapons were used by politicians, laborers, farmers, social workers, environmentalists and workers. Their objective was to protect the rights of the people and to be socially, economically,

culturally, politically and mentally independent.

There were many such movements in India in which Mahatma Gandhi's non-violent weapons were used to put pressure on the government, to force businessmen to work in favor of workers, to eliminate corruption from politics, to ban liquor and to eradicate superstition. Among these, JP movement, Chipko movement, Anna Hazare movement, Narmada movement, etc. are prominent. In these movements name of

Gandhiji and his Satyagraha was used for mass struggle against social, economic and political injustice and corruption. But there has been little discussion on how much Mahatma Gandhi's Satyagraha ideas were actually included in these movements. Was it actually included or not?

### **Changed political landscape and Gandhism**

In a country like India where Mahatma Gandhi was worshiped like a god just 100 years ago, everything is changing very fast today. The Congress government remained in power in India for a long time. The Congress Party also continued to rule in various states of India for a long time. But, after 1984, Bharatiya Janata Party gradually started expanding in India as an alternative to Congress. Over time, the Bharatiya Janata Party not only captured power at the Centre, but also formed its own governments in many states of India. There were elements in the Bharatiya Janata Party who were opposed to Gandhi's ideas. These people considered Gandhi responsible for the partition of India. Among these elements there were those who believed that Mahatma Gandhi misused his power and ability to make Jawaharlal Nehru the Prime Minister, and was dishonest with Vallabhbhai Patel, who was the most eligible candidate for the post of Prime Minister.

Rashtriya Swayamsevak Sangh was established in India in the early years of the 20th century. The objective of Rashtriya Swayamsevak Sangh was to establish India as a Hindu nation. Bharatiya Janata Party developed from the roots of this Rashtriya Sevak Sangh, and later this party adopted the ideology of RSS and captured the power in Delhi. The ideologues of Rashtriya Swayamsevak Sangh believe that Mahatma Gandhi is responsible for the partition of India. Apart from this, Rashtriya Swayamsevak Sangh also believes that it was because of Mahatma Gandhi that India became a secular state and Muslims got the opportunity to settle here. People associated with the ideology of Rashtriya Swayamsevak Sangh also believe that Mahatma Gandhi was directly pro-Muslim and he had no respect for Hindu religion.

RSS considers Pandit Jawaharlal Nehru, the most prominent disciple of Mahatma Gandhi and the Prime Minister of India, as a person of pseudo-nationalist and anti-Hindu mentality.

RSS also makes many personal allegations against him. In India, the number of people influenced by the ideology of Rashtriya Swayamsevak Sangh is increasing progressively. As the ideology related to the Rashtriya Swayamsevak Sangh is gaining strength in India, Gandhi's Satyagraha and his secular ideas are being hurt. In such a situation, it is believed that the number of anti-Gandhi people in India is increasing very fast. Such people who present Gandhi as the villain of the nation instead of the hero, are doing so through various mediums including electronic media and social media. They spread propaganda about his personal and social life, and directly present him as a divisive enemy of India.

There is a fundamental difference between the ideology of Gandhi's nationalism and the nationalism of Rashtriya Sevak Sangh. While on one hand Gandhi was a supporter of ultra-liberal nationalism, on the other hand, people associated with the ideology of RSS are supporters of radical nationalism, and they consider India's past as a golden age. They also believe that we have to bring back the golden age of India. Such ideas have been rejected by Western thinkers, and their ideological dimensions have been considered inhumane and discriminatory and a threat to peace.

### **Radical Islam and Gandhism**

There is liberal nationalism in western countries. But many thinkers also believe that liberal nationalism in western nations is just a mask, otherwise they too are supporters of fanatic nationalism and racism. In the last few years, radical nationalist forces have grown in many western countries, and they have also carried out many types of violent demonstrations in the name of anti-Muslim sentiments in their countries. Due to increasing Muslim/Islamic terrorism in India and the rest of the world, Mahatma Gandhi's ideas are being challenged more in India and around the world. In such a situation, it is very important to see whether Gandhi's ideas remain relevant in the changing environment. And can the ideas of Mahatma Gandhi emerge as a strong leader in the countries of the world including India?

### **The idea of one nation, one citizenship and one culture**

The idea of one nation, one citizenship and one culture is emerging very strongly in India. By



abolishing Article 370 from Kashmir, the Government of India has made it clear that in the coming days, the Government of India wants to develop India as a nation in which any kind of religious, political, cultural, diversity will be reduced. Many people oppose this ideology. They believe that India is a country full of diversity.

But, isn't anarchy and separatism very strong in the insight on the basis of which 'unity in diversity' is talked about in India? There are many states in India where some separatist elements have historically dominated against the rest of India. These include Kashmir and some states of North-East India. Separatist elements in these states launched a campaign against India. But it is a matter of satisfaction that in the last 20 years, the separatist movement in the North-Eastern states has almost been almost ended, and the entire region is developing by joining the mainstream of the country. Similarly, after the abolition of Article 370, the situation in Kashmir is improving rapidly.

There are many states in the south of India where localism and linguistic diversity is an important issue. Tamil Nadu is prominent in this. Some Islamic and similar organizations may be at the center of the separatist movement in Kerala. But there are some linguistic elements in Tamil Nadu which are harboring within themselves the seeds of the demand for a separate Tamil country. But, most of the people of Tamil Nadu are proud of being Indian.

### **Nationalism and Mahatma Gandhi**

India has become very strong as a nation in the last two-three decades. Nationalist ideology has also emerged very rapidly in India. The current situation in India is quite different from the situation in India during the time of Mahatma Gandhi. Till a few years before the death of Mahatma Gandhi in 1948, India was a disorganized group of many small states. There were small independent princely states in India. With great difficulty, the then Indian government laid the foundation of modern India by uniting these small princely states. This was a very challenging task.

The real beginning of the formation of the India we see today was after the assassination of Mahatma Gandhi. Creating one India by

uniting these small states was a very challenging task which was completed by Vallabhbhai Patel with his strong intentions and the support of the then government. It was unfortunate that Vallabhbhai Patel died only a few years after independence, otherwise many problems would have been solved at that time.

Mahatma Gandhi was assassinated in 1948. As I have mentioned earlier, at that time India was a scattered nation, and a liberal ideology was needed to unite it, such an ideology could make all the princely states believe that their culture, language, public order would be preserved in a greater India. Religious ideology and identity will remain safe. Almost 80 years have passed since then. These 80 years have created a distinct identity for India as a nation.

### **India is maturing as a nation**

We are happily replicating each other in our lifestyle, food habits, religious beliefs and clothes. Many dishes of South India are warmly welcomed in North India. Apart from Idli and Dosa, there are many South Indian dishes which North Indians have included in their everyday life with great enthusiasm. In this way, North Indian food is being assimilated into South India very rapidly. North Indian dishes based on roti, rice, pulses and non-vegetarian food are now easily available in South India also.

We see that due to the positive impact of consumerist culture, there is tremendous similarity in the use of consumer durable, semi-durable, FMCG products in the households of North India and South India. Now even South Indian films are becoming super hits in North India.

Today, there is a huge market of online products all over India in which common people of North and South India make similar purchases. The market and consumer culture sometimes eliminate even the biggest contradictions. Online market is a big social platform, where everyone makes similar purchases.

Obviously this country has changed a lot in the last 70-80 years. In such a situation, where do Mahatma Gandhi's views stand? How relevant are Gandhi's ideas? Questions will be asked on this topic in the coming times. But, one thing we have to understand is that Mahatma Gandhi's thoughts are not actually independent

thoughts of Mahatma Gandhi. Mahatma Gandhi had adopted his ideas from various religious texts and great thinkers and through self-refinement.

When Mahatma Gandhi says that Satyagraha is such a strong weapon that with its help you can defeat the biggest enemy. Where does his devotion to the truth come from? - From Satyameva Jayate, which is from Mundak Upanishad.

### **Fundamentalists & Gandhism**

But it is also true that if you are standing in front of a mad dog who has lost his power to think and understand, then you cannot stand in front of such a person unarmed with the thoughts of Satyagraha. Today, there are many religiously fanatic elements in India and around the world, who want to spread their religion and destroy others. You cannot wait long to test the ideas of Satyagraha in front of such people. Rather, you have to decide in a few moments whether to kill him or die yourself.

There have been many such terrorist attacks in India in which minor radicals aged 14-16 years have attacked Indian soldiers and innocent people, women and children. They have attacked the Parliament, serial blasts in Mumbai and other cities. They have prepared the background for major terrorist attacks inside and outside the country. In such a situation, there should be a discussion to what extent Mahatma Gandhi's socialist and Satyagraha ideas should be accepted?

Apart from this there are some other issues also. Mahatma Gandhi used the weapons of his Satyagraha against the British. During that time, a new humanist ideology was developing all over the world, and huge movements were taking place across the world against racism, casteism, social inequality, regional disparity, and inhuman attitudes. It was a different era when a strong feeling of protest against violence was developing all over the world. The entire world was scared of war after the horrors of the First World War and America's atomic bomb attack on Japan in the Second World War. That time British government was in a position to be successful in keeping a big country like India which had the largest population in the world (after China), as its slave. In such a situation, Mahatma Gandhi's ideas got new strength and were fully used in

India's struggle for independence. But, today it has to be understood that that was a different era, this is a different era.

Today imperialism has been replaced by religious terrorism. You could win the war against imperialism by defeating the imperialist leader of a country. But in this Jihadi terrorism you will not find any leader, rather you will find hundreds of common people associated with this ideology who are sitting in some corners of the world and planning to kill others. These unseen faces are planning to kill people praying in a temple, a mosque or a church by hiding a bomb in some part of their body. In such a situation, can you say that Mahatma Gandhi's ideas of truth, non-violence and social justice are very relevant?

To change the mentality of such radicalized people, new policies will have to be developed and used on a large scale. The question arises who and how will do this? Who needs to neutralize these radicals? In many countries of the world, Islamic fundamentalist elements have the support of the state. Many countries of the world are running their governments with the help of these elements. There are many countries in the world where radical elements are running the government. If you look at Afghanistan in your neighborhood where Taliban is ruling today. This country is under the control of a very fundamentalist organization. Western countries fought a long war in Afghanistan for over 50 years. But even after that they could not eliminate the Jihadi mentality of this country. The interesting thing is that the Taliban which Pakistan nurtured with its blood and sweat, is today challenging the government of Pakistan.

### ***Is this the place where the relevance of Gandhi's ideas clearly appears strong?***

When we see that non-violence is the ultimate religion. But what to do with them? These are war-loving people. Violence has become embedded in their blood like DNA. Such people do not even have time to listen to the thoughts of Mahatma Gandhi. The question arises how to control them. How to change these. How to make inhuman human?

Certainly, Gandhian thinkers can develop Gandhian ideology in an ideal form, but they have completely failed in establishing it as a weapon that can bring peace in the world today.

But still Gandhiji's weapon of Satyagraha is a unique discovery in the political field. Satyagraha is the biggest weapon of non-violent struggle. The literal meaning of Satyagraha is to stand firm on the truth. Gandhiji called this love force or soul. The Satyagrahi establishes his spiritual personality in front of the opponent and awakens in his heart the feeling that he cannot harm him without harming his own personality. The weapons of a Satyagrahi in this war are love, self-refinement and non-violence. Gandhiji not only discussed the theory of Satyagraha, but he also influenced its practical usefulness by using it on a large scale. Mahatma Gandhi got unique success in his non-violent Satyagraha in achieving independence for India. Due to the importance of Satyagraha, even today the main scriptures of Satyagraha are used in various mass movements. In our research work, an effort is to be made to find out how the main elements of Mahatma Gandhi's Satyagraha are being used in today's mass movement? And how similar is the nature, trend, extent and overall form of today's mass movement to Gandhian Satyagraha or how different is it? This question is not easy, but the way out will be from here only.

### **Conclusion**

Since ancient times, the currents of peace and war have been flowing together in India. Buddha, Mahavira and Samudra Gupta also existed in India. War has been accepted as the last option in Indian culture. Mahatma Gandhi was also one of the biggest admirers of Geeta. He often used to say that I have implemented Geeta in my life. It is clearly said in Geeta that if there is no alternative then war is necessary for peace. Lord Ram sat on the sea shore and prayed for three days, but even after that, when the sea did not give way to him, he angrily threatened to dry up the sea.

Violence was not accepted as the last option in Mahatma Gandhi's policy of Satyagraha and non-violence. Leo Tolstoy's famous book 'War and Peace' talks about making even the enemy a friend. This ideology in itself is an ideology that touches the highest peak of humanity, but it has been seen falling short in practical life.

Certainly we should establish a society in which there is no place for violence and people have brotherhood towards each other. But as we know sometimes war is necessary, sometimes it

is necessary to punish the criminals so that peace can be established in the society.

Chanakya has clearly said in 'Arthashastra' that to protect the nation and the people of the society, all four policies - Sama, Daam, Dand and Bheda - should be used at appropriate places.

A large number of people lost their lives due to Corona in India yesterday. It was seen that many variants of Corona are attacking people. In such a situation, doctors made different prescriptions for medicines and tried to treat people. Even today, people who spread unrest in the country and around the world appear in different forms. These are different types of people. Their ideologies are also very different. You cannot control all these people with pure peace and non-violence. To control them, it is necessary that you use some force along with non-violence. Ideology is just a medium for establishing peace, stability and social values in the society. Whatever appropriate steps are necessary to establish human values should be taken. It has been seen that many times excessive use of violence creates an atmosphere of unrest instead of peace in the society, the effect of which remains for a long time. We should try to avoid such a situation. The principle of contingency applies here, which means that whatever arrangement is appropriate in the circumstances, only that arrangement should be made.

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# A COMPREHENSIVE STUDY OF THE HISTORICAL RELATIONSHIPS AT THE MOGHALMARI ARCHAEOLOGICAL SITES

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## **Abstract:**

Archaeologists have recently discovered an interesting Buddhist monastery in the Moghalmari region of West Bengal. This discovery process occurred from 2003 to 2016, initiated by Professor Ashok Datta of Calcutta University. Various archaeological finds prove that the monastery was a significant center in ancient times. The paper analyzes the geographical and historical connection between the Moghalmari, Medinipur, Tamralipte, and Dantan regions since ancient times. Various possibilities for the rise and successive evolution of the Moghalmari region have been widely discussed in Indian history from ancient to pre-medieval times.

**Key Words:** Moghalmari, Medinipur, Dantan, Tamralipta. Exploration, Buddhist monastery

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**Introduction-** The Moghalmari archaeological site is situated near National Highway 60, under the Dantan police station in the West Midnapur district. It is located about 5.2 km south of Dantan town and 46 km north of Kharagpur railway station. In 1996, a school teacher named Narendranath Biswas informed Professor Ashok Datta of Calcutta University about several discovered artifacts near Moghalmari village. Three years later, a team of experts, including Prof. Bratindra Nath Mukhopadhyay and Prof. Ashok Dutta of the Department of Archaeology of the University of Calcutta, visited the area to investigate the ancient maritime trade in Bengal and found archaeological evidence on the subject. They were intrigued by a massive mound near Dantan, known locally as "Sakhisonar Dhipi" or "Shashisona Dhipi." After examining the mound and the associated artifacts, they were convinced of its historical significance and interested in starting archaeological excavations at the site.

In 2003, the Department of Archaeology of Calcutta University, led by Prof. Ashok Datta, began excavations at the 'Sakhisonar Dhipi' at Moghalmari. The excavation was a massive undertaking that lasted nearly a decade, from 2003 to 2012, and allowed extensive archaeological research to uncover the area's historical importance.

Later, the 'Department of Archaeology and Museums,' Government of West Bengal, took over the excavation of Moghalmari and declared it a 'State-protected Monument.' The excavation work was resumed in 2013-14 and continued till 2015-16, led by Dr. Amal Roy, Deputy Director of the Department of Archaeology, Government of West Bengal, and Mr. Prakash Chandra Maiti, who was one of the Research Assistants of the Directorate. Moghalmari's excavation has resulted in the discovery of various significant archaeological artifacts, including Buddhist monasteries, stupas, and stucco decorations, which bear resemblance to the architectural features found in famous Buddhist monasteries like Nalanda, Vikramshila, and Paharpur in India and Bangladesh. These findings provide evidence of Moghalmari's archaeological importance, strengthening its position as a significant place in the history of Bengal and India.

To understand the historical context of Moghalmari, it is crucial to delve into its geographical location and name. This requires a thorough understanding of the area's ancient locational identity and the identification of specific archaeological sites. Conducting this foundational work is essential to reveal the broader historical significance of Moghalmari.

**Objective of the study-**The study thoroughly investigates the archaeological and historical significance of the ancient site of Moghalmari, with a particular focus on the factors that led to its location. The study objectives are as follows:

1. To analyze the geographical context to determine the locational identity of the ancient Medinipur region.
2. To analyze the connection between the ancient Buddhist sites discovered at Tamralipta and Moghalmari.
3. To analyze the successive evolution of the geographical and historical context of Dantan in Indian history in the context of the Moghalmari archaeological site.

**Research Methodology Used** -Review the relevant literature through secondary sources, including historical and archaeological records from the ancient Vedic period. It helped provide context and support results. This literature review conducted with the help of various sources of information, such as the Internet (authorized online databases, digital archives, and academic websites), archaeological and historical journals, books written by experts in the field, archaeological reports, etc.

**Historical Relationship of Medinipur and Tamralipta-** To fully grasp the importance of the Moghalmari archaeological site, it is necessary to comprehend the geographical and historical context of the region. To do so, examining the location of ancient Midnapur and the surrounding areas is crucial. First, it is necessary to focus on the geographical location of ancient Medinipur and its surroundings. In the later Vedic period, three prominent kingdoms - Anga, Banga, and Kalinga - dominated eastern India, as per historical data. Archaeologists have defined the territorial boundaries of these states, with the area around Rajshahi and Bhagalpur being Anga state, the Kalinga region extending from Bhagirathi in the north to the Godavari in the south, and the region between Anga and Kalinga known as Banga.

Based on this demarcation, it is evident that the entire East and West Midnapore regions were part of the ancient Kalinga kingdom. This fact is supported by an encyclopedia edited by Nagendranath Bose, which mentions that

Midnipur, Orissa, and Ganjam belonged to the Kalinga kingdom in the past.

In ancient Indian historical accounts and Puranas such as Vayu, Vishnu, Matsya, Markandeya, and others, five kingdoms are mentioned: Anga, Banga, Kalinga, Pundra, and Sumha. Archaeological studies have revealed that the Pundra and Sumha kingdoms emerged from Anga, Banga, and Kalinga regions in ancient times.

During his journey to eastern India, Bhima conquered Bengal, including the coastal regions like Tamralipta, Karvata, and Sumha, as described in the Dwigavijaya episode of the Mahabharata. This historical account firmly establishes the connection between Tamralipta and the coastal regions. According to Kalidasa's Raghuvamsam, the kingdom of Sumha extended from the Brahmaputra to Kansai (now Kangsavati River) and reached the sea. Coastal Tamralipta was located in the southernmost part of Sumha. The importance of Sumha is further confirmed in the 'Dashakumaracharita' of Dandi, which mentions that Tamralipta, a city renowned for trade and commerce, was the capital of the Sumha kingdom at that time.

According to Vijay Chandra Majumdar, most of the undivided Burdwan and Midnipur regions were part of the Sumaha kingdom. The ancient Tamralipta city in the Medinipur district was identified as the capital of this kingdom. As Tamralipta grew into a prominent trading center, the Sumaha Empire gradually adopted its name and became known as Tamralipta Kingdom, taking its identity from the capital city.

Based on the given data, the territorial boundaries of the Sumha and Tamralipta kingdoms can be distinguished. The Pundra Kingdom marked their northern and western borders, while the Kingdom of Banga marked their eastern border. The Bay of Bengal was their southern boundary, and the kingdom of Kalinga defined their frontier in the southwest.

According to the 'Janmbhumi Patrika' by Nagendra Basu, Kalinga extended from the present border of Tamluk to the Godavari River in the south, which means that most of the northern and eastern parts of the undivided Medinipur district were included in the

kingdoms of Sumha and Tamralipta. However, the southwest part of Tamluk fell under Kalinga's rule. It is important to note that this regional classification underwent further changes in the later period.

The Sumha or Tamralipta kingdom eventually split into two separate kingdoms: Utkala and Radha. Radha, which once covered the entire region of West Bengal, was divided into Uttara Radha (North Radha) and Dakshin Radha (South Radha). Dakshin Radha included parts of Hooghly, Howrah, and undivided Medinipur districts, while Utkal's southern border began from the edge of Dakshin Radha.

Later literary accounts mention two more kingdoms - Utkal and Odra. According to Kalidasa's *Raghuvansa* report, the Kapisa River, also known as the Kansai or Kansavati River, flowing through the Midnipur district, marks the boundary of Utkal. Kalinga is located to the south of Utkal. According to the *Markandeya Purana*, Kalinga was situated on one side of Utkal, and the present Raipur district was on the other. Ancient history expert F. E. Pargiter stated that the southern part of the Medinipur district and the Baleshwar district were part of the Utkal kingdom in ancient times. The kingdom of Utkala emerged from the northern part of the ancient kingdom of Kalinga. In his book '*Utkal E Sree Krishna Chaitanya*,' Sarada Charan Mitra suggests that "Utkala" may have been derived from "Uttar Kalinga" through linguistic change.

The Odra region is thought to have originated from a part of the Pundra kingdom, just like the Utkal kingdom is believed to have originated from a part of the Kalinga kingdom. The Odra kingdom is said to have encompassed Chotanagpur, Mayurbhanj, Keonjhar, the western part of the undivided Midnipur district, and the southern part of the Bankura district.

Later in history, the Utkal and Odra regions were considered one kingdom, leading to significant changes in the kingdom's boundaries. Another name for Utkal is Orissa. '*Madala Panji*,' a collection of ancient handwritten palm scrolls preserved in the famous Jagannath Dev temple in Orissa, contains much of the history of ancient Orissa.

According to the historical document, '*Madala Panji*,' Orissa was divided into 31

Dandapaths, six of which are located in the undivided Midnipur district. These six Dandapaths were Taniya, Jauliti, Narayanpur, Naigaon, Maljhita, and Vanjabhum-Baripada. A comparison of the mentioned location of the Dandapath at '*Madla Panji*' with the thana (police station) of the undivided Medinipur district comprising Utkal leads to a rough conclusion that Taniya Dandapath was established with parts of Datan and Baleshwar districts. However, the absence of any mention of Tamralipta in the *Madala Panji* suggests that Tamralipta was not part of the Orissa province then.

From the above discussion, it can be concluded that Sumha was a political subdivision or an independent political entity during the early 1st century AD. The discovery of seals and nameplates at Moghalmari indicates that the region might have been a significant part of Tamralipta, which was not restricted to a particular area. In ancient and pre-medieval times, Tamralipta represented a larger region or province. This context emphasizes the historical importance of Tamralipta.

Tamralipta, a historical location, has been confirmed to have existed through various sources, such as ancient inscriptions, Pali and Sanskrit texts, notes, and archaeological artifacts discovered in the Midnapur district. Its mention can also be found in Jain texts such as '*Jainkalpasutra*,' '*Arthashastra*' by Kautilya, '*Kathasritasagara*' by Somadeva, and '*Brihat-Samhita*' by Varahamihira. The collective references establish the significant historical importance and extensive recognition of Tamralipta in ancient texts and records.

Tamralipta was established as a hub of Buddhism during the reign of the Maurya emperor Ashoka. Historical records indicate that Emperor Ashoka dispatched his son Mahendra and daughter Sanghamitra to the Sinhalese community, along with a sacred branch of the Bodhi tree, to spread the teachings of Buddhism. Tamralipta Port played a crucial role in facilitating this mission. Additionally, Emperor Ashoka erected a 200-foot-long pillar in the area.

Tamralipta's connection to Rajagriha and Buddhagaya through water and land routes suggests strong and direct communication links

between the region and the core of Buddhist tradition. This evidence highlights the crucial role of Tamralipta as a center for disseminating Buddhist teachings.

In the 1st century AD, the Roman philosopher Pliny referred to Tamralipta as 'Talukti'. In the 2nd century, the Greek astronomer-geographer Ptolemy called it 'Tamalites'. By the 6th century, according to Dandi's Dashakumarcharita, the ruler of Tamralipta controlled the entire Sumah kingdom. In the 7th century, Shashanka conquered Dandubhukti (present-day Dantan) and Utkal and Ganjam districts of Midnapore. This series of historical accounts provides a fascinating insight into the changing importance and regional extent of Tamralipta in different eras.

Tamralipta has a rich historical significance that can be extensively found in Chinese travelogues. Fa-Hien, who visited India between 399 AD and 414 AD, spent two years in Tamralipta and highlighted its importance in his book 'Fo-kwo-ki.' According to Fa-Hien, Tamralipta was a major center for Buddhist practice, with 24 Buddhist monasteries and many monks.

In 629 AD, a Chinese traveler named Hyun Tsang embarked on a journey to India, tracing the footsteps of his predecessor, Fa-Hien. He continued exploring various parts of India until 644 AD. During his voyage, he reached Tamralipta, where he wrote a detailed section about the region in his book 'Si-Yu-Ki.' Tamralipta was called 'Tan-mo-li-ti' by Hyun Tsang, and he described it as a coastal area surrounded by sea inlets, making it an ideal port. The port city stretched for about 250 miles and was an essential junction for land and sea trade routes. In his travelogue, Hyun Tsang also identified four places of administrative importance in Bangladesh, including Pundravardhan, which had 20 Buddhist monasteries and 3,000 Buddhist monks, Samatat located in southeast Bengal with 30 Buddhist monasteries and 2,000 Buddhist monks; Karnasubarna, in Murshidabad, which had 10 Buddhist monasteries and 2,000 monks and and Tamralipta (Tamluk and adjacent areas) with 10 Buddhist monasteries and over 1,000 Buddhist monks. Hyun Tsang also mentioned the presence of Ashoka's pillars and numerous Hindu temples in the region.

Between 673 and 693 AD, I-Tsing visited Tamralipti, where he stayed for five months. He learned Sanskrit and Phonology (the science of sounds) during his stay. I-Tsing described Tamralipti as a major port and a significant center of Buddhism. He traveled along the Ganges from Tamralipti to Nalanda, a Buddhist monastery home to 3,500 monks.

During the Tamralipta travels of Fa-Hien and Hyun Tsang, there is a gap of about 225-230 years. When Hyun Tsang arrived, he found 14 Buddhist monasteries, which suggests that these structures may have been destroyed during Fa-Hien's later period. This indicates the changing influence of Buddhist culture in Tamralipta.

The transition witnessed the rise in the importance of Hindu temples at Tamralipta. These included the 'Jishnuhari Temple,' 'Kapalmochan Tirtha,' and 'Vargabhima Temple.' The sixth-century text 'Dashakumarcharita' mentions the 'Vindubasini Temple' in Tamralipta, which was visited by Fa-Hien and Hyun-Tsang during their travels in the fifth and seventh centuries, respectively. Notably, there are no remains of the later Buddhist stupas and viharas built by Ashoka and others in Tamralipta, leading some to speculate that the temple may have been made over a Buddhist stupa initially built by Ashoka.

The book 'History of Tamluk' by Trailokyanath Rakshit contains valuable information. According to it, the external structure of the temple resembles that of Orissa, while its internal construction is similar to that of the Buddha Gaya monastery. In front of the entrance is a small monastery, which mirrors the main one, indicating the presence of other small monasteries in different areas where monks could worship privately. The temple was probably constructed by the Hindus with a westward orientation, resulting in demolishing the eastern main gate and other small viharas. This has led to a unique blend of architectural elements.

Tamralipta was a significant city for both internal and international trade, situated on the banks of the Rupnarayana River. It was a vital center for inland and foreign trade by both land and sea. Due to its flourishing trade and



extensive international communication network, Tamralipta became one of the most important ports of ancient Bengal.

However, with time, the importance of the port decreased. The emergence of various elements, changes in the course of the Rupnarayana River, political conditions, and a decline in commercial activity all contributed to the gradual deterioration of the port's former relevance and influence by the 8th century.

According to Hiuen Tsang's account 'Si-Yu-Ki,' there used to be around ten Buddhist monasteries and a thousand monks in the area. However, despite the vastness of the described Tamralipta port city, which covered around 250 square miles, no remains of those monasteries have been discovered in the later Tamralipta or Tamluk regions.

One of the ten monasteries mentioned by Hyun Tsang might have been the Buddhist monastery discovered at Moghalmari village of Dantan in the West Midnapore district. This discovery highlights the potential for significant archaeological finds in the future, which could shed light on the rich Buddhist history of Tamralipta.

Furthermore, many famous Buddhist monasteries in ancient India, such as Nalanda, Vikramsila, and Sarnath, were built in isolated locations away from urban areas to provide a peaceful environment for uninterrupted religious practice, which supports this view.

A similar idea may have influenced the establishment of two Buddhist monasteries at Moghalmari. Likely, the monastery was intentionally constructed in the quiet and secluded location of Moghalmari, away from the bustling port city of Tamralipta. Additionally, this site was strategically situated along the early trade route that connected Tamralipta with Taxila (Takshasila). This probably facilitated the entry of merchants into the Tamraliptaport to conduct trade.

Various sources confirm that contemporary traders constructed and maintained Buddhist monasteries in ancient India. This provides additional evidence that the Buddhist monastery of Moghalmari deliberately catered to and enhanced the engagement of these influential merchants.

The above discussion suggests establishing a connection between Moghalmari and ancient Tamralipta. It is necessary to analyze the historical development of ancient and pre-medieval Dantan and Moghalmari by highlighting the historical and geographical context of Dantan. This seems to help further determine the importance of the Moghalmari archaeological site in Indian history.

Based on the discussion above, it is suggested that a connection should be established between the ancient sites of Moghalmari and Tamralipta. To achieve this, it is essential to explore the historical evolution of Dantan, both in ancient and pre-medieval times, while considering the region's geographical context. This analysis will help to shed light on the significance of the Moghalmari archaeological site in the history of India.

Historical Relationship of Dantan- Dantapur, an ancient city now known as Dantan, played a prominent role in the region's past. This transition reflects the evolution of the area through time. Dantapur is one of the many places in Bengal that offers a glimpse into its historical past.

Dantapur holds great historical significance and is first mentioned in Buddhist literature. The city is featured in the book 'Dathavansa' written by a Buddhist monk named Mahathero. The text explains that after Gautama Buddha's Mahaparinirvana in Kushinagara, Kalingaraja Brahmadatta was gifted the Buddha's sacred tooth, 'dantadhatu'. Brahmadatta, profoundly moved by the significance of the tooth relic, accepted it with reverence and named his capital 'Dantapur' to honor this memorable event. At the heart of Dantapur lies a critical structure called 'Dantavihar,' which was the home of Dantadhatu. This Bihar's presence emphasizes the tooth relics' profound spiritual and historical importance, transforming Dantapur into a center of worship and devotion. According to the Mahavamsa, a Buddhist text written in 343 BC, the Mauryan Emperor Ashoka sent his son Mahendra and daughter Sanghamitra to present-day Sri Lanka via the copper-plated port. They stayed at Dantabihar for some time. The mission was to propagate Buddhism at the invitation of the Sinhalese King Devnaga Pityshay. Mahendra and Sanghamitra took the sacred Buddha-dental

relic, the Kanthasthi, and the Bodhidrum branches.

After studying the Buddhist literature Dathavansa and Mahavansa, researchers and historians have concluded that the area near present-day Dantapur in the West Midnapore district was the actual location of Dantapur, the capital of the Kalinga kingdom during the ancient Buddhist period. This conclusion was based on the information provided about the identity of the ancient city of Dantapur and the historical and geographical significance of Tamralipta port.

During the Gupta period, the region underwent a renaming process. Provinces were called Desha, Rashtra, or bhukti and were ruled by independent or subordinate rulers. Some important towns or administrative places mentioned in the records from this period include Pundravardhana-Bhukti, Bardhaman-Bhukti, Dandabhukti, etc. According to Rakhal Das Bandyopadhyay's book 'Pala's of Bengal,' the ancient city of Dantapur underwent evolutionary changes, leading to Dantapur to Dandabhukti and ultimately to Dandabhukti.

Haraprasada Shastri advocated the location of Dandabhukti mentioned in the Tirumalai inscriptions of Rajendra Chola in present-day Bihar. However, AC Banerjee presents a contrasting view in his book 'The Chola Invasion of Bengal.' He was in favor of establishing this region in South-West Midnapore.

Inscriptions made in copperplate show that Dandabhukti held an administrative position in areas such as Medinipur and Baleswar. These inscriptions also provided a clear geographic definition of the Dandabhukti region and its imperial center at the southwestern border of Bengal and Balasore in Odisha. According to N. K. Bhattasali, Dandabhukti is located on the southern side of the Rupnarayan-Darakeswar river, which covers the southern half of Bankura district, a part of the western part of Hooghly district, and the entire Medinipur district.

The historical knowledge of the region dates back to the copperplate inscriptions found in the Jairampur area, under the Dakshin Bhograi police station of Balasore district. These inscriptions were created by Achyuta, the

feudal ruler of Maharaja Gopachandra of Dandabhukti, and relate to the Buddhist Mahavihara of Badhipradaka, which is connected with Dandabhukti. Thus, it can be concluded that the areas of Bhurai and Jaleswar, located on the north-east side of the Subarnarekha River and part of Balasore district, had a historical affiliation with Dandabhukti even before the rule of Gopachandra.

During the 7th century, Dandabhukti became a part of King Shashanka's empire. This is evident from the land grant documents of that era. Inscriptions discovered at Medinipur disclose that Dandabhukti was ruled by Mahapratihara Shubokirti, a feudal king, during Shashanka's reign. This inscription, published in the eighth year of Shashanka's reign, provides insights into the administrative movements of that time.

Between the end of the sixth century and the beginning of the seventh century, Toshali was divided into northern and southern regions, forming a collection of 18 forest kingdoms. It is important to note that Dandabhukti was an integral part of the 18 forest kingdoms during this time, as per a copperplate inscription relating to Somadatta, a feudatory king of Shashanka. Shashanka strategically appointed Somadatta as the feudal ruler of Utkala, incorporating Dandabhukti into his kingdom in the ninth year of his reign. This allowed Shashanka to extend his influence over the territory up to Kalinga, along the borders of present-day Ganjam district. Therefore, the concept of 'Dandabhukti' can be defined by the Tamralipti in the northeast, Utkal in the south, and Odra in the west in the 7th century. The proximity of Shashanka's inscriptions and the lake 'Sarashanka' near Dantan further supports this idea.

According to inscriptions from Somadatta and Subhokirti, parts of Orissa, including Keonjhar and Mayurbhanj districts, as well as parts of the coastal district city of Utkal, were part of Dandabhukti as early as the seventh century.

The inscriptions also reveal that the Bagari dynasty extended its influence in the Dandabhukti region during the 9th century, continuing its historical journey. The capital of this kingdom was located in the present-day city of Garbeta, which became an important

center of power and administration. It should be noted that during the Bhaum-Kara rule in Orissa, the territorial dominion of Dandabhukti extended to the Rupnarayan River and the Garbeta region.

Mayurbhanja's Bhanjas emerged as powerful feudal rulers after regional rule in Orissa ended. Within this historical context, the Bhanja dynasty dominated the Dandabhukti during the 10th and 11th centuries. The copperplate inscription of Kottabhanja, a descendant of Bhanja, is a crucial artifact dating back to the late 10th century, which attests to Kottabhanja's rule over the Dandabhukti Mandal.

After the fall of Bhum-Kara's rule over Tausali, the Kamboja rulers played a significant role in imposing sanctions. It is worth noting that according to two copperplate inscriptions of the Kamboja king Naypala, Dandabhukti, and Bardhamanbhukti were incorporated into the Kamboja kingdom during Naypala's reign. Naypala is notable for his humanitarian work, which included donating land for convicts. This Kamboja dynasty is believed to have risen to power towards the end of the 10th century.

The Kamboja rulers took advantage of the Pala Empire's weakness in Bengal and expanded their dominion by incorporating various territories, including Dandabhukthi and Bardhambhukti. This expansion likely extended to the northern region of the Baleshwar district, which was the southwestern border of the Pala Empire. However, the Kamboja rule in the area was relatively brief. Around 1025 AD, a significant historical event occurred during the reign of the Chola king Rajendra Chola. An inscription made by the Cholas revealed that their army entered southern Bengal and emerged victorious over several rulers, including Dharmapala of Dandabhukti, Ranasura of southern Radha, Govindachandra of Bengal, and Mahipala of the northern Radha region.

Historians have varying opinions regarding the identity of Dandabhukti Dharmapala. Some suggest that the Dharmapalas of Dandabhukti were descendants of the Kamboja dynasty and incorporated the word 'Pala' in their name.

Jayasingha became the ruler of Dandabhukti after the death of King Dharmapala of the Pala dynasty. This happened during the reign of

Gaur king Rampala. According to Sandhyakar Nandi's 'Ramcharit', Jayasimha of Dandabhukti assisted Rampal during the Kaivarta Rebellion. Furthermore, the Koni inscriptions of the Kalachuri king Prithvideva II suggest a conflict between the Dandabhukti rulers and the Kalachuris of Ratanpur.

During the early medieval period, the region of Dandabhukti became a significant point of discussion among the political entities of Orissa and Bengal. This highlights the region's strategic value and the intense rivalry within its boundaries.

Despite the ongoing political unrest, the Dandabhukti region has played a significant role in the historical archives. It was a flourishing center of trade, art, and culture in eastern India. The dynamic struggle for domination between different entities is believed to have led to the evolution of the historical narrative in this region. The recorded information of Dandabhukti is dependent on various ruling dynasties, controversial relations, and interrelated mythology.

The discovery of Buddhist archaeology at Moghalmari in the Medinipur, Tamralipta, Dantan region was not isolated. The region's connection with ancient India can be traced back to the later Vedic period and has undergone continuous spatial transformation. The area has had religious associations, especially with Buddhism, since Gautama Buddha's Mahaparinirvana, which continued into the post-Gupta or pre-medieval period. The region's political, economic, and religious conditions from the Maurya to the Gupta period played a positive role in constructing the Buddhist monastery at Moghalmari. The significance of Tamralipta as a port city, Buddhism's association with ancient Dantan or Dandabhukti, and the Moghalmari Buddhist center's location on the trade route from Rajagriha to Tamralipta are essential parts of this positive role. However, political instability or change in the post-Gupta or pre-medieval period, the decline of Tamralipta as a port city, and the decline of Buddhism and the rise of Hinduism seem to have acted as catalysts in the destruction of the Moghalmari Buddhist center.

**Conclusion-** The Moghalmari archaeological site connects the past and present, revealing the ancient Buddhist traditions of India and Bengal.

The site's ancient cultural setting provides valuable insights into its evolution. Using tools like geoarchaeology and historiography, we can better understand the cultural traditions, social dynamics, and geographic conditions that shaped the region. This process helps to deepen our knowledge of Moghalmari and contributes to a broader understanding of the historical landscape in which it was situated. In addition, it highlights the significance of preserving and studying archaeological sites like Moghalmari to unravel the mysteries of our shared human history.

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# THE IMPACT OF INTERNET ACCESSIBILITY AND INFRASTRUCTURE ON RURAL ONLINE SHOPPING BEHAVIOR

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## Abstract

This study examines the crucial connection between rural consumers' online buying habits and internet availability and infrastructure in those places. The study finds that increased access to the internet has a beneficial impact on rural areas' adoption of e-commerce. In these areas, trust and security concerns were found to be important determinants of online shopping behavior, in addition to demographic differences. The findings highlight the significance of overcoming internet-related difficulties to promote economic growth and extend online retail prospects in rural areas, with implications for governments, e-commerce platforms, and firms targeting these markets.

**Keywords** - Rural infrastructure, e-commerce, digital marketing, internet accessibility impact, and online buying habit.

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## Introduction

The development of e-commerce and the internet have completely changed how people purchase, bringing in a new age of convenience and choice never seen before. All facets of society have not, however, experienced this change equally. Rural communities frequently have particular difficulties in adopting e-commerce due to differences in internet accessibility and infrastructure, while urban areas have quickly embraced online shopping. High-speed internet connectivity is now more than just a convenience in the digital age; it is essential for social interaction, education, and economic activity. Due to their lower population density and geographic isolation, rural villages usually struggle with spotty or nonexistent internet service. The discrepancy in internet infrastructure is a significant obstacle to rural consumers' online buying habits. This study explores the relationship between rural residents' online buying habits, infrastructure, and internet accessibility. It tackles a crucial

issue that has received little consideration in the body of current literature: What effects do differences in internet availability and quality have on rural consumers' purchasing habits and the uptake of e-commerce? Given that a sizeable portion of the population lives in rural areas, their involvement in the digital economy is crucial to economic growth, digital inclusion, and the general development of these areas in addition to being a question of consumer choice. In order to tackle this matter, we examine the degree to which rural consumers' decisions and behaviour's regarding online shopping are influenced by internet accessibility—or lack thereof. We will examine the various aspects of this problem in the sections that follow, such as the difficulties caused by poor internet access, the elements influencing e-commerce security and trust, and the demographic differences that significantly influence rural residents' online purchasing habits. This study attempts to provide light on this urgent issue and provide insights that can

educate policy, direct e-commerce initiatives, and promote economic empowerment in rural areas through an empirical examination of data gathered from various rural communities.

### **Objective of the study**

1. To evaluate rural areas' internet accessibility, taking into account variables like availability and speed.
2. To investigate rural consumers' current online purchasing habits, such as how frequently they make purchases online and which product categories they prefer.
3. To look into rural consumers' worries about internet buying security and trust.
4. To examine how age and income level, among other demographic variables, affect rural residents' online purchasing habits.

**Research Methodology-** In order to examine the relationship between internet accessibility, infrastructure, and online buying behavior in rural areas, this research work uses a mixed-method approach. The integration of both quantitative and qualitative methods for gathering and analyzing data guarantees a thorough comprehension of the research issue.

### **Data Collection and Data Analysis**

#### **Quantitative Data:**

A quantitative approach is used to evaluate the influence of infrastructure and internet accessibility on online buying behavior in rural areas. Structured surveys are used to gather data from people living in rural areas. The questionnaires ask about biographical data, online buying habits, trust and security issues, and internet access.

**Qualitative Data-** Semi-structured interviews are used to acquire qualitative insights from a chosen sample of rural consumers in addition to quantitative data collection. Through these conversations, we hope to learn more about the obstacles and driving forces behind rural communities' internet shopping habits.

**Sample Selection:-** Residents from a variety of rural regions were selected to reflect a wide

range of geographic locations and demographic features, making up the research sample. Using a stratified random selection technique, the sample is chosen to guarantee a fair representation of various rural environments, including more accessible and isolated regions.

**Limitations of the study:** The mixed-method approach has drawbacks even if it provides a thorough understanding of the study subject. Despite its diversity, the research sample might not accurately reflect all types of rural communities. Furthermore, response bias may affect self-reported data from surveys and interviews. When analyzing the results, these constraints are taken into account.

### **Literature Review**

In the past, rural areas have not kept up with their metropolitan counterparts in terms of infrastructural quality and internet availability. Studies like [Smith et al., 2017] have shown that slower internet speeds, less stable connections, and restricted broadband coverage are common issues in rural locations. Geographic remoteness, low population density, and the high cost of infrastructure implementation in remote areas are some of the reasons that contribute to these discrepancies.

In rural areas, the digital divide—which is defined by unequal access to and use of technology—is more severe. Disparities in access to online services, economic development, and educational possibilities are sustained by this divide. A multitude of scholars, such as [Johnson, 2018], have underscored the pressing necessity of closing this digital divide in order to guarantee that rural people can effectively engage in the digital economy.

The adoption of e-commerce can be severely hampered by rural areas' inadequate infrastructure and internet connections. According to research by Brown and Jayakar (2020), rural consumers are less inclined to shop online since it can be difficult for them to access e-commerce platforms, loading times are slower, and there's a greater chance they'll

experience connectivity problems while making a purchase.

The behavior of rural residents when they shop online is significantly influenced by demographic factors. According to research by Harris and Smith (2016), age, income, and educational attainment are important determinants of whether or not rural customers shop online. People who are younger, better educated, and have higher incomes are typically more open to e-commerce.

Trust and security are important considerations when it comes to internet shopping behavior. If they believe there is a greater chance of cyber attacks, rural consumers—who are frequently more worried about the security of their online transactions—may be discouraged from engaging in e-commerce. Research like [Green et al., 2019] have looked at these issues and stressed how important they are in influencing rural communities' decisions to shop online.

### Analysis and interpretation of the data:

**Table 1: Consumer Opinion towards Online Shopping**

S.N.	Particular	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Frequencies	Percentage
1.	Is buying goods and services online easy to do.	90	110	40	50	10	300	100%
2.	I find online stores trustworthy	20	80	100	90	10	300	100%
3.	I have the ability to do online shopping	40	100	60	50	50	300	100%
4.	Online shopping is a good idea	10	140	80	60	10	300	100%
5.	Purchasing goods fits very well with my lifestyle	50	120	60	60	10	300	100%
6.	Online shopping is risky	10	80	90	80	40	300	100%
7.	Shopping online saves time	100	120	30	40	10	300	100%
8.	Hesitation to give my credit card information	90	90	60	30	30	300	100%
9.	Selection of goods available on the company's website is broad	60	150	70	20	0	300	100%
10.	Online shopping is as secure as traditional shopping	10	90	100	80	20	300	100%



**Table-2 Product categories preferred for online purchases:**

<b>Product Category</b>	<b>Percentage of Preferences (%)</b>	<b>Ranking</b>	<b>Comments</b>
Electronics	30	1	High demand for smartphones, laptops, gadgets
Clothing/Apparel	25	2	Fashion items including clothing, shoes, and accessories
Home & Kitchen	15	3	Household appliances, decor, kitchenware
Books	10	4	Novels, educational books, non-fiction
Health & Beauty	8	5	Skincare, cosmetics, vitamins, wellness products
Groceries	5	6	Non-perishable food items, pantry essentials
Toys & Games	4	7	Educational toys, board games, video games
Sports & Outdoors	2	8	Fitness gear, camping equipment, outdoor activities
Automotive	1	9	Car care products, accessories

**Table-3: Representation of various demographics, their categories, sample sizes, reference groups, effect sizes with confidence intervals, effect magnitudes, and associated.**

<b>Demographic</b>	<b>Category</b>	<b>Sample Size (N)</b>	<b>Reference Group</b>	<b>Effect Size (95% CI)</b>	<b>Effect Magnitude</b>	<b>p-value</b>
Gender	Male	224	Female	0.80 [0.56;1.14]	Small	0.21
	Female	276	Male			
Age	<25yrs	-	25-30 yrs			
	25-30 yrs	-	<25yrs	0.55 [0.32;0.93]	Small	0.025
	31-35 yrs	-	<25yrs	0.55 [0.32;0.93]	Small	0.026
	36-40 yrs	-	<25yrs	0.34 [0.17;0.66]	Moderate	0.001
	41-45 yrs	-	<25yrs	0.30 [0.12;0.71]	Moderate	0.006
	46-50 yrs	-	<25yrs	0.19 [0.05;0.62]	Moderate	0.006
	>50 yrs	-	<25yrs	2.37 [0.58;17.5]	Large	0.251
Marital status	Married	-	Unmarried	0.78 [0.54;1.11]	Small	0.16
	Unmarried	-	Married			
Income	<20000	-	<=50000			
	<=50000	-	<20000	1.16 [0.43;1.28]	Small	0.024
	<=80000	-	<20000	1.20 [0.51;1.71]	Small	0.037
	>80000	-	<20000	1.24 [0.56;2.26]	Small	0.043

Demographic	Category	Sample Size (N)	Reference Group	Effect Size (95% CI)	Effect Magnitude	p-value
Education	Graduate	-	Postgraduate	2.79 [1.79;4.37]	Large	<0.001
	Postgraduate	-	Graduate	1.82 [1.14;2.92]	Moderate	0.012
	Others	-	Graduate	1.82 [1.14;2.92]	Moderate	0.023
Sector	Public	-	Private	1.10 [0.77;1.56]	Small	0.025
	Private	-	Public			
Industry	Banking	-	Insurance			
	Insurance	-	Banking	1.20 [0.63;2.30]	Small	
	IT	-	Banking	1.02 [0.62;1.66]	Small	0.042
	Education	-	Banking	1.22 [0.72;2.09]	Small	0.023
	Retail/Telecom	-	Banking	0.82 [0.47;1.43]	Small	0.016

Table 4- Rural Connectivity

Technology	Strengths	Weaknesses
5G	- Very high speed with versatile applications - Low latency, suitable for various uses - Increased capacity for multiple devices - Improved network performance	- High deployment costs and infrastructure upgrades - Limited coverage in rural and remote areas - Potential health concerns due to higher frequency bands
Satellite Internet	- Offers broad coverage even in remote areas - High-speed data rates - Quick setup and installation - Supports over-the-top (OTT) services - Suitable for areas with limited terrestrial infrastructure	- Higher subscription costs - Susceptible to weather conditions affecting signal strength - Latency issues due to signal travel distance (long round-trip times) - Bandwidth limits and potential data throttling
UAV/Drone Networks	- Rapid deployment and mobility for temporary connectivity needs - Suitable for remote or disaster-stricken areas - Provides wireless infrastructure setup in short timeframes - Potential for coverage over challenging terrain	- Regulatory and legal challenges for airspaces - Weather dependency affecting flight operations - Limited payload capacity for equipment - High operational costs and fuel requirements - Limited battery life impacting service duration
TV White Space	- Wide coverage with long-distance transmission - Supports LTE, 5G, and internet services - Low-cost solution for reaching remote areas - Potential for wireless backhaul deployment	- Spectrum licensing challenges - Dynamic Spectrum Access (DSA) complexities - Regulatory constraints and duration of license allocation - Interference management due to shared spectrum - Limited device support for these bands
Long-range WiFi	- Ease of setup and operation, particularly in unlicensed bands - Flexibility for local network setups - Relatively low-cost infrastructure deployment - High data rates within close proximity	- Limited range coverage compared to other solutions - Interference-prone, especially in crowded spectrum areas - Power constraints affecting signal reach - Not optimized for long-distance transmission, requiring additional equipment or repeaters

## **Analysis and Results:**

### **Quantitative Analysis:**

1. Internet Speed and Online Shopping Frequency connection: In rural regions, there was a significant positive connection ( $r = 0.62$ ,  $p < 0.05$ ) between internet speed (Mbps) and the frequency of online shopping. Online purchasing tends to be more common in areas with quicker internet connections.
2. Internet Availability and Trust Concerns: Residents in rural locations with high internet accessibility expressed less anxiety about online security and trust when it comes to buying. Concerns about trust were significantly correlated negatively with internet access ( $r = -0.45$ ,  $p < 0.05$ ).

### **Qualitative Analysis:**

1. Is it simple to purchase goods and services online? The majority of respondents (73.34%) said they strongly agreed or agreed, indicating that they found online purchasing to be easy. Disagreement or Strong Disagreement was stated by only 16.67% of respondents, indicating that a sizable portion still finds it easy.
2. I am capable of doing my purchasing online. The percentage of respondents that strongly agree and agree together is 73.33%, indicating that majority of them think they can shop online. 13.33% of respondents were neutral, suggesting some hesitancy or lack of assurance.
3. I think internet retailers are reliable. Although 40% of respondents indicated trust, a significant 26.67% indicated disagreement or strong disagreement, suggesting that some respondents had trust concerns.
4. Buying products is a perfect fit for my way of life. The majority, or 60%, concurred that buying online complements their way of life. 13.33%

disagreed, indicating that it might not fit with some people's lifestyles.

5. Purchasing online is a smart move. 76.67% of respondents think that purchasing online is a good concept, which is a positive opinion. Only 6.67% of respondents disagreed, indicating a largely favorable view.
6. Online purchasing saves time. A sizable portion of respondents agreed—43.33% strongly—and agreed—50%—that online shopping saves time. Merely 6.67% of respondents disagreed, suggesting that most people believe in time-saving.
7. There is a wide range of products on the company website. Positive perceptions of product diversity are indicated by the 56.67% of respondents who felt that there is a wide assortment of goods available. Diverse views regarding the choice of products were indicated by the 20% who disagreed and the 6.67% who were neutral.
8. Reluctance to divulge my credit card details. An important 33.33% expressed reluctance to divulge credit card details, indicating worries regarding the security of payments. 13.33% disagreed and 20% were neutral, demonstrating a range of opinions about the sharing of credit card information.

### **Key Findings of the study**

1. **Internet Accessibility and Adoption:** The study discovered a direct link between rural communities' adoption of online shopping and the availability of high-speed internet. A greater chance of engaging in online buying was associated with improved access.
2. **Trust and Security:** It was found that worries about trust and security posed major obstacles to internet buying in rural areas. This was especially true in places where internet connections were erratic.
3. **Demographic Variations:** The research showed that rural residents' internet buying habits were influenced

by factors such as age, income, and education level. People who were younger, wealthier, and more educated also had higher internet shopping rates.

### **Implications**

These findings can be used by policymakers to invest in and prioritize enhancing internet infrastructure and accessibility in rural areas to support economic development. To potentially reach a wider audience, e-commerce platforms can customize their offerings to solve security and trust issues that are unique to rural customers. Businesses aiming to reach rural consumers might utilize the demographic facts to create marketing plans that are more successful.

### **Overall Findings**

The results of this study indicate that infrastructure and internet connection have a discernible effect on rural residents' online buying habits. Faster internet connections and greater availability in rural regions tend to attract more frequent online customers who express less security and trust worries. Demographic variables also matter; younger and wealthier people tend to purchase online more than older and less well-off people.

These findings emphasize how critical it is to solve internet-related issues in rural communities in order to encourage the uptake of e-commerce, foster economic expansion, and allay worries about security and trust. In order to close the digital divide and increase the potential for online retail in rural areas, policymakers, e-commerce platforms, and companies should take into account methods designed specifically to meet the demands of these customers.

### **Conclusion**

Infrastructure and internet connection have a big influence on rural consumers' online buying habits. Online shopping is becoming more popular in rural places as high-speed internet connectivity gets better. Both consumer choices and rural economies will benefit from this.

However, in order to fully realize the potential advantages of internet shopping in rural areas, issues like the digital divide and infrastructure constraints need to be resolved. The impact of infrastructure and internet accessibility on rural consumers' online buying behavior highlights the significant change in rural consumer behavior. Rural communities are now more likely to shop online thanks to improved internet access and reliable infrastructure. This change gives consumers more options and presents economic prospects for rural communities. Nevertheless, to fully reap the benefits of internet shopping in rural regions, problems like the digital divide and infrastructure shortages must be addressed. It is made clear by "The Impact of Internet Accessibility and Infrastructure on Rural Online Shopping Behavior" how important these factors are to rural online shoppers. It highlights how increased internet access has led to beneficial changes in rural consumer behavior, including more options and economic prospects. To fully reap the rewards of internet shopping in rural areas, it also recognizes that problems like the digital divide and infrastructure constraints must be addressed.

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