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GOVERNANCE REFORMS AND DEVELOPMENT IN INDIA

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Prof. (Dr.) S.S. Modi

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Edited by:

Professor (Dr.) S.S. Modi

Former Head

Department of Accountancy and Business Statistics

Faculty of Commerce,

PG School of Commerce

University of Rajasthan, Jaipur-302004 Rajasthan (India)

25, Modi Sadan, Sudama Nagar, Opp. Glass Factory,

Tonk Road, Jaipur-302018 Rajasthan

Email ID: chiefeditorija@gmail.com, profdrssmodi@gmail.com

Mobile No. +91-98293 21067

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The Study of Micro Finance Related to Government Initiative Mission Mangalam

Pratik Paun*
Prof. (Dr.) Pratapsinh Chauhan**

Introduction

According to the NSSO survey of 2013, 5.77 crore small business units run small manufacturing, trading or services activities mostly in the form of individual proprietorship. Majority of the own account enterprises are belonging to SC, ST or other backward classes. Institutional finance facility provided to only 4% people. It is one of the strong instruments for GDP growth and also for employment. The main objective of Micro finance is to work for poverty. And it is one of the main tools for economic development. Its services range to provision of credit, many other services such as savings, insurance, money transfers, counseling etc. Micro finance sector is classified into 3 main groups: (i) the SHG Bank linkage model started by NABARD, (ii) The Non Banking Finance companies and (iii) The others include Trusts, Societies etc. According to the records of World Bank, India falls under low income class. It is second populated country in the world. 70 percent of its population lives in rural area. 60% of people depends on agriculture, as a result rate of unemployment is high.

Micro Finance is defined as, financial services such as Saving A/c, Insurance Fund & credit provided to poor & low income clients so as to help them to raise their

* Assistant Professor, Shree Sunshine Group of Institutions, Rajkot, Gujarat, India.

** Research Guide and Vice Chancellor, Saurashtra University, Rajkot, Gujarat, India.

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income & there by improve their standard of living. From this definition it is clear that main features of Micro Financing:

- Loans are given without security
- Loans are given to people below poverty line.
- Even members of SHG enjoy Micro Finance
- Maximum limit of loan under micro finance 25,000/-
- The terms and conditions given to poor people are decided by NGOs
- Micro Finance is different from Micro Credit- under Micro Credit, small amount of loans given to the borrower but under Micro Finance besides loans many other financial services are provided such as Savings A/c, Insurance etc.

Concept of Micro-Finance

It is truly pointed out by Khawari A. (2004), there is a lot of literature on micro-finance; there is no clear definition of micro finance. Every researcher found differences in terms of the scope, target audience and objective of micro-finance. It also varies from country to country. Conceptualizing micro-finance in Indian context again is a difficult task. However, the reason for the above mentioned attribute of micro-finance is explained by Thorat Y. S. P. (2005), Managing Director, NABARD that it is due to our banking system which has failed to internalize lending to the poor as a viable activity but only as a social obligation – something that had to be done because authorities wanted it so. Further it was translated into banking language of the day: Loans to the poor were part of social sector lending and not commercial lending; the poor were not borrowers, they were beneficiaries; poor beneficiaries did not avail of loans they availed of assistance.

Need For Micro Finance

- Sustainable access to microfinance services helps poor households meet basic needs such as adequate housing, healthcare, and education for their children.
- Even very small loans can be used to create new businesses, jobs and livelihoods.
- Poor people have proven that they not only repay their loans on time, they can provide profitable business for the loan provider that gives them the chance.
- Poor people use other financial services such as insurance and savings accounts to invest in their families and further secure the future of their households.
- Poor people do not want charity; they want access, and opportunity. Microfinance empowers the poor to participate in decision-making and control their lives.
- Providing services that tap the entrepreneurial spirit of poor people is vital to eradicating poverty.

The Pradhan Mantri Mudra Yojana (PMMY)

MUDRA stands for Micro Units Development and Refinance Agency, initiating this -scheme was announced in the Union Budget of the financial year 2015-16. It was actually sketched and outlined by Hon'ble prime Minister of India under the ambitious PMMY stands for Pradhan Mantri Mudra Yojana, a scheme funding the unfunded.

This scheme was actually come in force from 8th April, 2015. It is being set up through a statutory enactment. But the enactment is likely to take some time, temporarily; MUDRA will start its functioning under SIDBI as a subsidiary and registered as a NBFC stands for Non Banking Financial Corporation. MUDRA's main aim is to finance the "Last Mile Financiers" of micro and small entrepreneurs by working with partner local coordinators. The main aim behind launching this scheme is to provide finance to Non- Corporate Small Business Sector (NCSBS). It is expected that the MUDRA scheme will fulfill the financial needs of 5.77 crore small businesses who are spread throughout the boundaries of the country. These entrepreneurs are currently facing many difficulties in getting the credit from the formal banking system. The MUDRA scheme is aimed at "funding the unfunded".

Today small entrepreneurs are exploited by moneylenders. So far, but MUDRA will instill a new confidence in them that the country is ready to support them in their efforts that are contributing so heavily to the task of nation building. The main drawback for the growth of non corporate small business sector is they do not have any financial support. Majority of this sector do not have contact to formal source of finance. Government of India has set up the MUDRA Bank for catering to the needs of the NCSBS segment (or the informal sector) for bringing them in the financial mainstream. It is being set up as a subsidiary of SIDBI, which has been supporting India's small scale industry since last 25 years. Another Rs 3,000 crore would be provided to the MUDRA Bank from the budget to create a Credit Guarantee corpus for guaranteeing loans being provided to the micro enterprises. The above measures would not only help in increasing access of finance to the unbanked but also bring down the cost of finance from the last Mile Financiers to the micro/small enterprises, most of which are in the informal sector.

Mission Mangalam: A Revised Initiative of Sakhi Mandal

Mission Mangalam scheme has been introduced by Government of Gujarat in May 2010 on the occasion of the Golden Jubilee Year of Gujarat State. It is an integrated poverty alleviation approach to organize poor into Self Help Groups for sustainable development of their life. For the implementation of Mission Mangalam, a company was formed in April 2010 namely Gujarat Livelihood Promotion Company Limited. It is implemented by adopting innovative initiatives under the framework of NRLM. It will carry with two-tier structure of Mission Mangalam Advisory Council and Gujarat Livelihood Promotion Company. Mission Mangalam aims to create a single platform for micro finance institutions, banks, skill imparting institutions, industry

partners to deliver desired services to social groups. Around 2 lakhs Sakhi Mandals / Self Help Groups are active to manage crores of funds through bank linkage. Government has made a considerable achievement by reaching poor through Mission Mangalam in urban as well as rural areas.

There is a central coordination of all Self Help Groups through online database with unique ID code and real time MIS which will connect all stakeholders viz; banks, departments of government, Micro finance institutions, NGOs, Insurance companies etc. NABARD create their own SHGs through NGOs and banks. Other agencies are also there which are creating their own SHGs. So single platform is required to bring all SHGs under one roof. Mission Mangalam is platform to coordinate every SHGs under one roof. On the occasion of the Golden Jubilee Year celebration of Gujarat State, Shri. Narendra Modi launched an ambitious campaign by the name MISSION MANGALAM. The objective was to organize the poor into Self Help Groups/ other organizations of the poor, link them with banks, build capacities in them and lead them towards sustainable livelihoods.

To implement this Mission a company was formed in April 2010 by the name Gujarat Livelihood Promotion Company Limited (GLPC) and a budgetary provision of Rs. 95 Crores was made for 2010-11 for Mission Mangalam. The manpower for the GLPC was approved on 4th September, 2010. Simultaneously, in 2010 the Ministry of Rural Development, Govt. of India launched the National Rural Livelihoods Mission (NRLM) replacing the existing Swarnajayanti Gram Swarozgar Yojana (SGSY) implemented since 1998. NRLM would be working on a mission mode to organize the poor into Self Help Groups, build capacity in them, nurture them, link them with microfinance and eventually link them with sustainable livelihoods. The Ministry of Rural Development, Government of India has provided a budgetary outlay of Rs. 10,000 Crores for the remaining two years of this Plan period. Additionally, the World Bank would be supporting NRLM with an assistance of Rs. 5,000 Crores. Under NRLM, every State is required to form its own State Livelihood Mission and a dedicated structure to implement the mission at the state level.

Guiding Principles

The five basic guiding principles of Mission Mangalam are:

- Leveraging upon Industry partnerships and corporate MoUs, 'the firm' goes to the community rather than people migrating to the firm.
- Improving demand and quality of rural products, thereby creating a market for these in urban segments.
- Inclusion of modern technology and processes which result in inverting the economies of scale.
- Linking local initiatives to international markets.

- Mass empowerment through ownership of assets (means of production) with producers / producer groups.

Structure: Mission Mangalam

Mission Mangalam would follow a two-tier structure:

Mission Mangalam Advisory Council: Chaired by the Hon. Chief Minister. This would have Hon. Ministers of concerned departments, senior bankers, experts in this sector and leaders from corporate and business houses on its panel. It would be giving the broader policy direction and guidance to the Mission and would be meeting at least once in 6 months.

Gujarat Livelihood Promotion Company: The executive arm of the Mission Mangalam. GLPC would have a Chairman and a total of 12 directors on its Board of Directors. This would include the senior Secretaries of concerned departments, senior bankers and representative of industries and business houses apart from community organizations.

What is the Mission Mangalam for Women Empowerment?

Gujarat's growth is covered by almost all sectors like agriculture, education, transportation, tourism etc. Out of all developmental plans Mission Mangalam is the impressive to help and empower poor rural women. For the success, rural poor are organized into Self Help Groups/Sakhi Mandals. These Sakhi Mandals are then linked to the banks to fulfill the requirement of fund. Self Help Groups or Sakhi Mandals get financial assistance from banks and financial institutions, skill enhancement from skill-development agencies and market information from industry associations. For help and guidance these Sakhi Mandals contact the Mission Mangalam officials. Poor rural people especially women are made self sustainable through this mission.

For the implementation of the mission, a company named Gujarat Livelihood Promotion Company Limited (GLPC) has been created. This company is a PPP (Public-Private-Partnership) company registered under the Companies Act 1956. Near about 150 professionals at state and district level are working for GLPC. To assist these professionals there are 1800 field functionaries. Then there are schemes, training and development facilities and association with the capital and interest subsidies. For the successful implementation of the project and to conceptualize mission at rural level, GLPC started Corporate-Business Partnerships. The aim was to generate more than a million livelihoods. With time many big industries and business houses became part of the mission.

There are many success stories of Mission Mangalam. One such example is of Shradha Sakhi Mandal. 12-15 women in Paardi village located in the Lodhika taluk of Rajkot district are part of Shradha Sakhi Mandal. They make Khakras (tea time snack) and sell these to a local industrialist in Rajkot. These women work from 8.00

am till 5.30 pm with an hour's lunch break to earn about Rs 3000 month. Almost all these women used to work in a Khakras making factory. Their earning at that time was very less as compared to the efforts. Maya Ben the head of the Sakhi Mandal and the manager of the whole unit thought of starting out her own business with the help of these women. Maya Ben along with her close friend Damayanti Ben initiated this enterprise with the help of Sakhi Mandal. The revolving fund of Rs 5,000 crore of the Mission Mangalam helped them to start the enterprise. Such models for elevating and empowering women are the need of the day.

Conclusion

Financial inclusion is very important for Rural India. It is need of the hour to connect rural people with inclusive financial system and for the same Micro finance is one of the important aspects. Schemes like Pradhan Mantri Mudra Yojna, Mission Mangalam helps in removing poverty and can prove blessings in disguised for women. Mission Mangalam had near about 2, 38,937 functional Sakhi Mandals. It covered 29 lakh rural households. There is Rs 400 crores in bank savings of these Sakhi Mandals. By seeing such a proactive approach, banks have also extended their credit support to Rs 1,100 crore. Mission Mangalam has given birth to many micro-enterprises. With such a great financial help, near about 58,000 Sakhi Mandals have been upgraded to micro-enterprise activities. Rest of the Sakhi Mandals are at different levels of growth and development.

Mudra, on the other hand, during 2015–16, made a significant contribution by extending credit of Rs.1.33 lakh crore to nearly 3.48 crore borrowers. The programme also helped in extending financial support to the weaker sections of the society, viz., SC/ST/OBC/women entrepreneurs, in large numbers. The programme has also facilitated the inclusion of nearly 1.25 crore new entrepreneurs in the formal credit system.

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Factors Affecting the Quality of Work Life of Women Employees: A Study of Small and Medium Enterprises (SMEs) in IT Sector in Rajasthan

Aparna Soni*
Dr. Meera Mathur**

Introduction

Quality of Work Life is relatively an emerging concept these days. In recent years, Quality of Work Life is becoming more important as a medium to protect the human and environmental values which have been ignored for the technological advancement of productivity and economic growth (Walton, 1975). Quality of Work Life is a combined responsibility of the managers, employees, union leaders, government and the behavioral scientists etc.

The term 'Quality of Work Life' proposes different meanings to different people. Managers and administrators view it as up gradation in the psychological aspects of work for enhancing the productivity. Unions and workers/employees consider it as more equitable sharing of profits, job security, healthy and congenial working conditions etc. Still others view it- as improving social relationship at the workplace through autonomous work groups. At last, management considers it as a broader view of changing the entire organizational climate by humanizing work, individualizing organizations, and developing the structural and managerial systems.

* Research Scholar, Faculty of Management Studies, Mohan Lal Sukhadia University, Udaipur, Rajasthan, India.

** Professor, Faculty of Management Studies, Mohan Lal Sukhadia University, Udaipur, Rajasthan, India.

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Quality of Work Life is an 'individual' centric approach and its main aim is to provide good working conditions to employees for improving their satisfaction and well being.

Quality of Work Life offers variety of programs, techniques, theories and management styles through which organizations and jobs are designed to provide employees more autonomy, authority and responsibility. If the organizations want to develop their human resources and gain competitive advantage at the marketplace, they should employ high quality of work life experiences for their employees. The employees, who enjoy high quality of work life experiences at the workplace, give their hundred percent to the company.

According to Reddy & Reddy (2010), the concept of Quality of Work Life is based on the assumption that a job is more than just a job; it is the center of a person's life. In recent years there has been an increasing concern for Quality of Work Life due to the following factors:

- Increase in the education level and consequently job aspirations of the employees.
- Association of workers.
- Significance of Human Resource Management.
- Widespread industrial unrest.
- Enhanced knowledge about the human behavior.

Small and Medium Enterprises in IT sector in Rajasthan

IT industry is emerging as an important driver of economic change in India. IT industry in India has assumed a key role in placing India on the worldwide atlas. IT industry has assisted India to change its image from agribusiness-based economy to knowledge and skill based economy. The phenomenal success of IT industry in India is attributable to favorable government policies, rich and burgeoning demand conditions, heavy growth of the related industries, and competitive environment prevalent in the industry. According to the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, in IT industry, small enterprises are those where the total investment in equipment is more than 10 lakh rupees but does not exceed 2 crore rupees, whereas the medium sized enterprises are those where the total investment in equipment is more than 2 crore rupees but does not exceed 5 crore rupees.

SME sector in India is making remarkable progress in the field of IT sector. The Indian IT sector is dominated by large players; however the Small and Medium Enterprises also form a significant portion of the industry, contributing over 30% of exports. There is a huge opportunity for IT SMEs in the form of domestic customers and SMEs from other industries. IT SMEs are providing services to other companies as these companies are increasingly adopting IT to gain efficiencies in the view of globalization. Indian IT SMEs have established their superiority in terms of cost advantage, availability of skilled manpower and quality of services.

Rajasthan is a developing state in the field of IT sector. Rajasthan is aggressively moving on the path of being the IT hub of India by ensuring an environment which is dynamic, supportive and reliable for the development of IT sector. The State Government and RIICO have taken all the required initiative to promote and develop this sector in Rajasthan. They have created IT standards and benchmarks for the IT companies, on the basis of three important pillars: Confidentiality, Integrity and Availability, in order to enhance the service delivery and overall performance of the IT companies. The main business cities for the IT sector in Rajasthan are Jaipur, Jodhpur, Udaipur, Kota and Alwar. Jaipur is the leading IT destination in Rajasthan. It is a major hub of large and Small and Medium Enterprises (SMEs) in IT sector.

Review of Literature

Davis (1972) stated that Quality of Work Life is an attempt which links the performance to the involvement and satisfaction of employees at work place. Quality of Work Life is the overall quality of human experience at the work place. It measures the way participants in a system respond to the socio-technical aspect of that system. **(Initial definition)**

Walton (1975) had proposed eight most important criteria for measuring the Quality of Work Life in an organization. These are- Adequate and fair compensation, Safe and healthy working conditions, Immediate opportunity to use and develop human capacities, Future opportunity for continued growth and security, Social integration in the work organization, Constitutionalism in the work organization, Work and total life space, and Social relevance of work life.

Kotze (2005) pointed out that Quality of Work Life has two objectives- first is to humanize the workplace & to improve the quality of job experience of employees and second is to improve the productiveness & efficiency of the organization. According to him employees with low Quality of Work Life have following characteristics- low motivation for work, poor performance at workplace, low commitment towards employers and organization and high frequency of job switching.

Kavitha et. al (2012) studied the Quality of Work Life among employees in IT sector. It was revealed from the study that work environment, job analysis, satisfaction and motivation are the four major determinants of Quality of Work Life which play a vital role in improving the performance of employees in the organizations.

Indumathi and Selvan (2013) determined the factors that affect the Quality of Work Life of the employees working in the IT companies and also studied the relationship between the satisfaction level of the employees and the Quality of Work Life. The study revealed that the factors that contribute towards the Quality of Work Life are- Work- life balance, Social Integration, Job security, Management Policies, Opportunity to develop and growth and Communication at the work place. The result

of the study showed that the employees in the IT companies are highly dissatisfied with the transportation facilities.

Shankar (2014) examined the Quality of Work Life and motivation of employees and their effects on organizational operations in IT companies. According to the author, good Quality of Work Life is necessary for an organization to attract and to retain skilled, talented and motivated employees. The study revealed that motivation of IT employees was low due to the work culture of IT organizations. It was suggested that IT organizations should take initiatives for improving and enhancing the emotional intelligence of their employees. This can be done by designing and providing effective training to their employees.

Nigade and Bhola (2014) in their study made an attempt to find out the impact of Quality of Work Life (QWL) on Quality of Life (QOL) of working women. The study revealed that physical environment and psychological conditions of employment play an important role in predicting the Quality of Life of working women. Low supervisor and co-workers support, inadequate advancement opportunities, incompatible work schedule and poor work culture etc. lowers the degree of QWL which causes stress and affects the health of working women which significantly lowers their Quality of Life.

Krishnamoorthy and Vaanmalar (2016) studied the QWL among women employees. The study concluded that women are gifted with multi-tasking abilities and this has become a burden to them due to lean availability work and life space. The authors recommended that adequate wages, health benefits, leave scheme benefits, proper resting and assistance etc. are needed to enhance the work ability and to achieve the life satisfaction among the women employees.

Need of the Study

Nowadays, more and more women are becoming the part of the organization's workforce. They have entered in both the sectors of the Indian economy- whether it is manufacturing sector or service sector. They have not only confined themselves to the household activities, but they are actively participating in the business organization's activities also. These dual responsibilities of women exert enormous mental and physical pressure on them.

As per a recent study done by NASSCOM, the proportion of the women employees is continuously increasing in the IT organizations' workforce. But we all know that the work culture of IT sector is not as good as the culture prevailing in the other sectors. IT sector is characterized by long and odd hours of work, heavy work pressure, deadline for work accomplishment, inadequate salary, and non supportive work culture at the work place. In addition to this, jobs in IT sector require profound contribution at the job environment, psychological attachment of mind and good physical fitness. These all are the indicators of poor Quality of Work Life of women

employees. Due to the above mentioned reasons, women employees are unable to balance their personal as well as professional life. Hence, understanding the factors that affect the Quality of Work Life of women employees working in IT companies is essential to provide substantial strategies to improve their life at the workplace and outside the workplace.

Objectives of the Research

- To study the demographic profile of the women employees working in IT SMEs.
- To identify the causative factors which affect the Quality of Work Life of women employees working in IT SMEs.
- To suggest the suitable measures for improving the Quality of Work Life of women employees.

Research Methodology

Research Design

The research design chosen for the study is exploratory in nature. Exploratory research design helps the researcher to develop a better understanding of the problem.

Sample Size and Sampling Technique

The universe of the present study is IT SMEs located in the Major cities of Rajasthan. The major cities selected for this study are- Jaipur, Jodhpur, Udaipur, Kota and Alwar. Sample size for the study is 250 women employees working in IT SMEs. Convenience sampling technique has been adopted for drawing the sample.

Data Collection

The primary data for the study was collected directly from the target respondents through structured questionnaire which consisted of "close ended questions". Secondary data for the study was taken from various journals, articles, magazines and websites.

Statistical Tools used in the Study

Percentage analysis and Factor analysis using Principal Component Analysis with Varimax Rotation are performed with the help of Statistical Package for Social Sciences (SPSS 16.0).

Data Analysis and Interpretation

Test of Reliability

The responses were collected from a well structured questionnaire designed to identify the factors that affect the Quality of Work Life of women employees working in Small and Medium Enterprises of IT sector in the five major cities of Rajasthan, namely- Jaipur, Jodhpur, Udaipur, Kota and Alwar. The reliability of the instrument

was estimated by calculating Cronbach's alpha. Overall reliability for the instrument was .821 which is above the threshold limit of Cronbach's alpha value. So it is considered as reliable as well as acceptable.

Cronbach's Alpha Value	.821
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- **Data Classification based on Demographic Characteristics**

The table below shows the findings related to classification of women respondents on the basis of their age, marital status, educational qualification, work experience and monthly income.

S. No.	Demographic Characteristics	No. of Respondents	Percentage (%)
1.	Age		
	Below 25	68	34.0
	25-30	92	46.0
	Above 30	40	20.0
	Total	200	100.0
2.	Marital Status		
	Single	112	56.0
	Married	88	44.0
	Total	200	100.0
3.	Education Level		
	Graduate	90	45.0
	Post-Graduate	66	33.0
	Diploma	28	14.0
	Others	16	8.0
	Total	200	100.0
4.	Work Experience		
	Below 1 year	60	30.0
	1-3 years	74	37.0
	3-5 years	40	20.0
	More than 5 years	26	13.0
	Total	200	100.0
5.	Income		
	Less than 10000 Rs.	56	28.0
	10000- 15000 Rs.	80	40.0
	15001-20000 Rs.	42	21.0
	More than 20000 Rs.	22	11.0
	Total	200	100.0

Interpretation

- 34% of the women respondents are below the age of 25 years. Only 20% of the women respondents are above the age of 30 years.
- 56% of the women respondents are single and 44% of the women respondents are married.

- 14% of the women respondents are diploma holders. 45% of the women respondents have graduation degree and 33% of the women respondents have post graduation degree.
- 30% of the women respondents have work experience of below 1 year. 37% of the women respondents have work experience between 1-3 years. Only 13% of the women employees have work experience of more than 5 years.
- 28% of the women respondents have income level of less than 10000 Rs. 40% of the women respondents are getting salary between 10000-15000 Rs. Only 11% of the women respondents have income level of more than 20000 Rs.

Extraction of Quality of Work Life Factors using Factor Analysis

Here, an attempt has been made to identify the causative factors which affect the Quality of Work Life of women employees working in IT SMEs in Rajasthan. For this purpose, 43 statements pertaining to Quality of Work Life have been selected so as to identify the significant and most important factors of Quality of Work Life. In order to reduce these 43 statements into major factors, Factor analysis using Principal Component Analysis with Varimax Rotation is performed.

Test of KMO and Bartlett's Test of Sphericity

The application of KMO and Bartlett's Test of Sphericity is primarily essential to determine the appropriateness of data set in order to perform the Factor Analysis. The KMO statistic varies between 0 and 1. If the KMO measure is closer to 1, then it is good to perform Factor analysis and if the KMO measure is closer to 0, then one should drop the idea of performing Factor analysis. In this study, the result of Bartlett's Test of Sphericity (.000) and KMO (.701) indicates that the data set is appropriate for performing the factor analysis.

Table: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.687
Bartlett's Test of Sphericity	Approx. Chi-Square
	df
	Sig.
	1.580E4
	903
	.000

Table: Total Variance Explained

Component	Initial Eigen Values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Factor 1	14.006	32.571	32.751	14.006	32.571	32.751	6.663	15.496	15.496
Factor 2	7.401	17.212	49.783	7.401	17.212	49.783	6.557	15.250	30.746
Factor 3	4.278	9.948	59.730	4.278	9.948	59.730	5.635	13.104	43.850
Factor 4	3.087	7.178	66.909	3.087	7.178	66.909	4.818	11.204	55.054
Factor 5	2.502	5.819	72.728	2.502	5.819	72.728	4.616	10.734	65.788

Factor 6	2.180	5.070	77.798	2.180	5.070	77.798	3.140	7.302	73.091
Factor 7	1.773	4.123	81.921	1.773	4.123	81.921	2.276	5.294	78.385
Factor 8	1.386	3.223	85.144	1.386	3.223	85.144	2.182	5.074	83.459
Factor 9	1.097	2.550	87.695	1.097	2.550	87.695	1.821	4.236	87.695

Extraction method: Principal Component Analysis

Interpretation: This table is the 'Initial Solution'. This table has been divided into three sub-sections namely- Initial Eigen Values, Extraction Sums of Squared Loadings, and Rotation Sums of Squared Loadings. For analysis and interpretation purpose we are only concerned with Extraction Sums of Squared Loadings.

Before extraction, we have 43 linear components/factors within the data set. The number of factors to be extracted was finalized on the basis of 'Latent Root Criterion' i.e. factors with Eigen values greater than 1 have been selected. After extraction, we got only 9 factors which have Eigen values more than one. These 9 factors all together (cumulatively) explain 87.695% of the variability of the data.

Table: Rotated Component Matrix

	Component								
	1	2	3	4	5	6	7	8	9
QWL2	.871								
QWL3	.870								
QWL5	.853								
QWL9	.860								
QWL13	.828								
QWL16	.868								
QWL20	.852								
QWL6		.879							
QWL7		.910							
QWL14		.908							
QWL21		.920							
QWL22		.890							
QWL23		.851							
QWL12			.875						
QWL17			.771						
QWL24			.848						
QWL27			.734						
QWL28			.904						
QWL29			.908						
QWL18				.601					
QWL19				.779					
QWL25				.864					
QWL26				.766					
QWL35				.582					
QWL36				.566					
QWL10					.926				
QWL11					.782				

QWL15					.927				
QWL31					.936				
QWL32					.913				
QWL30						.803			
QWL33						.797			
QWL34						.844			
QWL38						.691			
QWL39						.836			
QWL40						.754			
QWL1							.912		
QWL4							.904		
QWL8							.543		
QWL37								.870	
QWL41								.855	
QWL42									.960
QWL43									.951

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization

Rotation converged in 8 iterations

Interpretation: The Rotated Component Matrix reports the factor loadings for each variable on the components or factors after rotation. The rotated solution gives us a clear indication how each item correlates with each factor.

Naming of all the Factors

All the nine factors, which were extracted during the extraction process, have been given the names on the basis of the variables included in each factor.

- **Factor 1: Working Conditions**

The first factor has been named as 'Working Conditions' with 15.496 percentage of variance. This factor has been defined by the statements QWL2, QWL3, QWL5, QWL9, QWL13, QWL16, and QWL20. These statements are: safe working environment, provision of basic amenities, Productive working conditions, liberty in choosing work and assignments, freedom in deciding work methods, participation in decision making, and respect at work place. Working condition is an important aspect in measuring Quality of Work Life. Working conditions refer to the working environment and all the existing circumstances that affect the employees at the work place.

- **Factor 2: Pay and Benefits**

The second factor has been named as 'Pay and Benefits' with 15.250 percentage of variance. This factor has been defined by the statements QWL6, QWL7, QWL14, QWL21, QWL22, and QWL23. These statements are: satisfaction with salary, satisfaction with fringe benefits, provision of fair incentives, income sufficiency to fulfill personal needs, adequate overtime, and adequate salary in

comparison to other organizations. Pay & Benefits also play an important role in measuring Quality of Work Life. Pay & Benefits refer to the salary and other monetary and non-monetary benefits provided to employees by their respective companies/organizations.

- **Factor 3: Career Growth and Development**

The third factor has been named as 'Career Growth and Development' with 13.104 percentage of variance. This factor has been defined by the statements QWL12, QWL17, QWL24, QWL27, QWL28, and QWL 29. These statements are: opportunity to develop skills, abilities, and ideas; reward for creativity, innovation, and suggestions; satisfaction with training programs; satisfaction with promotion opportunities; support in career planning and growth; and motivation to attend seminars, workshops etc. Career Growth & Development is an important aspect in measuring Quality of Work Life. Women employees want to be associated with those organizations which support them in career planning and growth. Career growth and development refers to the series of activities of developing one's career.

- **Factor 4: Interpersonal Relationship**

The fourth factor has been named as 'Interpersonal Relationship' with 11.204 percentage of variance. This factor has been defined by the statements QWL18, QWL19, QWL25, QWL26, QWL35, and QWL36. These statements are: good relation with supervisor, good relations with colleagues, healthy interaction among employees, easy accessibility of superior, resolution of subordinates' problems, and equal treatment to employees. Interpersonal Relationship is also an important factor which affects the Quality of Work Life of women employees. Interpersonal Relationship refers to a strong association among individuals working together in the same organization. Relationships between and among the employees is an indicator of healthy work organization. Hence, opportunities must be provided for formal and informal interactions among employees and managers.

- **Factor 5: Work Schedule**

The fifth factor has been named as 'Work Schedule' with 10.734 percentage of variance. This factor has been defined by the statements QWL10, QWL11, QWL15, QWL31, and QWL32. These statements are: adequate rest period, no overload of work, no pressure to meet deadlines, flexibility in arranging work schedule, and convenient working hours. Work Schedule is an important factor in determining the Quality of Work Life of women employees. Work Schedule is all about the days of the week and hours of the day a particular employee is scheduled to perform his/her job.

- **Factor 6: Work-Life Interface**

The sixth factor has been named as 'Work-Life Interface' with 7.302 percentage of variance. This factor has been defined by the statements QWL30,

QWL33, QWL34, QWL38, QWL39, and QWL40. These statements are: balanced personal and professional life, non difficulty in concentrating on job, no adverse effects of job on personal life, sufficient time to spend with family and friends, no personal sacrifices due to job, and no office work at home. Work-Life Interface is a major component of Quality of Work Life. Work-Life Interface refers to the relationship between work/professional and family/personal life. There should be proper balance between professional and personal life of the women employees.

- **Factor 7: Nature of Job**

The seventh factor has been named as 'Nature of Job' with 5.294 percentage of variance. This factor has been defined by the statements QWL1, QWL4, and QWL8. These statements are: interesting and challenging job, job is matched with skills, and great amount of role clarity in job. Nature of Job is an important factor which determines the Quality of Work Life of the individuals. Nature of Job is best defined as the type of work an employee does.

- **Factor 8: Job Stress**

The eighth factor has been named as 'Job Stress' with 5.074 percentage of variance. This factor has been defined by the statements QWL37, and QWL41. These statements are: low level of job stress, and satisfaction with the initiatives taken by the organizations to reduce stress. Job Stress is also an important factor which affects the Quality of Work Life of women employees working in IT SMEs. Job stress weakens their Quality of Work Life. Therefore, in order to improve their Quality of Work Life, managers should focus their attention towards reducing the stress of the women employees.

- **Factor 9: Job Satisfaction and Job Security**

The ninth factor has been named as 'Job Satisfaction and Job Security' with 4.236 percentage of variance. This factor has been defined by the statements QWL42, and QWL43. These statements are: satisfaction with the job, and job security in the present organization. Both Job Satisfaction and Job Security are essential for the good Quality of Work Life of women employees.

Suggestions

Suggested measures for the improvement of Quality of Work Life of the women employees working in IT SMEs:

- Managers of the IT SMEs should make proper arrangements for the health and safety of their women employees.
- Equal treatment and respect should be given to the women employees at the work place.

- Women employees in the IT SMEs are not satisfied with their salaries. So appropriate pay strategies should be adopted by the organizations to provide adequate and fair compensation to them.
- IT SMEs should allow women employees the freedom to re-arrange their work schedule as per their personal needs/requirements.
- For the convenience of the women employees, Managers should provide them an opportunity to select their own location of work.
- In order to enhance the Quality of Work Life of women employees, job security is to be provided to them because they feel fear that they can be terminated at any time if they will not meet the performance standards.
- IT SMEs should provide career advancement and growth opportunities to women employees in order to improve their Quality of Work Life.
- IT SMEs should implement Work-life balance programmes for its women employees, such as- periodical employee development programmes, provision of fitness programmes, and provision of perspectives of job sharing etc.
- Managers should take adequate initiatives in order to reduce the job stress of the women employees. They should organize leisure activities like cultural activities, weekend trips, picnics, sports and games, competitions etc. in order to reduce the job stress.
- IT SMEs should organize Health and Yoga camps on regular basis in order to reduce the stress of the women employees. Free memberships in the clubs should be given to them so that they can refresh themselves.

Conclusion

This study helps to identify the causative factors which affect the Quality of Work Life of women employees working in IT SMEs. These factors are: Working Conditions, Pay and Benefits, Career Growth and Development, Interpersonal Relationship, Work Schedule, Work-Life Interface, Nature of Job, Job Stress, and Job Satisfaction and Job Security. In order to improve the Quality of Work Life of women employees, these factors should be taken into consideration. Quality of Work Life is a responsible element for the success of any organization, because if managers will not pay the required attention towards the Quality of Work Life, then the organizations will never lead towards the desired way. Quality of Work Life is an essential tool for the smooth functioning of an organization and for attracting and retaining the top talent in the organization. QWL ensures greater participation and involvement of workers, makes work easier and improves quality and efficiency.

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Business Value Development: A Strategic Approach for Business Management

Rajendra Deshpande*

Introduction

Over the past decade, businesses across the globe have seen drastic changes in operations and over-all performance. These changes have taken place in all aspects of business: technology, manufacturing, sales, marketing, financing, etc. resulting in many innovative products. Developments in the Internet, along with the advancement of social media marketing and its usage, have thrown open the competition, eased the Customer access and changed market penetration. In fact, all these factors are affecting business value.

Despite these dramatic changes, business management strategies have seen very little change. Our global team has found that, in most countries, the shop floor and markets operations have not seen any or little changes in day-to-day management practices. Moreover, MBA curricula have largely remained unchanged and are biased towards bigger units. For example; in a country like India which is one of the fastest growing economies, more than 60% of the industries are SME's. The definition of an SME: A small or medium-sized enterprise, or SME, as defined by the European Commission is a business or company: that has fewer than 250 employees (In India it averages less than 50). An SME requires very different type of

* B. Pharma. M.M.M. (Jamnalal Bajaj Institute of Management, Mumbai,) P.G.D.I.T. (Dept. of International Business , Punjab University, Chandigarh),PhD (In Process).

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management practices than BIG Multi-National Corporations (MNC's). As a result billions of dollars are lost in Costs and revenues and SME's are almost getting Crushed and closed World over. With fast changing environments and circumstances and little University level education of the SME's, this requires tailoring education to small- and mid-size business practices. At the Institute we use innovative 360 degree teaching methods and curricula that enhances small- and mid-size business practices for better preparation for real world challenges than what is offered today in research labs, online classes, and higher education. So, innovation is rippled in thinking and in management of small- and mid-size businesses to shop floors, or even looking at different product lines and business value.

What is the Vision and Mission for Business Value (Organization?)

In the article that is cited below: We all know the saying that it's better to be lucky than smart. I needed a lot more than luck to build the records-storage business that I sold in 2007 for \$110 million, but I've recently realized I was luckier than I knew in deciding to sell when I did. Therein lies a lesson in the importance of building a business so that it can be sold whenever the timing seems right. Understand, I built City Storage with an eye toward eventually selling it. I think all entrepreneurs should do that, regardless of their exit strategies. When you build to sell, you learn to look at your business the way a potential buyer would. You become more aware of the company's weaknesses, and you have an opportunity to eliminate them and strengthen the business, thereby creating additional value. Building to sell also leads you to adopt best practices. You'll have a better business as a result--even if your intention is to hold on to it indefinitely, rather than sell it. My assumption was that I'd someday sell to another company or a private equity group. Because I'd made sure that City Storage would be sellable at any given moment, I had a lot of control over the timing of a deal.

The question was, when should I pull the trigger?

I traveled a convoluted route to answer that question. Suffice it to say that I ultimately based my decision on the belief that the market for selling businesses--and especially companies like mine--had peaked. You could see it in the historically high multiples of earnings that buyers were paying. I didn't know how long the peak would last, but I was confident that prices wouldn't rise much higher. I also figured that, once prices began to fall, it might be another 10 or 20 years before the cycle would run its course and we'd hit another peak. I was 65 years old. I decided I should cash out when I could. Looking back, I can now see that there was another reason for cashing out at that particular moment. The company had a vulnerability that turned out to be a lot more serious than I'd realized. It had to do in part with our customer concentration. About 65 percent of our business was with hospitals and other medical companies. We had focused on the medical field because all of our competitors were focusing on

law offices and accounting firms. We thus had the medical market virtually to ourselves. We became experts in handling medical records. We knew the Health Insurance Portability and Accountability Act privacy rules better than our prospects and could teach them how to comply. And so we signed up one customer after another. What I didn't anticipate was the speed of change from physical to electronic records. It has happened in every market segment, but nowhere faster than in the medical field. Our warehouse used to have tens of thousands of boxes filled with X-rays on celluloid film. Well, celluloid X-rays scarcely exist anymore. These days, medical images are digital and stored accordingly.

I'd always figured that digital technology would disrupt the box business, but I never imagined the change would come so soon and so rapidly. I see now that, if I had not sold City Storage in 2007, technology would have destroyed a lot of the equity I'd spent 17 years building. Today, instead of starting new businesses, I would be scrambling to reinvent the old one. I got lucky, for one and only one reason: **I built my company to sell.** (Norm Brodsky) (HBR)

The Lesson: Most entrepreneurs don't think about selling their businesses until it's too late. Inc.'s Norm Brodsky gives his advice.

The Process and Tools for Business Value Development

The entire approach to strategic management was first detailed in a series of articles and an e-book "14 Immutable Laws of Business Value" by David C. Whipple. Now it has evolved to an STS equity system for consultancies to expand their services. (Copyright 2013 Growth Concepts LLC)

In the early 1990s, balanced scorecards, business intelligence, web analytics and profit center management missed vital components for maximizing business value and leveraging potential equity. Older systems, like balanced scorecard and business intelligence/ performance, evolved from early use as a simple performance measurement framework but without the umbrella of business value. They missed untapped value resources.

- **Preliminary Review**

Identification of value Pillars and Value Drivers for the Organization that is under consideration.

- **Business Value Planning**

Business value planning is a strategic planning and management system used extensively in business organizations to align business activities to the vision and strategy of the organization, maximizing business value for more business equity. Purely financial measures tell only the story of past events, without an adequate story for growth in vital value pillars and drivers of the business.

After a business value plan is formed, strategic earnings move planning begins using two prongs as documented in the Harvard Business Review, “Two Routes to Resilience.” 1) future potential and 2) organizational values leading to probable earnings moves resulting in increasing personal equity for the Owner.

- **Operations**

Building Business Model for the Organization with focus on Business Value:

Are you Working on the Business or working in the business? CEO Resume matching:

- **Sales and Marketing**

Products, Promotion, Channels of Distribution, and Prices are reviewed with Business value perspective. Revamping the Marketing Communication compare it with Competitors and synchronize it with Business value Plan.

- **Earnings Move System**

What is it? The earnings move system retains traditional financial measures while expanding with key indicators for a view of current value activities for future earnings moves that include the soft-side of business. The earnings move approach to transforming a company is a management system (not only a measurement system) that enables organizations to clarify their vision and strategy while implementing them into action thereby maximizing business value. The system provides feedback around both the internal/external business processes and outcomes in order to ultimately optimize business value.

What it does? The earnings move system has a customizable framework of business value bringing together critical areas for top Executives and Owners. An earnings move system, originated by David C. Whipple, uses a “business value” framework adding strategic non- financial measurements along with principles/laws of business value. These principles/laws are applied to value pillars and drivers to maximize business value.

Why do you need it? The system maximizes business value for leveraging/acquisitions and provides managers and executives a panoramic macro and discreet micro view of key indicators required for maximizing business value. The system also boils down short term and long term business development strategies working with organizational and marketing for owners and management. The earning moves strategically utilize value pillars and drivers residing in the business for maximizing a company’s value.

A Case Study with Example and the Results: This is Critical for success of leveraging, merging or a structured buy-out that would offer a win-win for both entities. Business value measures create future possibilities through investment in market share, vendors, employees, processes, technology, and innovation in preparations for

leveraging or a buy-out. For example during business value planning an internet based company (low price leader) identified a forgotten brick and mortar wholesale division with inventory of 1.2 million in plastic models(The Owner thought this would never sell and had tried several ways). After applying the earnings move the owner immediately wanted to increase prices. We suggested waiting until further identification of value pillars and drivers along with a synergistic earnings move. Later, with key indicators and insightful research focusing on business value, three options were presented. Together we implemented an earnings move consisting of a sales team to prove current marketplace for plastic models for a potential buy-out. Sales increased in the wholesale division over \$25% the first month resulting in an offer from a friendly competitor. Again, the Owner thought the old inventory would never sell but the new Owner had some great ideas and the money to purchase two of the three businesses in an undisclosed sum of money. This, Results in a win-win situation.

The earnings move approach to strategic management was first detailed in a series of articles and an e-book “14 Immutable Laws of Business Value” by David C. Whipple. Now it has evolved to an STS equity system for consultancies to expand their services.

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Software Tools

The following software tools fit within a consulting framework for assisting Business Owners maximize their company's value for more equity. This system blends with other products and services. The Software presented in this presentation are available to Growth Concepts LLC Consultancies only.

- None of these Software packages are available for individual sale.
- These Software packages are available is through the purchase of an Executive Consultancy from Growth Concepts LLC.

CEO Analyzer™

- **Owner Succession Planning**

Conventional Business analysis system and practices does not value Personal equity and inputs by CEO. Succession management planning refers to the identification and development of potential successors in a company, so, the Owner could work on the business and not in it. Thereby, we increasing the value \$100,000s (See example in 14 Immutable Laws of Business Value). The key in succession management is to create a match between the company's future team /leadership needs and the aspirations of individual possible employees. While creating this advancement so the employees learn, lead and stay. This is done with CEO Analyzer and other talent acquisition tools and ways.

A well-structured succession planning process outlines how to locate and increase the retention of superior employees as they are recognized by measuring the time, attention and skill development that is being invested in them for the purpose of career development. When you continue to challenge and reward talented employees, you eliminate their desire to seek employment opportunities elsewhere. Our software and ways focus upon finding the right people so your team could move up and you out. The art of developing leadership talent is a daunting and long-term investment. The development of a working a succession system results in having on-hand the most qualified person available for a key job. Real success requires choices within this software to identify two or more qualified people for the open position. In order to have choices, you need to identify who is ready now and what it will take to make others ready when you need them.

Analyzer I

How are your campaigns related to Business Value? This customizable tool gives you the big picture of IMC marketing along with offline and online campaigns while relating to business value. As you know, financial ratios are not reflective of key marketing and neither sales team activities nor vital areas of business value that form value pillars and drivers. Whether you are projecting or looking back on the last digital/marketing campaign, have vital sales/marketing data from this tool for decision making.

Centrifuge E Software

Centrifuge E Software is one of our premiere software packages to evaluate the marketing of the business. Many times, a business, on its way to maximizing business value needs help with sales and marketing. The Centrifuge E software allows us to better understand and identify four different areas of marketing according to Integrated Marketing Communication:

- Customer Satisfaction
- Branding Metrics
- Cost of Marketing Efficiency
- Effectiveness of Meeting Customer Needs and how it will affect the Life Span of the Business

Centrifuge E-Software allows us to develop measures for each of the above criteria related to relationships that form business value, which gives us a strong basis for suggested marketing/sales within an earnings move Centrifuge E-Software is one of our premiere software packages to evaluate the marketing of the business. Many times, a business, on its way to maximizing business value needs help with sales and marketing. The Centrifuge E-software allows us to better understand and identify four different areas of marketing according to Integrated Marketing Communication:

- **Customer Satisfaction**

We treat the pursuit of customer satisfaction as you would do any other profit-driven investment—that is, we assess it in terms of its value to growing a business and the return generated by the assets employed in developing a level of customer satisfaction. And give you a gap analysis including validate future buying potential. We are interested in, and will show an overall concern about, the measurement of customer satisfaction and how it relates to future buying. Whether this type of knowledge push is driven by internal or external forces, top management is being forced to identify a process for quantitatively determining the level of satisfaction among the Businesses' customers and now more with preparing to sell a business.

- **Branding Metrics**

Centrifuge E software is Brand Metrics tool which has been designed to help identify the Brand Metrics that are key to an account. The software has been built to identify these metrics and to help build and protect Brand/Business reputations by delivering actionable metrics used in research to assist in the development, creation and evaluation of our client's strategies. From awareness and perception to the analysis of how the Branding Metrics impacts your Business, The measurement solution is tailored to your unique objectives and conducted by experts to ensure that research is focused on branding attributes of customer's campaign. It is this approach that ensures that our Branding Metrics and the solutions we deliver are the insight into your businesses' value. This allows us to make more informed decisions and demonstrate some of the best routes towards your business success. Brand Metrics can take several forms in practice, and is most often used by our team to measure the extent to which our Brand Metrics can be used to shift the focus or perception necessary to company growing vs return on adverting

- **Cost of Marketing Efficiency**

In order for a Business to become most efficient, we oversee the metrics applied to this area of Business Value, as we do so, a level of restraint in managing cost figures for a business must be closely identified and reviewed. A business's metrics must be closely defined and used to measure key growth possibilities/opportunities in regard to accurately define how efficiently a business is being run, and what it costs to bring a product/service to market in reaching expected profits of a growth strategy. Growth parameters must also have enough funds to take advantage of all efficiencies involved in running a business.

- **Effectiveness of Meeting Customer Needs and how it will affect the Life Span of the Business**

Many businesses and companies are developing new strategies to oppose stiff competition. Public and private businesses are implementing only customer

relationship programs to attract more customers and are targeted to retain existing customers. The objectives of the value moves is to meet customer's and business owner's needs. Measuring the influence of customer service effectiveness can vary from business to business. There is not any particular strategy that might work with a company, but it is up to our team to determine what course of direction an Owner/Manager must follow. However, there are some techniques that may work effectively with minor direction needed. The Centrifuge E-software can measure the effectiveness of marketing programs implemented within a client's business. Centrifuge E-Software allows us to develop measures for each of the above criteria related to relationships that form business value, which gives a strong basis for suggested marketing/sales within an earnings move.

Analyzer I

Businesses in many industries use key words to get their products and ideas across. In getting a business message to the proper customer, the use of words and thoughts are key to gaining the attention of the potential customer and building relationships. Building relationships using the "right" messaging at various steps is critical to sales. Words used can alter the target of the potential customer which can result in the reallocation of advertising budgets, designate changes in different budgets, or coordinate across distribution stages to reap additional revenues. Thus, the software can reveal distinct dynamics of words and identify various paths by which to best focus activities for more efficient and effective campaigns.

Conclusion

Most of the Small Organizations today are busy with day to day fire fighting and not keeping the end in mind or value of their company. How much of the time and resources are dedicated for business value development? This is the right time to start thinking about maximizing your company's value with a holistic view!

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Corporate Social Responsibility and Consumer Behaviour

Dr. (Mrs.) Asha Sharma*

Introduction

Corporate social responsibility of corporate sector is the decisions which are reasonable and favourable in term of objective and value for the society. Corporate social responsibility (CSR) is a voluntary expenditure to a wide range of stakeholders, including shareholders and other parties. It is an activity by the corporation with charitable intent. The investment made in these activities returns less than those available from other alternative activities. The concept of CSR is an idea that organisations can no longer act as isolated economic entities operating in detachment from broader society. Traditional views about competitiveness, survival and profitability are being swept away. The concept of CSR is used to provide sustainable development where local public, community people live in harmony.

Consumer Behavior

Consumer behavior is the decision – making process and physical activity involved in acquiring, evaluating, using and disposing of goods and services. Consumer behavior is a complex, dynamic, multidimensional process and all marketing decisions are based on assumption about consumer behavior. Consumers are being affected by many factors that are unique to their thought process.

* Post Doctoral Fellow, Department of Commerce, Mahila P G Mahavidhalaya, Jai Narain Vyas University, Jodhpur, Rajasthan, India. drashasharma.sharma07@gmail.com

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Psychological Factors

Psychological factors can include information processing, learning and attitude and behaviour change. The perception of a need or a situation of the person's ability to learn or understand information is an individual's attitude.

Personal Factors

As consumers, those with whom we closely associate often affect our behaviour. Consumer often respond to perceived pressure to conform to the norms and expectations provided by others. These characteristics may include how a person makes decisions, their unique habits and interests, and opinions. Decisions are also influenced by age, gender, background, culture and other personal issues. , they use the information in observing buying choices, consumption choices and comparing the decision with others.

Social Factors

The third factor that has a significant impact on consumer behaviour is social characteristics. Social influencers include person's family, social class, culture, or any group of people, personal influence and situations. It can also include a person's social class, which involves income, living conditions, and education level.

Review of Literature

This study presents the Review of Literature relating to Corporate Social Responsibility and Consumer Behaviour was discussed in this chapter. From the reviews, various measures relating to Corporate Social Responsibility relating to Consumer Behaviour were identified and incorporated in this study. The measures such as Consumer perceptions towards CSR motives, Brand Identification, Corporate Reputation; Purchase Decision measures such as Boycott and Boycott; Satisfaction, Trust and Loyalty were identified with the help of the Literature.

The Important Reviews

Tillmann Wagner, Richard J. Lutz, & Barton A. Weitz (2009), In this paper the authors examined the consumer perception and beliefs about Social Responsibility and in considerable may be mitigated by effective communication. The consumer attitudes about Corporate Social Responsibility negatively affected their belief and evidences could be tried through information processing.

Lei Wang and Heikki Juslin (2011), in this paper the authors determined the effects of personal values on individual perceptions of CSR issues. The authors investigated 980 Chinese young people. Chinese youth had negative perceptions of corporate social performance of corporations in China, mainly on the environmental dimension. In contrast, those who value self-enhancement or conservation more have more positive perceptions.

Dale W. Russell and Cristel Antonia Russell (2010): This research examined how consumers reacted to corporate social responsibility (CSR) programs that vary in geographic focus. Consumers stated that they approve of what a company is doing elsewhere but this did not necessarily increase their purchasing of the company's products.

Objectives

- To analysis of the concept of corporate social responsibility.
- To analyse CSR in an Indian scenario
- To understand the areas of CSR in which the companies are involved
- To know the relationship between CSR investment and consumer behaviour
- Identify the consumers choice and awareness on CSR.
- To study the influence of Demographic and the purchase details of FMCGs consumers on their CSR perception.
- To find out the extent to which consumers intent to purchase CSR product features.
- To find out if consumers are willing to sacrifice functionality for CSR desirability.
- To identify if the influence of CSR vary depending on the type of product.
- To find out if consumers are willing to pay a premium price for CSR acceptable products and, if so, to what extent.
- To identify if the influence of CSR vary depending on the type of social issue.

Hypothesis

H₀₁ There is significant correlation between CSR activities and purchase influencing capacity

H₁₁ There is significant correlation between CSR activities and purchase influencing capacity

Methodology

This study is carried out to estimate the importance area of spending amount on CSR activities by Indian industries. The study focuses on extensive study based on secondary as well as primary data. The data has been collected with help of e-books magazines, newspapers, research article, research journal, e-journals.

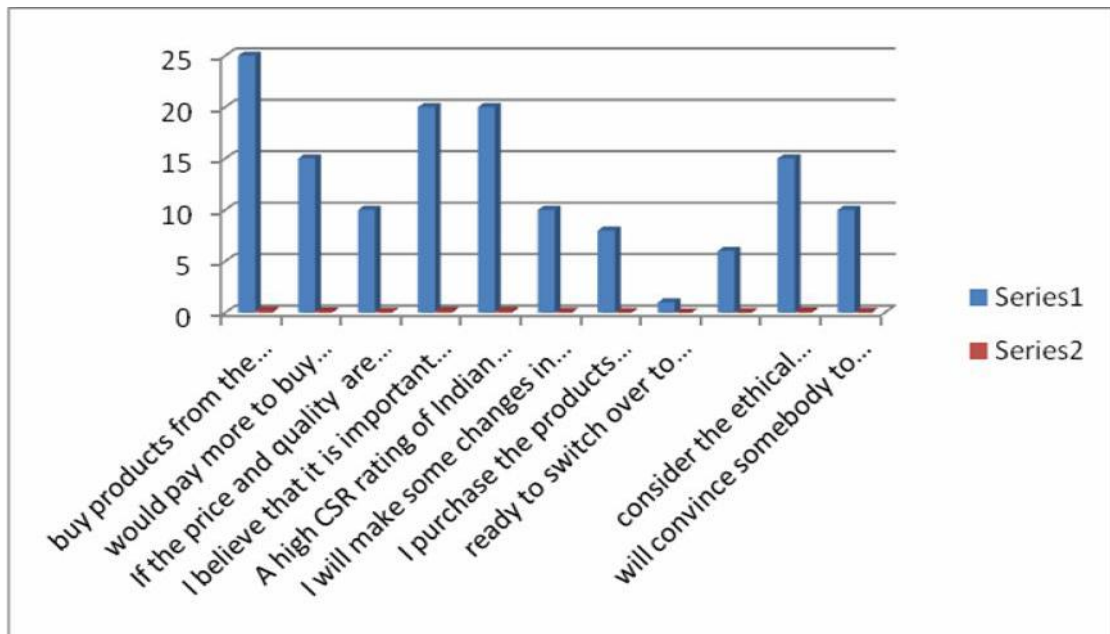
The research will be conducted with objective to find out the extent of relationship between CSR and sustainable development. The study will be based on questionnaire. The required data will be collected from both secondary and primary sources. After multiple follow-ups, 150 questionnaires were successfully retrieved and 140 were considered fit for statistical analysis. ANNOVA regression analysis was employed to test the research hypothesis.

Result Analysis

Table 1: showing Percentage Analysis

Buy products from the Indians company which conducts social responsibility initiatives.	25	0.17857143
Would pay more to buy products from a socially responsible Indian company.	15	0.10714286
If the price and quality are the same, would buy from the company socially responsible reputation.	10	0.07142857
I believe that it is important to examine company CSR strategies when I purchase.	20	0.14285714
A high CSR rating of Indian company will make a positive impression on me to purchase the product.	20	0.14285714
I will make some changes in behavior for social responsibility.	10	0.07142857
I purchase the products from the Indian companies which have used environmentally friendly packages.	8	0.05714286
Ready to switch over to another product of Indian which engaged in social activities.	1	0.00714286
Buy products from the Indian company which publishes CSR reporting.	6	0.04285714
Consider the ethical reputation of Indians when I shop.	15	0.10714286
Will convince somebody to buy the products of Indian which engaged in CSR activities.	10	0.07142857

Chart 1: Showing CSR Drivers



The chart shows various consumer influence capacity. Consumer has shown their highly interest in buy products from the Indians company which conducts social responsibility initiatives.

Table showing ANOVA					
VAR00003					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	523.379	6	87.230	3.256	.137
Within Groups	107.167	4	26.792		
Total	630.545	10			

The table shows that there is no significant difference between No. of companies indulged in CSR activities has capability to influence purchasing behaviour of customer. Consumers are aware of quality, product, social services and CSR activities by company. It enhanced goodwill, brand image and good faith and loyalty for company.

Conclusion

The concept of CSR is not new; rather it started during 1950s in India. Various authors and organisations have defined this concept but still a suitable and consensual definition of CSR is awaited. Nowadays galaxy of the organisations is following CSR activities. However, there has been different point of view regarding CSR. CSR is practised for benefit of society, sustainability, women empowerment, health issues, economical causes, improvement in living standard, proving employment to local community public and overall development purpose. still, it may be there are certain areas which are not taken consideration. So these untouched areas should encouraged. CSR is the need of the hour to bring changes in the current situation to put socio- economic development in India on a fast track. Consumer behaviour is influenced by CSR activities made for society.

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Women Empowerment in India: Challenges and Issues

Dr. Mahesh Singh Rajput *

Introduction

Women empowerment has become a very important topic of discussion in the debates and discussion taking place which affect the development of country economically. Empowering women means giving women the power to show their place in the society and developing them politically, socially and emotionally. The empowerment of women in India depends on numerous factors such as geographical location of people, education, social status like class and gender based problems and political participation. Empowerment is essentially a process of upliftment of the social, economic and political conditions of women in the society and in the nation through different means and measures. However there is a gap between measures and actual practice being followed in the society and the country. Women empowerment involves the building up of a society and giving an environment where in a women can live and breathe without any fear of oppression, without any discrimination, without any exploitation and without any feeling of inferiority from the society. Women constitute a good portion of the population in the country but the number is comparatively lower than that of males. In the western countries the women have been given a significant status in the society, rights in the society which equalize them to men but looking at India's condition, women in India do not enjoy equality as men they are not treated equally as men are in all the places. Gender discriminations are still present in India even in the 21st century.

* Principal & Head of the PG Dept. of Commerce, Shri Shraddhanath PG College, Gudha Gorji, Jhunjhunu, Rajasthan, India.

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Literature Review

E. Duflo in his study on women empowerment and their development, argued that empowerment and development are related to each other but are too weak in relation that it is difficult to be self-sustained. It is difficult to continue a policy and commitment for equality among men and women.

Venkata Ravi in his project mainly focused on the role of self-help groups and its effects on participation of women and exercising their control over any decision making both in the family matters and any social activities.

K. Sethuraman in his research paper in south India has clearly explored that domestic violence and women empowerment are interrelated. He also found out the relationship between nutrition of a mother and infant nutrition in a rural community and tribal community.

Deepak M. made a research on the question that does women empowerment always promote economic development or not. His study empirically analyses that money in the hands of mothers benefits the children. It developed a series of non-supportive family models to understand the different kinds of friction can give rise to the relationship among the different conditions and issues and challenges as well.

Bhawani Shankar had put light on health of the women members of the self-help groups. He found that the health of the self-help groups have taken a better turn as they discuss the health-related issues of family members and the children regularly so they have become more aware of the necessary facts and certainly have works upon them.

Objectives of the study

- To know the necessity of women empowerment in the country.
- To study the different factors which influence women empowerment economically.
- To identify different schemes of government for women empowerment in India.
- To assess the problems of women empowerment.

Research methodology

The paper is wholly based on secondary data resources. It is basically analytical and descriptive in nature according to the need of the study.

Picture of Women in the Country

Although being said to be enjoying equal status as men in the society women are in reality far away from such assumptions. To be treated equally with their counterpart women have to go a far distance in India. Women are given just marginal position in comparison to the males in the country. If we see the past figures in 2012 women had occupied only 8 seats out of 74 of the ministers in the union council and there were only 2 women judges in the high court out of 26 and only 54 women judges in the high court in opposite of 634 male judges. As per the UNDP report on human development 2013: India stood at 132nd position out of 187 countries in terms of gender inequality index

even worse than Pakistan whose position was 123. The sex ratio of India is counted as 914 females on 1000 males. Women comprise of 48% of the total population, 29% of the total workforce and only 26% have access to formal credit. In India huge income disparity, gender inequality, and caste division remain the major issues always.

Need for Women Empowerment

The current status of women in our country especially in the underdeveloped and village areas of the country needs to cater and provoke the issue of empowering the country's women. About 66% of the population of the females in rural India remains unutilized. This is because of our existing social customs. In the field of agriculture and Animal rearing the women comprises of 90% of the total workforce. Almost fifty percent of the total population of women spends 2/3 of the time in work and receive only 1/10 of the total income; the illiteracy rate of men and women is 1:2. The existing studies of the world state that women are relatively less healthy than men although said to be equal to men. Women are deprived of certain things like decision making power, access to employment, freedom of movement, access to education, exposure to media and issues like domestic violence etc. the status of empowerment of women in our nation cannot be foreseen and predicted with only single dimension rather it is assessed in terms of various components. In India we see that women are always discriminated and left behind at every level of the society whether it is participation in the social events, participation in the political field, participation in economic matters, reach to education, and also the healthcare sectors. Women are economically very poor if seen and analyzed throughout the country. Very few number of women are involved in different services and other activities. So, the women of our country always need some economic power to make her able to stand on her own legs. On the other hand, it has been noticed that women are less literate than the men in our country. According to 2001 census, in case of literacy rates in India it was seen that where women literacy is 54% but the literacy rate of men is 76% which is much more than that of women.. Thus, increased education among women is proved to be playing a great role in increasing their empowerment.. It has also noticed that some of women are weaker than men as they get to consume less nutritious food as compared to men but work more than them. Therefore, from the point of view of health and nutrition, women force which is considered to be weaker should be made stronger. There is another problem faced by women is the harassment of women at the workplace. There are so many cases of harassment of women like rape, kidnapping and molesting etc. So for eradicating these evils from the society the women need to be more empowered in all directions in order to protect them and to secure themselves and their dignity? To sum up, empowerment of women is totally impossible unless women themselves come up with zeal and enthusiasm and help to self-empower themselves. There is always a need to reduce this feminist poverty by promoting education among women, and eliminating the violence against women. So there arises the need of women

empowerment in the country very importantly. It is necessary to improve the economic and social condition of the country.

Methods which Help in Women Empowerment

Land Rights: often women in developing nations are deprived of the rights on their land and legally restricted from the rights in comparison to men in light of gender inequalities. Having rights on their land gives women a sense of power in them and they can assess themselves in and outside homes. Therefore it is necessary to overcome this problem by giving them rights on the lands.

Economic Empowerment: when women are economically empowered they seem to be equal members of the society. Through this they get more self-respect and self confidence. This will drive up the efficiency of women, women get self esteem and men see them with respect.

Participation: participation of women can be seen in different ways and their participation has proved to be more beneficial for the society. Participation in decision making, in voting, in politics, to run for office, giving a fair chance of being elected , in schools, at home, etc all these play a very important role in the empowerment of women.

Role of Education: improving education of women help to raise their level of health, nutrition, self confidence, and enable them to get better jobs engage them into some productive work, ensure social security and prevent them from fraudulent activities. Education helps women to raise better children and empowers women to make better choices in their lives. Education also increases the awareness of their rights and the ability to assert those rights.

Internet: Women have begun using different social sites such as facebook, twitter etc. thus the increasing access to the technology and internet has made women interact with the rest of the world which certainly will increase their power. Now a day's blogging has also become a powerful tool for spread of different topics related to women where women can express their thoughts.

Government Schemes for Women Empowerment

The Government of India started different schemes to facilitate women empowerments. The developmental programs actually started in the year 1954 in India but the effects were not seen in the nearby future. The people participated in the programme from the year 1974. There are nearly 35 such schemes initiated by the government operated by different departments of the government. The programmes like bhamashah yozna, different Day care centres and crèches opened for for working women's children, Hostels for working women living outside their home town, Swadhar yozna for women And many other schemes were also incorporated for the

developing and empowerment of women to make them able to compete with the other counterpart and be able to stand on their own feet.

Findings of the Study

- Globalization, Liberalization and other initiatives of the government have improved the socio economic condition of women a few areas where women empowerment in India is largely lacking.
- There is a need of a vast change to be brought in the minds of the people of our country. Not just the men, but the women too themselves have to stand against the inequality of the society. It is better that this is taken care earlier than later for our own betterment.
- There are several Government programmes and NGOs in the Country working for the upliftment of women but, there is still a wide gap that between the reality and the expected.
- Poverty and illiteracy are the other major problems which need to be worked upon; women can be empowered when and they are healthy and feel safe.
- Women feel empowered when they are economically free and have all rights to take financial decisions of their own life for this several social and economic measures are to taken.

Suggestions

- The first and foremost concern should be given to the problem of illiteracy of women, which is the grassroots problem. Hence, education for women has to be paid special attention.
- Several awareness programmes are required to be arranged and carried on for creating awareness among women especially those who belong to the weaker sections.
- Women should be allowed to work and should be provided enough safety and support to work. They should be given wages as per the work done by them and they should be treated at par with men so that their place can be uplifted in the society.
- The programmes initiated by the government should be strictly implemented and strict actions should be taken against the malpractices taking place in the society.

Conclusion

Thus, we can see that in the picture of attaining the empowerment of women in the field of education, income and social concerns, the situation seems to be quite poor as compared to that of their counterparts. The need of the hour is to identify those shortcomings which are analyzed to be the major hindrances in the path of empowerment of women in every field. Let us promise to ourselves that we would as the society as a whole would try to work towards the positive implications and development of women and

should try to empower them so that they can also stand at par with the male counterparts and acquire an equal position in the society. This effort of the society would definitely improve the position of the women in our country and we can also compete with the world. So the initiatives taken by the government should be seriously be considered and worked upon. It is not only the western countries which support women empowerment, but also the eastern countries also can come at par with them. It has been seen since the history how men always dominated women and how women were exploited by them so it is true that until women are given the same opportunities that men are, entire societies will be destined to perform below their true potentials. The greatest need of the hour is change of social attitude to women. "When women move forward, the family moves, the villages move and the nation moves". It is essential as their thought and their value systems lead the development of a good family, good society and ultimately a good nation. Women empowerment will be real and effective only when they are endowed income and property so that they may stand on their feet and build up their identity in the society. The Empowerment of Women has become one of the most important concerns of 21st century not only at national level but also at the international level. Government initiatives alone would not be sufficient to achieve this goal. Society must take such steps and initiatives which would provide an environment and climate in the society without any discrimination and given equal opportunity to prove themselves. Women should be given every chance to participate in all types of social, political and economical concerns and given a sense of equality.

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Hedge Ratio and Hedging Effectiveness Estimates for Stock Futures on NSE India

Kerkar Puja Paresh^{*}

Dr. P. Sriram^{**}

Introduction

The existence of futures market in India was to curb the volatility of the instruments in the financial market and the main function of the futures to manage the risk factor related to the adverse cash price changes. Other than the efficiency of the futures market the optimal hedging strategy is essential for hedgers (Awang, Azizan, Ibrahim, & Said, 2014). Hedging may be defined as a transfer of risk from hedger having a portfolio or sum of cash to some other party in the market usually another hedger or speculator (Faure, 2013). Hedgers establish the number of futures contracts known as Hedge Ratio to buy or sell for a given position in the cash market. Hedging being an important function of trading futures, however to determine the number of futures contracts is a challenging task. The hedge ratio is assumed to be as 1 and aims at setting off gains in one market against losses in another market. Since traditional hedging theory diverges from the actual market situation traditional hedge cannot reduce the risk that is aroused in the stock price instability. As a result different methods to estimate the optimal hedge ratio have been proposed by researchers. Hedging effectiveness has become the core concern in the research of futures market (Johnson, 1960). Hedge Ratio of U.S. Treasury bond futures was investigated

* Assistant Professor, Department of Commerce, M.E.S. College of Arts & Commerce, Zuari Nagar, Goa, India.

** Assistant Professor, Department of Commerce, Faculty of Commerce & Management, Goa University, Goa, India.

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using OLS method by applying the portfolio theory to the futures market (Ederington, 1979). It was concluded that the effect of risk aversion was better when the hedge ratio was 1. As per the traditional capital market theory the variance of returns is constant however there is volatility clustering in the return series of the data leading to heteroskedasticity. Hence the covariance between the spot and futures varies making the hedge ratio dynamic and there the concept of dynamic hedge ratio exists.

(Engle, 1982) put forward the ARCH model to capture the dynamic hedge ratio and capture the effects in the financial time series. Further (Bollerslev, 1986) developed GARCH model which found to be superior model and an improved method for hedging effectiveness over the traditional methods.(Holmes & Antoniou, 1995) examined the hedging effectiveness using OLS, ECM and GARCH model for FTSE-100 stock Index futures and concluded that the OLS model was better than other models. Furthermore researchers have also established that the hedging effects are reduced due to the ignorance of the co-integration relationship between spot and future prices.(Wahab & Lashgari, 1993)studied the co-integration between stock index and futures and determined that co-integration relationships should be considered for estimation of hedging performance. Previous literatures have used different methods to discover the optimal hedge ratio and hedging effectiveness this study therefore examines the extent of consistency of the previous studies. This study analyses four models namely, Ordinary Least Squares (OLS), Vector Autoregressive Model (VAR), Vector Error Correction Model (VECM) and Generalized Autoregressive Conditional Heteroskedasticity (GARCH) to estimate the optimal hedge ratios and hedging effectiveness.

Methodology

The purpose of this study is to estimate the Optimal Hedge Ratio and Hedging effectiveness for Stock Futures in India. In this study 25 Stock Futures Closing Prices and Spot Closing Prices are examined. There are total 2669 observations for all 25 Stock Futures data ranging from 1st April 2005 to 31st December 2015.The present study employs OLS regression, Bi-variate VAR model, VECM and GARCH model to determine the optimal hedge ratio and the hedging effectiveness.

Hedge Ratio

Hedge ratio is the size of the futures contract relative as oppose to the cash transaction (Awang, Azizan, Ibrahim, & Said, 2014). The optimal hedge ratio may differ depending on the time horizon and the techniques used. Given below are the techniques used in the present study.

OLS Regression Model

The model is a simple linear regression of change in spot prices on the change in futures prices.

$$r_{st} = \alpha + \beta_{r_{ft}} + \varepsilon_t \dots\dots\dots\text{Eq (1)}$$

Where, r_{st} is the spot return, r_{ft} is the future return, ε_t is the error from OLS estimation and the slope coefficient $\beta_{r_{ft}}$ is the optimal hedge ratio.

Bi-Variate VAR

The limitation of the simple OLS model is that the errors may be auto correlated. To overcome this limitation the Bi-variate Vector Autoregressive (VAR) model has been used. The optimal lag length for spot and futures returns m, n are decided by restating for each lag until the autocorrelation in the errors are removed.

$$r_{st} = \alpha_s + \sum_{i=1}^m \beta_{si} r_{st-i} + \sum_{j=1}^n \gamma_{sj} r_{ft-j} + \varepsilon_{st} \dots\dots\dots\text{Eq (2)}$$

$$r_{ft} = \alpha_f + \sum_{i=1}^m \beta_{fi} r_{st-i} + \sum_{j=1}^n \gamma_{fj} r_{ft-j} + \varepsilon_{ft} \dots\dots\dots\text{Eq (3)}$$

After the system equation was estimated the residual series were generated to calculate the hedge ratio. Where $\text{var}(\varepsilon_{st}) = \sigma_s$, $\text{var}(\varepsilon_{ft}) = \sigma_f$ and $\text{cov}(\varepsilon_{st}, \varepsilon_{ft}) = \sigma_{sf}$, then the minimum variance hedge ratio is $h^* = \sigma_{sf} / \sigma_f$.

VECM

If the level series of spot and future are not stationary and are integrated of order one then the following vector error correction model is used to estimate the optimal hedge ratio.

$$r_{st} = \alpha_s + \sum_{i=1}^m \beta_{si} r_{st-i} + \sum_{j=1}^n \gamma_{sj} r_{ft-j} + \lambda_s Z_{t-1} + \varepsilon_{st} \dots\dots\dots\text{Eq (4)}$$

$$r_{ft} = \alpha_f + \sum_{i=1}^m \beta_{fi} r_{st-i} + \sum_{j=1}^n \gamma_{fj} r_{ft-j} + \lambda_f Z_{t-1} + \varepsilon_{ft} \dots\dots\dots\text{Eq (5)}$$

Where, $Z_{t-1} = S_{t-1} - \delta F_{t-1}$ is the error correction term with $(1 - \delta)$ as cointegrating vector and λ_s, λ_f as speed adjustment parameters. Same process of generating the residual series and then calculating the variance, covariance of the series to estimate the minimum variance hedge ratio as depicted in the bivariate VAR model has been followed.

GARCH

Majority of the empirical studies expressed that time series of the returns always indicate volatility clustering. The Generalized Autoregressive Conditional Heteroskedasticity (GARCH) can deal with the heteroskedasticity characteristic of the price series. GARCH (1, 1) model assumes that the conditional heretoskedasticity of the current return on assets is not only related to the residual squares in last periods but also related to the last period conditional heteroskedasticity. The relationship between spot and futures price can be described as follows:

$$r_{st} = \alpha + \beta r_{ft} + \varepsilon_t \dots\dots\dots \text{Eq (6)}$$

$$\varepsilon_t \sim N(0, \sigma_t^2)$$

$$\sigma_t^2 = \alpha_0 + \alpha_1 \varepsilon_{t-1}^2 + \beta_1 \sigma_{t-1}^2 \dots\dots\dots \text{Eq (7)}$$

Where, ε_t signifies the error term, σ_t^2 is the conditional variance on day t , α_0, α_1 and β_1 are the GARCH (1, 1) parameters. The regression coefficient β_1 is the optimal hedge ratio.

Hedging Effectiveness

The hedging effectiveness of the portfolio is calculated from the variance reduction of the hedged portfolio compared to that of the un hedged portfolio. The returns of the un -hedged and hedged are expressed as follows

$$R_{\text{unhedged}} = S_{t+1} - S_t$$

$$R_{\text{hedged}} = (S_{t+1} - S_t) - h^*(F_{t+1} - F_t)$$

Where, R_{unhedged} and R_{hedged} are return on un-hedged and hedged portfolio. S_t and F_t are logged spot and futures prices at time t with h^* is optimal hedge ratio. Similarly the variance of the un-hedged and hedged portfolio is expressed as:

$$\text{Var}_{\text{unhedged}} = s_s^2$$

$$\text{Var}_{\text{hedged}} = s_s^2 + h^{*2} s_f^2 - 2h^* s_{sf}$$

Where $\text{Var}_{\text{unhedged}}$ and $\text{Var}_{\text{hedged}}$ are variance of un-hedged and hedged portfolios with s_s , s_f and s_{sf} are standard deviations of spot and futures price and covariance between them respectively. The effectiveness of hedging (HE) can **be measured by the percentage reduction in the variance of a hedged portfolio as compared** with the variance of an unhedged portfolio (Ederington, 1979). The variance reduction can be calculated as:

$$HE = \frac{\text{Var}_{\text{unhedged}} - \text{Var}_{\text{hedged}}}{\text{Var}_{\text{unhedged}}}$$

This gives us the percentage reduction in the variance of the hedged portfolio as compared with the unhedged portfolio. When the futures contract completely eliminates risk, we obtain $HE = 1$ which indicates a 100% reduction in the variance, whereas we obtain $HE = 0$ when hedging with the futures contract does not reduce risk. Therefore, a larger number indicates better hedging performance. As proposed by (Lien & Tse, 1998) the hedging performance of the models may vary over different hedge periods.

Data Analysis

• Unit Root and Co-integration

The standard Augmented Dickey Fuller (ADF) Test was employed to check the stationarity of the spot and future price data series. This is crucial from hedging viewpoint as a series that is not stationary may provide spurious regression and hence the hedge ratios obtained from such model will be invalid. The unit root test from ADF indicates that the spot and future price series are stationary at first difference and represent that they are integrated at order one $I(1)$. Johansen's Co-integration test was performed to examine the long run relationship between the spot and futures price series and is presented in Table. The results indicate that the future close price and spot close price are co-integrated in long run. The trace test indicates the existence of two co-integrating equation at 5 % level of significance. Maximum Eigen Value test makes the confirmation of this result. Thus the two variables of the study have a long run equilibrium relationship between them.

• Hedge Ratio

At the very outset the optimal hedge ratio from the simple OLS regression is estimated. Hedge Ratio from OLS model are estimated using equation (1). To calculate the optimal hedge ratio from a Bi-Variate VAR model we estimate the equation (2) and (3) with 3 lags and the residual from the Bi-Variate VAR model equations (2) and (3) are used to estimate the variance and covariance to find the hedge ratios. Where $\text{var}(\epsilon_{st}) = \sigma_s$, $\text{var}(\epsilon_{ft}) = \sigma_f$ and $\text{cov}(\epsilon_{st}, \epsilon_{ft}) = \sigma_{sf}$, then the minimum variance hedge ratio is $h^* = \sigma_{sf} / \sigma_f$. The hedge ratios from Vector Error Correction (VEC) Model are estimated from equation (4) and (5) with 3 lags where, $Z_{t-1} = S_{t-1} - \delta F_{t-1}$ is the error correction term with $(1 - \delta)$ as co-integrating vector and λ_s, λ_f as speed adjustment parameters. Same process of generating the residual series and then calculating the variance, covariance of the series to estimate the minimum variance hedge ratio from VECM is incorporated. Further we use these residual series from equation (4) and (5) to estimate the variance **and covariance to find the hedge ratios**. Where $\text{var}(\epsilon_{st}) = \sigma_s$, $\text{var}(\epsilon_{ft}) = \sigma_f$ and $\text{cov}(\epsilon_{st}, \epsilon_{ft}) = \sigma_{sf}$, then the minimum variance hedge ratio is $h^* = \sigma_{sf} / \sigma_f$.

• Hedging Effectiveness

The effectiveness of hedging (HE) can be measured by the percentage reduction in the variance of a hedged portfolio as compared with the variance of an un hedged portfolio (Ederington, 1979). The optimal hedge ratios obtained from four different models are reported in Table 1. The results show that the hedge ratios from different models are significant at 5% level which specifies that the stock and index futures can be used to hedge against the underlying spot prices. It also indicates that the hedge ratio obtained from GARCH (1, 1) is the highest for 15 stocks and Nifty 50

index. VECM ranks second in obtaining the hedge ratios for 9 stocks and the least is Bi-variate VAR model for only 1 stock. As the lowest hedge ratios are obtained from OLS model for maximum of 13 stocks, second for VECM model and the least for 2 stocks from GARCH (1, 1) model. As directed from the literature that from the different models used in computing the hedge ratios the GARCH models are superior in estimating the hedge ratios. Thus from the present study we can conclude that the GARCH model is superior in estimating the hedge ratios for the hedgers to adjust their future positions to that of the spot price fluctuations.

Table 1: Comparison of Hedge Ratios from Different Models

STOCK	OLS	BI-VARIATE VAR	VECM	GARCH
ACC	0.962315	0.963119	0.967885 ^L	0.968062 ^H
AMBUJACEM	0.989157	0.990010 ^L	0.990349 ^H	0.989873
BANKBARODA	0.986345	0.984419	0.984261 ^L	0.988162 ^H
BHEL	0.992625	0.990628	0.988777 ^L	0.993339 ^H
BPCL	0.992629 ^L	0.993189	0.998627 ^H	0.997901
CIPLA	0.982521	0.982109 ^L	0.984040	0.990628 ^H
GAIL	0.965240 ^L	0.967227	0.974134	0.983206 ^H
HCLTECH	0.984496 ^L	0.988186	0.994188	1.003771 ^H
HDFC	0.998455 ^L	0.998646	0.999894 ^H	0.999575
HDFCBANK	0.994836	0.995464	0.994768 ^L	0.995639 ^H
HEROMOTOCORP	0.973051	0.973112	0.965597 ^L	1.000052 ^H
HINDALCO	0.993979	0.994993	0.995971 ^H	0.993514 ^L
HINDUNILVR	0.988890 ^L	0.990431	0.993639	1.003571 ^H
ICICIBANK	0.992180 ^L	0.992826	0.995002 ^H	0.994948
INFOSYS	1.011500	1.013567 ^H	0.945924 ^L	1.010626
ITC	0.991437 ^L	0.991968	0.992792 ^H	0.991859
MAHINDRA	0.986573 ^L	0.989349	0.991588 ^H	0.990040
MARUTI	0.980441 ^L	0.984390	0.987123	0.991709 ^H
ONGC	0.986429 ^L	0.987235	0.987031	0.997882 ^H
RELIANCE	0.994506	0.994363	0.991289 ^L	0.997002 ^H
SBIN	0.991440 ^L	0.992265	0.992707	0.994765 ^H
TATAMOTORS	0.990633	0.990183	0.987183 ^L	0.999880 ^H
TATAPOWER	0.991149 ^L	0.991321	0.992727	0.995433 ^H
TATASTEEL	0.975594 ^L	0.975670	0.978376 ^H	0.976688
TCS	0.997041	0.997132	1.000621 ^H	0.993080 ^L

Source: Computed Value (H – High ; L- Low)

It is mere not only vital to compute the hedge ratio, it is further require to test whether the hedge ratios obtained from the different models provide the greatest variance reduction and better hedging performance. The hedge ratios obtained from all four models were further used in estimating the hedging effectiveness and discover which model provides the greatest variance reduction. The hedging effectiveness from different models is presented in Table 2. it is being reported that the OLS model out performs all other models in providing the greatest variance reduction on the other hand GARCH(1,1) models provides the lower variance reduction for 15 stocks and the lowest from VECM for 11stocks. Thus we can conclude that though the hedge ratios obtained from GARCH(1,1) model are the highest among all the other models the variance reduction from the GARCH(1,1) model is lower and the OLS model provides the maximum reduction in the risk though it is the static model in assessing hedging strategy.

Table 2: Comparison of Hedging Effectiveness from Different Models

STOCK	OLS	BI-VARIATE VAR	VECM	GARCH
ACC	0.955497 ^H	0.9542307	0.9541904	0.9541880 ^L
AMBUJACEM	0.988218 ^H	0.9872715	0.9872704 ^L	0.9872719
BANKBARODA	0.984940 ^H	0.9826337	0.9826337	0.9826194 ^L
BHEL	0.986409 ^H	0.9852773	0.9852693 ^L	0.9852766
BPCL	0.968490 ^H	0.9672362	0.9671914 ^L	0.9672007
CIPLA	0.978446 ^H	0.9770484	0.9770422	0.9769640 ^L
GAIL	0.948369 ^H	0.9473678	0.9472821	0.9470221 ^L
HCLTECH	0.967707 ^H	0.9662560	0.9661627	0.9658646 ^L
HDFC	0.990494 ^H	0.9894665	0.9894628 ^L	0.9894641
HDFCBANK	0.987654 ^H	0.9867594	0.9867606	0.9867590 ^L
HEROMOTOCORP	0.899831 ^H	0.8989617	0.8989173	0.8982387 ^L
HINDALCO	0.994226 ^H	0.9934041	0.9934002 ^L	0.9934062
HINDUNILVR	0.941732 ^H	0.9401404	0.9401131	0.9399028 ^L
ICICIBANK	0.985951 ^H	0.9850733	0.9850635 ^L	0.9850638
INFOSYS	0.989087 ^H	0.9883232	0.9842220 ^L	0.9883289
ITC	0.994699 ^H	0.9939933	0.9938910 ^L	0.9938935
MAHINDRA	0.972383 ^H	0.9715066	0.9714868 ^L	0.9715015
MARUTI	0.954227 ^H	0.9533151	0.9532832	0.9531963 ^L
ONGC	0.982117 ^H	0.9811723	0.9811728	0.9810282 ^L
RELIANCE	0.989098 ^H	0.9881894	0.9881824	0.9881803 ^L
SBIN	0.994903 ^H	0.9940487	0.9940473	0.9940358 ^L
TATAMOTORS	0.983256 ^H	0.9823418	0.9823334	0.9822457 ^L
TATAPOWER	0.989496 ^H	0.9886311	0.9886272	0.9886086 ^L
TATASTEEL	0.978049 ^H	0.9764917	0.9764771 ^L	0.9764880
TCS	0.984211 ^H	0.9817267	0.9816992 ^L	0.9817284

Source: Computed Value(H – High ; L- Low)

Conclusions

The main objective of this study was to estimate the optimal hedge ratio and hedging effectiveness of index and stock futures in India by applying four different models namely OLS, Bi-Variate VAR, VECM and GARCH (1, 1) model. The empirical analysis was conducted for the daily data series from April, 2005 to December 2015. It was observed that the GARCH (1, 1) model is the superior model since the hedge ratios obtained are highest among all the other models but on the contrary it was found to be least in providing the risk reduction. The OLS model which is static in nature provided the highest variance reduction among all other models in the study. Thus we can conclude from the empirical analysis that the OLS model can be used to calculate the risk reduction and help the hedgers to compare and take advantage for a given position from the different future position.

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Oil Sector: Current Perspective of India

CS Pradyumna Sharma*
Dr. D.C. Jain**

Introduction

In 2015-16, India emerged as the main driver of oil demand growth in world when international demand is growing with its strongest rate @ 1.8 million barrels per day (mb/d). However, in contrast with 2010, when demand growth was largely affected by the global financial downturn, demand growth in 2015-16 was independent of these factors, although the 25% fall in oil prices provided a significant boost to consumer demand. In last decade the main oil demand growth was driven by USA and CHINA which accounted almost 2/3 rd of total growth rate. In era of economic slowdown and deliberate rebalancing policy a new contender has emerged: INDIA.

Previously Indian oil demand failed to compete with China due to dominant share of its services sector relative to manufacturing in GDP, and partly because a situation of 'political paralysis' over the last few years was unattractive for industrial investment. However, 2015-16 saw a 'New India' emerge, with oil demand growth jumping to 0.3 mb/d per year, a record high. India is soon likely to overtake Japan as the second-largest oil consuming economy in Asia. The global oil price downturn shows the indication of substantial fiscal improvement and a 10% decrease in oil prices in 16-17 which will increase import of oil up to 0.5%. (World Bank Report)

* CS, NET, CA(F), M.COM

** Professor, Commerce College, Kota, Rajasthan, India.

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In this paper we argue that in addition to the boost from low oil prices, structural and policy-driven changes are underway which could result in India's oil demand growth in a similar way to China's during the late 1990s, when Chinese oil demand was at levels roughly equivalent to current Indian oil demand. India's per capita oil consumption has increased as a result of the increased affordability of oil in various uses (on the back of the drop in the oil price) for a large section of its population who could not previously afford it; this is becoming visible in the motorization of the Indian economy. Furthermore, the Indian government's target of increasing the manufacturing sector's share of GDP to 25 per cent by the beginning of the next decade (from roughly 15 per cent at present) could lead to higher oil consumption in manufacturing. Finally, the programme of infrastructure construction (roads and national highways) that is being partly funded through revenues from the higher taxation of oil and oil products is also likely to support oil demand growth.

Historical Background

Historically Indian oil consumption shows a steady growth rate over the past decade which roughly comes 0.15 mb/d annually. This steady growth shows that income effect beats the price effect in this decade implying a low price elasticity of demand in India. The IMF in 2011, for instance, predicted that between 2015 and 2018 the Indian economy would grow at around 6 per cent on average which matches the income elasticity of oil. In addition to this expected long-term trend, however, there was an upsurge in oil demand in India during 2014 and 2015 due to fall in prices.

This demand pattern can be better understood by a further examination of data from 2014 and 2015 as oil demand remained largely depressed during 2013 due to an economic downturn in India. It picked up in June 2014 with the strongest demand growth since January 2013, but remained relatively muted through 2014 and registered its first fall since August 2014 in October 2014. Demand rebounded from November 2014 onwards, showing a then record increase of 9.4 per cent in February 2015 the second highest growth on record at the time. Demand growth remained robust through 2015, with occasional dips due to a weakening rural sector. In September 2015 y/y demand growth reached 0.5mb/d and a record 0.62mb/d in October.

While November 2015 demand growth eased back to a more realistic 6.4 per cent (0.24mb/d), December 2015 demand growth picked back up to 0.31mb/d. Average oil demand growth from April 2014 to December 2015 was around 0.22mb/d, while average growth from January to December 2015 was 0.29mb/d, both figures being considerably higher than the historical average demand growth of roughly 0.1–0.15mb/d between 2000 and 2015. Demand stayed near record highs at 3.95mb/d in January, higher y/y by 0.45mb/d, continuing with the momentum seen in 2015.

The Concept of Growth

The concept of growth depends on three conditions. The process of economic growth as centering on a relatively brief time interval of two or three decades when an economy, and the society of which it is a part, transform themselves in such ways that economic growth is subsequently more or less automatic. The sequence of growth is taken to consist of three periods: a long period (amounting to several decades) when the preconditions for growth are established, the growth itself, defined within two or three decades, and a long period when growth becomes normal and relatively automatic. These three stages do not preclude the possibility of growth giving way to secular stagnation and decline.

Three Conditions

- A rise in the rate of productive investment from 5 per cent or less to over 10 per cent of national income or net national product.
- The development of one or more substantial manufacturing sectors, with a high rate of growth; and,
- The existence or emergence of a political, social, and institutional framework which supports sustained economic growth.

As per Rostow's theory (1956) in a developing economy like India four basic factors must be present:

- There must be an enlarged effective demand for the product or products of sectors which have the potential to generate a rapid rate of growth in output. Historically this has been brought about by the transfer of income from consumption to productive investment, by capital imports, by a sharp increase in the productivity of current investment inputs yielding an increase in the consumers' real income expended on domestic manufactures, or by a combination of the above.
- There must be an introduction into these sectors of new production functions as well as an expansion of capacity.
- The society must be capable of generating the capital initially required to catalyses the take-off in these key sectors, and there must be a high rate of plough-back by the state or private entrepreneurs controlling capacity and technique in these sectors, and in supplementary growth sectors.
- The leading sector(s) must be such that their expansion and technical transformation induce a chain of Leontief input-output requirements for increased capacity and the potential for new production functions in other sectors, to which the society progressively responds.

“Conclusively we can say that growth is a normative idea to which most developing country governments aspire and one which they consequently attempt to catalyse through specific policies.”

Per Capita Oil Consumption

India's per capita oil consumption is relatively low in comparison to both the world's largest consuming economies. The wealthiest 10 per cent of its population accounts for a quarter of household energy expenditure. Furthermore, household expenditure on energy is two and a half times higher in urban areas than in rural areas, with the most affluent sectors of the urban population spending around eight times as much as the poorest, whereas in rural areas the most affluent only spend four and a half times as much as the poorest (IEA, 2015). The drop in oil prices (the price of the Indian crude oil basket has fallen from 109 US\$/barrel in June 2014 to 25 US\$/barrel in January 2016) has been sufficient to increase affordability for a whole new segment of the growing middle class population. The effect of prices is reflected in both higher consumption of fuels as well as a switch away from bio energy and kerosene towards commercial fuels such as LPG.

Vehicle Ownership

The effect on per capita oil consumption is best observed in the transportation sector, which accounts for roughly 40 per cent of India's oil consumption. Car ownership growth rate is improved in Indian economy i.e. 3 per 1000 in 1990 to 23 per 1000 in 2015 and penetrated growth (car plus two wheeler) raised to 150 per 1000 in 2015 from 18 per 1000 in 1990.

Car sales are indicative of the effect of rising incomes and the move towards higher-end private transportation. However, two-wheeler sales are much more reflective of the number of new consumers entering the market for personal transportation, on the back of the increased affordability of oil. The purchasing of two-wheelers is therefore a closer reflection of a step up on the energy ladder towards motorization. It can be expected that much of the two-wheeler fleet will be replaced by cars, as consumers continue to climb the energy ladder on the back of rising economic growth and per capita income. India is now the world's sixth largest car market, with 26 million units sold in 2014. From 2010 to 2015, car sales have been increasing by around 2 million units annually. Percentage growth rates are misleading here, Even if the market slows down, the crucial factor for oil markets is that the vast majority of new car sales in India go to fleet expansion. That is to say, unlike developed markets (where the majority of new cars are replacing ageing vehicles that are being scrapped and overall fleet growth tends to track population growth) India, like other developing markets, is experiencing a rapid increase in the size of its vehicle fleet. Between 2007 and 2015 the size of India's vehicle fleet nearly doubled, rising from around 96 million vehicles to 200 million vehicles.

Collectively, this evidence implies that India's vehicle ownership pattern is indicative of the motorization stage, with consequent implications for oil consumption.

Infrastructure and Road Building

Per capita consumption is taken as the primary determinant of vehicle ownership growth and saturation levels, but development of infrastructure, particularly roads in developing countries, is assumed to follow the trajectory seen in developed countries. India's government has embarked upon a massive programme of infrastructure creation, aiming to construct 30 km of highway roads per day. Highway construction has been extremely erratic during the past decade, with substantial additions seen in some years (for instance, a 13 per cent growth in length of national highways in 2004 and 2012) and no progress in others (for instance, negligible or zero growth in 2002, 2003, 2005, 2008, 2010, and 2011). Given that personal transportation (namely, the car fleet) is likely to grow in line with per capita income levels, this expansion in national highways holds significant implications, primarily for road transportation, particularly for diesel consumption.

The broad conclusion from this is that the 'boom' in road construction, if successfully achieved, will further lift the expansion of the goods vehicle fleet and concomitantly increase diesel consumption. In a recently released 'Global Construction 2030' report, the Indian construction market is highlighted as the key driver of growth – being set to overtake Japan as the third-largest construction market within the next five years.

Environmental Factors

This is largely ignored factor with regard to growth-based motorization is that of environmental constraints, imposed through policy measures on pollution, aimed at curbing particulate matter emissions from vehicles. While this constraint is unlikely to alter the trend in motorization, it will alter the demand for oil products used in enabling motorization. In India, this is likely to affect diesel demand, as diesel-powered vehicles account for over 90 per cent of SUVs, 34 per cent of small cars, and 70 per cent of large/medium cars. In December 2015, India's Supreme Court placed restrictions on the use of high-end diesel passenger vehicles (including SUVs with an engine size of 2000 cc and above) in India's National Capital Region (which includes Delhi, ranked amongst the most polluted cities in the world); these restrictions ban such high-end vehicles from new registrations until 31 March 2016. The Court has also banned diesel goods vehicles registered prior to 2005 from entering Delhi. Furthermore, all taxis in the capital must mandatorily switch to Compressed Natural Gas (CNG); this is estimated to impact around 30,000 vehicles. The impact of the ban on overall diesel demand in January 2016 was relatively small (around 10-20 thousand b/d), more than offset by higher demand from manufacturing.

Delhi's state administration has also imposed a 'green cess' on light and heavy commercial vehicles which will push up the cost of maintaining diesel vehicles. Indian policymakers are increasingly concerned about rising urban air pollution levels. In January 2016, Delhi's government carried out a 15 day pilot programme when private cars were allowed to operate on public roads only on alternate days, depending on whether their license plates ended in an even or an odd number.

Manufacturing- Impact of "Make in India Initiative"

In September 2014, India's government announced a major policy initiative entitled 'Make in India'; this was aimed at expanding the share of manufacturing from 15 per cent of GDP to 25 per cent by the year 2022. It has been estimated that 220 million additional jobs will be required by 2025 (Gol, 2011). India's manufacturing sector currently comprises roughly 11 per cent of total employment, in contrast with the position in other emerging markets where the share of manufacturing employment ranges from 15 to 30 per cent (Gol, 2013), and the 'Make in India' policy aims to generate 100 million additional manufacturing jobs by 2022. Target annual average growth rate of 12 per cent for the manufacturing sector as a whole is expected during the Twelfth Five-Year Plan (2012–17) and until 2025.

India's push to expand its share of manufacturing in GDP implies a concomitant increase in oil consumption, subject to improvements in the energy efficiency of GDP. Manufacturing GDP in India in 2014 was estimated at US\$153 billion, or roughly 15 per cent of total GDP, which is estimated at around US\$1 trillion (Planning Commission Data book, 2014).

By analyzing historical data of 2007-2015, projections show a clear upward trend from 2016 onwards, with oil consumption in manufacturing in 2022 estimated at around a third higher than the figure for 2015. However, it must be stressed that this is a broad and somewhat conservative estimate, based on a set of assumptions. The actual trend could well be non-linear, and is contingent upon the effectiveness of government policy in catalyzing the required ramp-up in manufacturing GDP. Furthermore, improvements in energy efficiency could temper oil consumption growth in manufacturing.

Diesel will not be the sole beneficiary of the push toward manufacturing, as NAPHTHA AND BITUMEN consumption is also likely to increase. Indeed, naphtha demand has grown considerably since March 2015, reaching a double-digit growth figure in July 2015. Between July and November 2015, naphtha demand growth averaged 29 per cent, with November growth a massive 40 per cent. This was driven by the demand for naphtha as a gasoline blend stock, and more importantly by demand from the growing petrochemical (particularly plastics and polymers) and fertilizer sectors. As manufacturing demand grows, so will the demand for plastics

(petrochemical industry), and naphtha is best placed to benefit from this, particularly given the focus of the 'Make in India' campaign.

The Indian petrochemical industry has grown rapidly in the last 10 years; capacity expansions have led to much greater self-sufficiency for major petrochemical building blocks such as ethylene, propylene, butadiene, and aromatics, amongst others. These building blocks all had surplus capacity of at least 0.5 million tons per annum (Mtpa) as of 2013. The olefinic base chemical capacity is expected to increase from 4.5 Mtpa to 8–10 Mtpa, while the aromatic base chemical capacity is expected to increase from 3.2 Mtpa to 5–6 Mtpa over the next five to six years. Robust expansions in the refining sector, together with surplus availability of naphtha as feedstock for petrochemical plants, have supported this growth. Over the next five years, the capacity expansion projects announced by all major Indian petrochemical companies will lead to a reversal of balances, with excess naphtha supplies falling sharply.

Trade Flow Impact

Our analysis suggests that oil consumption in India is at a potential inflection point, mimicking the THIRD stage of economic growth. It can be argued that the relationships between infrastructure creation, the push towards manufacturing, and oil consumption, generally hold true for emerging markets. A simple correlation of India's merchandise exports with its oil consumption yields a strong positive coefficient of 0.92. However, the growth in oil consumption also holds implications for trade flows, both with specific regard to India's trade balance and its recent status as an oil products exporter, as well as for international oil trade flows. Already, oil product exports have fallen for eight of the first eleven months of 2015, with average product exports over the same period lower by over 0.1 mb/d compared to the same period in 2014.

The area where the change in trade flows has been the most apparent has been in naphtha. Indian naphtha exports have fallen by around 21 thousand b/d between January and November 2015, with the decline extending to 44 thousand b/d between September and November, as the country consumes more of its own output due to the rapid growth in demand discussed above. India has long been a key short-haul naphtha supplier for the Asian market, so the decline in exports has been felt very rapidly. Diesel exports have also fallen, by an average of 39 thousand b/d in 2015. While part of this is tied to heavy refinery maintenance, growing demand also played a part in a trend that is likely to continue. A growth in domestic oil demand could therefore reverse India's recently achieved status as a net oil products exporter, with significant implications for international trade flows.

Conclusion

India's oil demand has soared over the last year, reaching an average figure for oil demand growth y/y of 0.30 mb/d in 2015, compared with 0.1–0.15 mb/d over

the previous decade. This jump in demand reflects a number of underlying dynamics at play, which indicate that India's oil demand may be on the verge of growth. The magnitude of this growth can be gauged by the fact that Indian oil demand is demonstrating trends that were visible in China around a decade or a decade and a half ago, during the country's industrialization 'boom'. Furthermore, an analysis of motorization, widely regarded as an acceptable metric in gauging oil consumption patterns and economic growth, shows that car ownership trends in India (per thousand population) are at around the levels which China reached a decade ago. India's per capita income on a purchasing power parity basis is also estimated to have breached the threshold beyond which motorization rapidly ensues.

While the drop in oil prices since June 2014 has aided the expansion in oil demand (the increased affordability of oil to a very large section of the population is reflected, for instance, in massive additions of two-wheelers to the total vehicle fleet over 2015-16) this paper has also shown that recent policy initiatives are likely to further lift oil demand, a process which is already apparent in the data. Specifically, this paper has estimated the impact on oil demand, and specifically on oil products such as diesel and naphtha, of the push to increase manufacturing's share within GDP from 15 per cent at present to 25 per cent by 2022. Such an increase could add at least a third to India's current demand levels, based on a broad and conservative linear estimate. A concomitant programme of road infrastructure creation targeting the addition of 30 km a day will add to this, although this paper has argued that growing environmental and air pollution concerns could constrain growth in oil demand in the transportation sector. In terms of the bigger picture: while China's oil demand growth has slowed to around 0.30mb/d since 2013 from levels of 0.50mb/d in the previous decade, India appears to not have long to go in terms of achieving the same levels of oil demand growth. This rise in demand also has implications for India's recently acquired status as a net exporter of oil products, which, as discussed, could well be reversed. Finally, the question of whether India will manage to soar to a higher plane of development and consumption is contingent to a great extent upon its ability to carry out and sustain structural reforms to support economic growth.

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Devising Suitable Models for Inclusive Finance

Dr. Nitin Raj *

Introduction

Devising a suitable model, for a complex product like microfinance, demands, very high order of pragmatism and deep sense of socio-economic psychology of the needy poor. This necessitates that the following factors should invariably be present in the model as suggested by Mr. Larry Reed. They are:

- Recognize excellence: Recognizing that clients are the ones who are striving to get out of poverty and microfinance is merely a tool. He spoke of the need to learn from successes (best-case practices) in the sector.
- Be Transformative: Acknowledging that microfinance is only one tool to eradicate poverty and not the only tool, and needs to combine with other products meeting the clients' needs.
- Encouraging Savings
- Knowing you clients, understanding their needs and tailoring products accordingly
- Promoting Financial Literacy
- Monitoring and rewarding social performances, by keeping track of achievements, goals and rewarding successes in different sphere.

* Department of Accounts & Statistics, GKG Government PG College Bhinmal, Rajasthan, India.

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- Doing no harm- which can be achieved by adopting client protection measures as well as through responsible pricing.

(“The Seven Steps to Save the Soul of Microfinance” - Mr Larry Reed, Director, Microcredit Summit Campaign Financial Inclusion Conference- 2012)

He stressed that client understanding is key for functioning of MFI's and that 'the challenge is to use tools to provide more opportunities and reduce risks for the poor' through a combination of developing diverse products and learning from successes across the world and adopting them accordingly. Though the microfinance industry is still in the evolutionary phase, many models of delivering microfinance have been put to test and many more will be tested in times to come in pursuit of attaining the objective of inclusive growth. There can be two modalities in promoting new models for delivery of microfinance:

- Improvising and capitalizing upon existing structure.
- Devising a research based and empirically tested new model.

Improvising and Capitalizing Upon Existing Structure

After passing through the corridors of generalised models of delivering microfinance through SHG-Bank Linkage Program (SBLP) and Microfinance Institutions, the microfinance drive through Business Correspondents became more client specific. The evolution of the Business Correspondent model comprises of the following four stages:-

- Stage 1 : Mobile Business Correspondents
- Stage 2 : Fixed Location Business Correspondent Outlets
- Stage 3:Low Cost Intermediate Brick & Mortar Structures (Ultra Small Branches)
- Stage 4 : Full fledged Brick & Mortar Branches

Having learnt significantly from ongoing Business Correspondent model, the principle of 'one size fits all' has to be rejected. Keeping in view the strength and weaknesses of the Banking Correspondent model, it is the need of the hour to have 'full-fledged Brick and Mortar Branches' in the hinterlands of villages. In this direction, the already existing capital resource, human resource and ICT resource, in the form of 'Postal Bank' and RRBs along with STCCS can play a vital role. In the Technical Paper on Differentiated Bank Licences (2007) the RBI recognized the desirability of the system of full service and universal banking given the low penetration of banking services and the risks associated with any liquidity crunch.

- **Postal Bank Model**

There are more than 1,30,000 post offices (POs) in India, with strategic locations and effective reach among masses, both, the urban as well as the poor. Post Offices in India have given their commendable services over the years in

mobilising small resources besides attending to the primary obligation of attending posts. The Department of Posts, in this regard, filed an application to the Cabinet Committee of Economic Affairs, Government of India, to set up a universal bank as "Postal Bank of India". If the committee had approved the application, the Postal Bank would have been a reality.

Tarapore (2014) has visualized the importance of Postal Bank and puts it as: 'Trying to achieve financial inclusion without a central role for India Post would be like staging *Hamlet* without the Prince of Denmark.' (A 'Postal Bank' of India: Hopes and Concerns SOS-2014). The Directorate of Posts presented their strong hold upon the network, while applying for the IPB. "The POs acting as Business Correspondents can provide a range of financial products to the rural households including deposits, loans, insurance, remittances, pension and government subsidies and payments. Of the total 1.55 lakh POs in the country 90 per cent are in rural areas. This means that there is one PO every 5 km. The rural postal network includes 16 head POs, 12172 sub-POs and 126,976 branch POs.

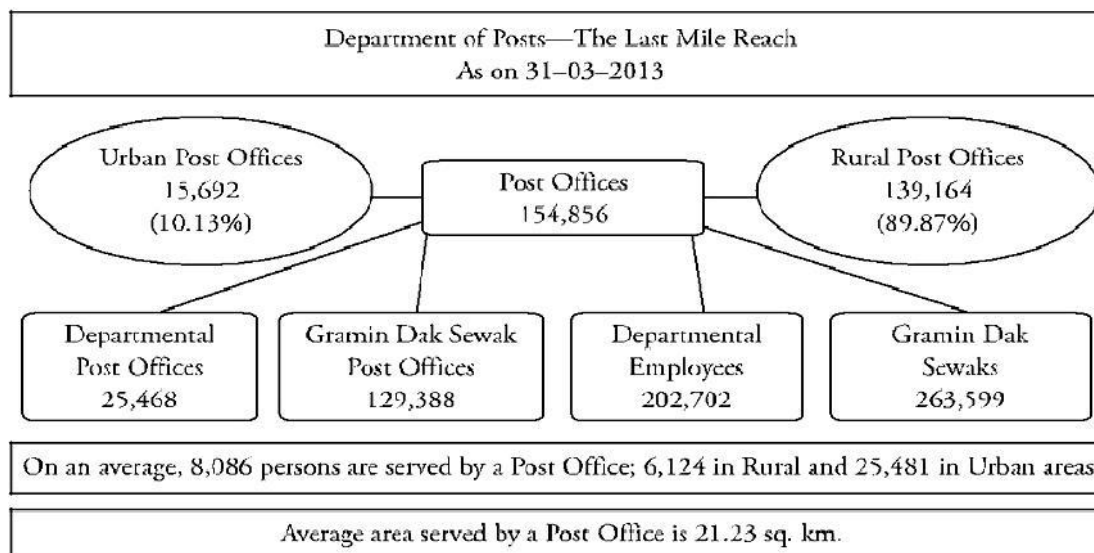
The rural postal network has brought close to 85 million rural people into the ambit of formal financial services by opening bank accounts for them for disbursement of social security scheme payments. As part of a special arrangement, the post offices in the Andhra Pradesh Circle undertake Aadhaar Enabled Payment of wages/benefits under MGNREGA and other social security schemes with the support of AP Online and the state government. For this purpose 9000 micro ATMs have been deployed by the circle." Postal life insurance and rural postal life insurance has covered about 20 million households. The Department of Posts has embarked on an information technology modernization project. It has installed CBS in 675 post offices and opened two ATMs under the project. The Department reportedly has spent about Rs. 5,000 crore on enhancing technology platform since 2012.

The POSTAL BANK OF INDIA is proposed to be run as a unique model. The proposed pyramid like structure will have 150 branches at the top which would be linked to 800 head post offices (HPO) across the country. The HPOs will be connected to sub-post offices (about 25,000) and further downstream to branch post offices (1.39 lakh). The branch POs would cover the entire rural landscape including the remote and the politically disturbed. The branches will be opened over the next five years and would employ 3,000 employees. Of the total estimated capital investment of Rs. 1,800 crore, the government's contribution is expected to be Rs. 623 crore (i.e. about 39 per cent). The rest would be raised from the market. The POSTAL BANK OF INDIA is expected to have a turnover of over Rs. 21,000 crore in five years with a profit of Rs.300 crore.

Concerns have been raised about the capability of the postal system to handle the large network of branches. Tarapore (2014) suggests that a cautious and

calibrated process to expansion of operations will take care of this issue. But the Bank would need specialists skilled in managing investments to ensure viability of operation.

Robust Network for Devising Postal Bank of India



Source: "DoP, Annual Report 2013–14.

In my opinion, leveraging upon this much vast a net work of specialized work force must be capitalized to cater to the specific needs of inclusive finance.

Regional Rural Banks

In the changed and the most challenged circumstances, the role of RRBs should also be re-assessed and structure refurbished. A study conducted in Chittoor, Kurnool and Mahabubnagar districts of Andhra Pradesh, revealed that despite the potential demand for financial services, the constraints on individual Business Correspondents to expand financial inclusion almost originated with the banks. The study identified eight reasons for reluctance on the part of banks to expand formal banking services to the financially excluded:

- Banks took inclusion as a social responsibility initiative rather than as a future business opportunity.
- Banks were unwilling to spend time and resources to create and nurture a new market.
- The sizes of financial inclusion portfolios of banks were small compared to other high-growth sectors.
- Banks perceived a 'perpetual viability gap' because of the high costs of servicing this market segment
- Banks felt that recovery in the rural areas would be difficult.

- Banks were concerned about the lack of basic financial literacy and other information asymmetries.
- The banks were lacking tools to measure financial exclusion and to quantify the market risks.
- The geographic distances of sub-districts from district headquarters also acted as a constraint.

The above short comings can be got over by employing RRBs with renewed rigor as they already have their strong base in the remotest areas. A study on 'Viability of Business Correspondents in Regional Rural Banks' was made under the aegis of NABARD in which 23 RRBs were covered based on the number of Business Correspondent transactions undertaken by them up to 31 December 2013. The study was conducted in during April–May 2014 and the findings were as follows:

- For almost 50 per cent of the CSPs interviewed, Business Correspondent (BC) operations were the main source of income.
- In 60 per cent of the cases, the CSPs were earning in the range of Rs. 1,500 to Rs. 3,000 per month.
- The transaction charges paid to the CSPs were in the range of Re. 1 to Rs. 2 for deposit or withdrawal transactions and Rs. 5 to Rs. 15 for opening an account.
- All the CSPs were offering opening of savings bank account, deposit and withdrawal transactions.
- However, only one RRB was providing credit products like KCCs through CSPs as also micro-insurance.
- Customers of the bank were appreciative of doorstep banking services provided by CSPs. There was a demand for more services to be offered through CSPs especially credit products.

Issues Highlighted by the Various Stakeholders

- Limited number of products being offered through CSPs and low per transaction commission provided
- Connectivity issues and Lack of interoperability of systems and devices
- Low per day cash limit of CSPs
- Lack of capacity building of branch managers and training to Business Correspondents on banking aspects
- Lack of financial literacy and awareness

It was concluded that the Business Correspondent (BC) channel was viable provided banks were ready to invest in it. The cost of transactions was extremely low when compared to transactions at branch, ATM, etc.

Short-Term Rural Co-operative Credit Structure (STCCS)

With a view to rendering efficient microfinance services at the reduced costs, the three tier structure of Rural Co-operative Credit Structure be made direct into two-tier STCCS. In order to modernize and make them viable in the present context, the following measures should also be taken.

- STCCS, which was primarily constituted for the provision of agricultural credit, must provide at least 70 per cent of their loan portfolio for agriculture.
- Deposits of members of PACS are not covered by the DICGC, therefore, CBS should provide ATM services directly as their Business Correspondents (BCs). All depositors and borrowers of PACS, would become normal shareholding members of the CCB with voting rights for all “active” members.
- CCBs keep their deposits with StCBs in the form of term deposits for maintenance of their CRR and SLR requirements. However, StCBs lend larger amounts to the same CCBs and also invest in loans, which have generally resulted in higher NPAs. Hence, ways need to be found to keep these investments safe.
- The CRAR should be maintained, may be in a phased manner, by mobilising various resources.
- Small CCBs should be consolidated by interacting with the stakeholders.
- The CCBs and StCBs should take concrete steps to improve their internal systems, human resources, and technology adoption along the lines of the recommendations of the Vaidyanathan Task Force.
- The Reserve Bank to modify the banking licence of any CCB to include additional operational areas from which a PACS could work as the Business Correspondent (BC) of a CCB.
- CCBs and StCBs to be covered by the Banking Ombudsman or a similar mechanism that may be developed by the Reserve Bank with NABARD.
- All steps to be taken to tap ICT benefits in efficient delivery of inclusive finance at its best.

Devising a Research Based, Empirical New Models

Keeping in view the heterogeneous and magnanimous demand for microfinance, also assessing the substantive measures to meet the challenge of fulfilling the demand, the measures being taken are not sufficient at all. To cater to this need, in my opinion, the following approaches may also contribute substantially in addressing the situation.

- New model on the part of Microfinance Institutions to convert, consolidate or amalgamate into a “Small Bank”.
- New model “Samarpan” the commitment.
- New model “ASRA” i.e., Acquiring Services of Rural Artisans.

New model on the Part of NBFC-Microfinance Institutions to form a “Small Bank”

The NBFC/Microfinance Institutions have had and are still having tough time after the Andhra Pradesh crisis in India. Not only the Microfinance Institutions operating in the state of AP were greatly hit, but the effect of contagion was also felt and seen in the financial results of these NBFC/Microfinance Institutions. Where the Microfinance industries (Development and Regulation) Bill 2012 is still languishing in the Parliament, the charges framed on Microfinance Institutions of being unethical and treated at par with money-lenders has posed many hardships before Microfinance Institutions. The Margin Cap of 10% for larger Microfinance Institutions whose ‘Loan Portfolio’ exceeds INR 100 crores and 12% for others, imposed by the RBI, not giving any consideration to the present cost of operation of Microfinance Institutions, has forced many small Microfinance Institutions either to take an exit from the market, or to consolidate or amalgamate.

The activity of microfinance operates between the boundaries of two ends, ‘social’ and ‘capital’, and likewise termed as ‘ethical’. The low cost lending is possible only when there is low cost borrowing. In the changed situations, when the RBI is willing to increase rural base of banks, it is the most opportune time for the Microfinance Institutions to get transformed into ‘Small Banks’. Microfinance Institutions can choose to function as a private bank with full focus on rural regions/areas of India. This will envelop the marginalized section of the society into the formal financial system by (i) provision of savings to the underserved, and supply of credit to small business units; small and marginal farmers; micro and small industries, etc. through high technology-low cost operations.

- NBFC’s/MFI’s conversion into Small Finance Bank will require it to be registered as a public limited company under the Companies Act, 2013.
- This will open up a new vista for them to undertake basic banking activities such as acceptance of deposits and lending.
- They can also undertake other non-risk sharing simple financial services activities, such as mutual fund units, insurance products, pension products, etc.
- They shall have to comply with the provisions of the minimum paid-up equity capital as prescribed.
- To ensure promoter’s stake, the promoter’s contribution should be at least 40% for the first five years.
- There may be foreign-shareholding, as per ‘Foreign Direct Investment’ policy for private sector.

- The small banks will be subject to all prudential norms and regulations of RBI as applicable to existing commercial banks including requirement of maintenance of CRR and SLR.
- The major thrust of such small banks should be on priority sector lending (PSL) and therefore, a large share of their credit must be made eligible for it.

The NBFC/Microfinance Institutions are catering a large segment of microfinance sector. If they come forward to take benefits of the relaxed licensing norms of RBI and opt for becoming small finance bank, this movement will have tremendous positive effect upon the sector.

New Model “Samarpan” the Commitment

Having had interactions with micro-borrowers, microfinance providers, promoters, policy formulators, advisors and other stakeholders in this field, I got to know certain facts that had a strong bearing upon the performance of various programs, campaigns and movements taken up so far. These can be summarized as follows:

- The absence of competent authority to regulate the industry rendered the atmosphere ‘free from accountability’.
- The conceptualization and formulization part happens to be good but the execution part falls shorter than the expected.
- The inherent objective of corporate social responsibility was taken as sheer formality.
- There were plethora of imperfections in microfinance industrial environment, namely, financial illiteracy, poor health, lack of entrepreneurial zeal, non-responsive attitude to accept a change etc. on one hand and dichotomy of ‘for profit’ or ‘not for profit’ on the other.
- The industry could not effectively tap the resources and technological innovations.
- All in all, something, somewhere was lacking, that was ‘commitment’ to accomplish the noble cause.

In order to put the financial resources, technological advances in ICT, willing human resource and the experiences gained from others, to their best use, I have conceptualized a model “ Samarpan” which means “Commitment”. I for one think, it may be an ideal model for the delivery of inclusive microfinance products.

The “Samarpan” (Commitment) model for inclusive finance comprises the following:

- A well defined Regulatory environment.
- Investor / Fund Provider, committed for the cause of inclusive finance.
- Technical Service Provider

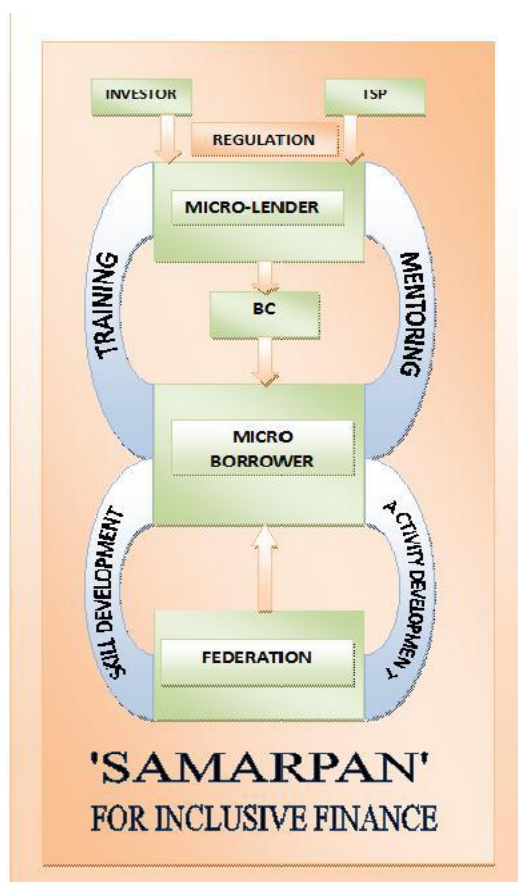
- Micro Lender
- Banking Correspondent
- Micro-borrower
- Federations/Associations
- Training
- Mentoring/Handholding
- Skill Development
- Activity Development

The most remarkable feature of this model is its name “Samarpan” and presumes that all the participants in this model shall perform their duties and obligations with utter “commitment”. This is so because whatever activity is taken up, whether it is social or economical, legal or strategic, it reaches its destiny only when there is dedication and commitment.

The rights and obligations of borrowers, lenders, investors and other stakeholders are well defined and are free from dichotomy and trespasses. The use of latest technology like credit cards, RuPay, eBAAT, biometric impressions, voice recognition devices, connectivity etc. are well taken care of by competent Technical Service Providers. Bank Correspondents are easily approachable, also well equipped in both, the knowledge and the gadgets. Most important, the micro-borrowers (SHG/ JLG/ individuals) have the needed confidence to break the rut of poverty. They must adapt the changes they got exposure of in trainings.

The SHG promoters/ Federations must continually strive hard for the ‘skill development’ of the borrowers on one hand and ‘activity development’ on the other. This is so because, if the micro-borrower wants to scale up in times to come, he will have to have a sound base of skills of the same business. Whereas, training on ‘activity development’ will open up new vistas for development along with the main activity. This may take the form of dairy, poultry, animal husbandry, fishery, apiary, planting herbs, orchards, etc., thereby making use of unused land, whether owned or hired.

Therefore, low cost funding, with the objectivity of ‘social banking’ from various investors, low cost and efficient ICT facilities and operations from the technical service providers, committed execution by the Business Correspondent (BC) of his duties and responsibilities thereby earning the faith among clients, transparency, a reasonable remuneration to the banking correspondent, simple saving-credit procedures, committed and pragmatic efforts for enhancing financial literacy, all suitable area specific measures for capacity building and due diligence are the prerequisites for adoption of this model.

New Model – “SAMARPAN”

The two way role of inclusive finance lender is effective hand holding and mentoring all through, till the borrower scales up and has undergone few cycles of successive loans. Once again it need be mentioned that the model above expects “a complete commitment” from all parties concerned, otherwise it may also meet the same fate as the previous drives like, Co-operative movement, RRBs, LABs, Microfinance Institutions etc have met. Another model that has been suggested and named by me is – **ASRA**

New model: “Acquiring Services of Rural Artisans” (ASRA)

In our country, the share of service sector is increasing constantly whereas the share of primary sector has diminished steadily and the share of secondary sector has remained comparatively constant. In one of my papers, ‘Trade in Services’, I have tried to draw the attention to the fact that ‘trade in services’ are more favourable for a country like India in comparison to ‘trade in goods’. In other words, trade in services like ITS and ITeS have contributed positively to the growth of GDP of our country.

Applying this modality in the micro set up, possibilities can be searched to promote cultural activities at the micro level. As micro loans are taken for producing physical goods, in the same way 'micro-service products' can also be produced and sold. For example, Langaas, Manihaars, Kalbelia, various other folk singers, instrument players, linguists, artisans etc., can also "learn to teach" and can scale up by providing the 'specialized service-products' in a wide open, more remunerative market. The cultural traits and arts have a typical appeal of their own and they are recognized very well not only in our country but out-side the country as well.

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Issues and Challenges on Infrastructure Sector with Overview on Indian Economy

Dr. Rohitash Lal Bairwa*

Introduction

The link between infrastructure and development is not one time affair. It is an ongoing and continuous process. Progress in development has to be preceded, accompanied and followed by progress in infrastructure. Infrastructure facilities consist of irrigation, energy, transport, communication, banking, finance and insurance, science and technology, social overheads etc. planning commission have always been aware of link between infrastructure and economic development and that is why high priority was accorded to heavy investment by the Government in infrastructure facilities for providing necessary impetus to rapid economic development. In the recent past, physical progress and regulatory development in infrastructure sector have been lackluster. The telecom sector has faced lot of controversies related to licenses and process followed for second generation spectrum (2G spectrum) allotted in 2007-08. There were irregularities and enquiries about National Highway Authority of India (NHAI) and slower project award activity in road sector. Targets of building roads per day were revised downwardly. There was no significant capacity building in ports sector. Power sector was under financial doldrums. Load shading became the order of the day to avoid burden of extra

* Lecturer, Department of EAFM, BSN College Baksawala, Jaipur, Rajasthan, India.

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purchase cost. Civil aviation sector is in bad shape. In the recent past infrastructure sector has been prone to poor level of monitoring and accountability. Regulatory facilities in infrastructure sector have also added fuel to the fire. Slackening of the pace of reforms and compulsions of coalition Government are added reasons for worsening the infrastructure scenario.

Issues in Infrastructure Sector

Infra is a prefix to the structure and hence it comes before the structure. If any structure has to be created a bare or a necessary initial foundation is a pre-condition so that a structure could be built over it. This foundation is a necessary condition for creating a structure or super structure. Infrastructure sector in itself will not generate income but it will help other sectors to generate income. Cheaper infrastructure availability will help in rapid development of other sectors. Whatever industrial infrastructure India has created during five year plans has delivered development and we have been able to create a strong industrial base in this country. Infrastructure and development linkages are clear. Harold Hotelling (1938) favored cheaper electricity so that other sectors may develop rapidly in the economy. There has been availability of rich literature and empirical studies claiming substantially positive inter linkages between infrastructure and development. World Economic Forum (WEF): Competitiveness Report 2010 has ranked India's basic infrastructure at 86th position among 139 countries. It is a fall of 10 places as compared to 2009. Why are we trailing?

The planning Commission in its approach paper has projected an investment of over Rs. 45 lakh crore (for about US \$ 1 trillion) during 12th plan (2012-17). It is projected that at least 50 percent of this investment will come from the private sector as against the 36 percent anticipated in the 11th plan (2007-12) and public sector investment will need to increase to over Rs. 22.5 lakh crore during 12th plan (2012-17) as against an expenditure of Rs. 13.1 lakh crore during the 11th plan. Financing infrastructure will, therefore, be a big challenge in the coming years and will require some innovative ideas and models of financing. Innovative policy initiatives would be required to attract private capital. In times to come following important issues relating to infrastructure sector will require thorough research and empirical investigation.

Road

- Regulatory needs for public- private partnership model
- Restructuring of National Highway Authority of India
- Establishment of Expressway Authority of India- giving it a concrete shape
- Review of BoT- Toll basis and BoT- Annuity basis
- High level of viability gap funding required by private sector
- Extra- ordinary returns reaped by private sector 19-28 percent annuity of project cost.

- Delaying of Road projects.
- Road development in the areas of leftwing Extremism (LWE) affected areas.
- Coordination among various organisations like, BRO, PWD, NHAI etc.

Power

- Mismatch between demand and supply of power
- Improvement required in Management of power sector.
- Low tariff for agriculture and domestic power consumption.
- Imbalance among tariff rates.
- Poor distribution infrastructure, widespread theft and leakages.
- Absence of meaningful peak load management.
- Insufficient resource management.
- Complex administrative framework.
- Power sector is losing industrial consumers due to captive plants- these consumers currently bear the burden of cross subsidization.
- Success of National Mission for Enhanced Energy Efficiency NMEEE for devising cost effective strategies.

Water Resources

- Shortage of fresh drinking water
- Water conflicts
- Water Rights and the new water in India
- Opportunities of trans-boundary water sharing
- Evolving regulatory framework for rural drinking water.
- PPPs in drinking water and irrigation sector.
- Municipal waste water management in India.
- Water pricing.

Railway

- Railway is behind the achieving targets of 11th plan with respect to new lines, developing projects, acquiring wagons and electrical multiple units (EMU) coaches.
- Deteriorating railway finances, low growth of freight and no political conviction to improve railway finance.
- Implementation of Metro Rail Projects in metro cities.
- Capacity addition in railway sector.
- Railway infrastructure for industry initiative (R3i) policy for attracting private investment.
- Need for paradigm shift in building railway infrastructure.

Telecom

- Licensing process followed by telecom sector
- Poor level of monitoring and accountability for completing programme and projects.
- Telecom irregularities in the process followed by DoT for the verification of applications as it lacked due diligence, fairness and transparency.
- Role of sleeping watchdog i.e. Telecom Regulatory Authority of India (TRAI)
- Controversies related to spectrum hoarding and exaggeration of subscriber numbers to garner additional spectrum.
- 3G and BWA auctions in June, 2010 as none of the BWA auctions winners have launched their services as yet.
- Accomplishment of National Broadband Plan – TRAI had targeted 160 million connections by 2014. this target has not been achieved.

Ports

- Unprogressive performance of port sector- slow pace of maintenance, large dwell time, capital dredging, poor port connectivity, absence of a comprehensive development policy, limited capacity of minor ports.
- Need for creation of Maritime Finance Corporation with equity of ports and financial institutions to fund port projects.
- Land lord port model and private sector participation.
- Creation of Traffic Authority for Major Ports (TAMP) and Major Ports Regulatory Authority (MPRA)
- Insufficient hinterland infrastructure facilities.
- Higher lead time for trade due to inefficiency – India 22 days where China 07 days.
- Controversies over Sathu- samudraum ship canal project.
- Higher ratio of freight payments to total import value.
- Low efficiency level of ports undermining their competitiveness and efficiency.

Civil aviation

- Inadequate ground handling system
- Inadequate night handling facilities
- Poor passenger amenities and poor capacity utilization.
- Financial health of the carriers in India in passenger segment.
- High and growing debt burden of carriers.
- FDI policy for foreign airlines investment.
- High incidence of taxes.

General Issues

- Currently India's infrastructure is overtaxed.
- New roads are distinguishable from old roads. Old roads tend to lack physical lane divides.
- Long gestation period, lumpiness of huge capital, high capital output ratio, high risk and low return.
- Except telecom cost of infrastructure is 50 to 100 percent high in India than in China.
- There are challenges of big push like FRBM constraints, lack of political will to enhance longer pay back period oriented infrastructure spending.
- State's inability to fund infrastructure requirements.
- Government's inability to handle large infrastructure projects efficiently, have deteriorated.
- Large gap between high changes and cost of operating infrastructure utilities due to political infrastructure.
- Resistance of trade unions as a barrier in privatization of public utilities.
- Setting up joint venture companies as special purpose vehicle (SPV) to execute the project.
- Evolving Infrastructure Development Finance Corporation (IDFC) as a special purpose Vehicle (SPV) to finance financially viable projects facing difficulty in raising resources.
- Integrated development of slums housing and development of infrastructure projects in slums in the identified cities.
- Strengthening Jawaharlal Nehru National Urban Renewal Mission (JNNURM) as it has comprehensive coverage of urban renewal water supply. Sewerage and solid waste management, construction and improvement of drains and storm water drains, urban transportation, parking lots and spaces on PPP basis development of heritage areas, preservation of water bodies etc.
- Sub optional project implementation across the sectors.

Project Delay Issues

Maximum number projects delayed relating to road transport and highways (90), followed by power (45), petroleum (29), railway (26) and coal (17)

The Road Map Ahead

Road map signifies the journey towards destination. The destination is high infrastructure availability to the countrymen so that a high class superstructure could be created over it. Infrastructure is a pre-condition to superstructure. Interlink age between the two are explicitly clear. It is projected that the 12th plan (2012-17) will see investments in the infrastructure sector double from the level targeted during 11th plan. it will also increase.

Infrastructure investment from 7.75 percent of GDP was during 11th plan (2007-2012) to 9.85 percent of GDP during 12th plan (2012-17). Progress of infrastructure development and reforms be regularly.

Monitored and regular assessment of action on the solutions recommended by the ministries themselves as well as planning commission be taken. Infrastructural restructuring has been thoroughly tried along the lines of structural reforms, operational reforms, ownership reforms and pricing reforms. There is need to evolve an integrated reform strategy along with innovative ideas of financing for rapid economic development so that infrastructural needs of the country may be met any time soon.

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GST: Issues and Impact on Indian Banking Sector

Dr. Naresh Kumar*
Mamta Bhushan**

Introduction

Tax is major source of revenue to government to support government expenditure on public services and infrastructure development in India. Previously indirect Tax system was highly complex in India due multiple taxes imposed by centre and different state governments on goods and services. In the current global economic environment ,it become imperative to introduce the Goods and Service tax (GST) to remove the complexity of multiples taxes levied by different authorities on goods and services. GST is a significant landmark in the indirect tax system in India. GST is a significant tax reform that transforms the country to: “One Nation, One Tax, One Market by, replacing most of indirect taxes charged by multiple authorities on the goods and services, simplifying the tax structure, easing compliances and digitization. GST was first introduce by France in year 1954 and worldwide more than 160 countries have also adopted GST as it is an important and effective tool of providing revenues to the government, while encouraging economic growth and efficiency. Now in India GST was launched on 1stJuly, 2017 with objective to support and enhance the economic growth of the country. Implementation of GST will affect all the sections

* Associate Professor, Department of EAFM, University of Rajasthan, Jaipur, Rajasthan, India.

** Assistant Professor, Department of Commerce, Kamala Nehru College, University of Delhi, Delhi, India.

~ *The paper has been presented in "International Conference on Modern Management Strategies, E-commerce and Global Economy-In Indian Context" Organized by Inspira Research Association (IRA), Jaipur & LBS PG College, Jaipur, Rajasthan, India. 02-03 February, 2018.*

of the country. GST will affect all the industries, some industries will gain and some may be loose.

Banking is the backbone of any economy. It plays a significant role in economic progress of the country. Banking sector is one of the important and largest service sectors in India which contribute in the economic development of the country. Implantation of GST is challenging for the banking sector due to two reasons , first is increased rate of GST on various banking and financial services as compared to pre GST rates and second multistate presence of most of the banks in India. Goods and service tax for the banking services sector would be a major transformation as it would affect financial product and services of banks, the information technology system, processes and change in compliance from centralized to state wise .Purpose of the paper is to identify the issues in Goods and Service Tax in banking sector, further study intents to assess the impact of GST on the banking companies in India.

Literature Review

Ahmad, E., & Poddar, S. (2009), in their working paper 'GST reforms and inter-governmental Considerations in India,' explained in detailed about weakness of the present system of indirect taxes and purpose of tax reform in India. It was found that GST introduction will provide simpler and transparent tax system with increase in output and productivity of economy in India They also suggested an alternative for centre and state GST and tax rate for various industries. They concluded by giving means of harmonizing taxes and ways of administering them. brings to strengthen the free market of India

Garg, G. (2014) conducted a study on 'Basic concepts and features of goods and service tax in India,' in which he highlighted the introduction and objectives of proposed GST. Author also discussed about the threats, possible challenges and opportunities that GST.

Kelkar, (2009) analyses that GST brings a qualitative change in the indirect tax structure through redistributing tax liability equitably, boosts GDP in the long run by reducing the cost and it will be successful if taken in similar fashion at centre and state level.

Kumar , N. (2014) in the study on 'Goods and Service Tax- A Way Forward' concluded that implementation of GST in India will help to remove the shortcomings of current indirect tax system by replacing many indirect taxes and expected to encourage unbiased tax structure which is indifferent to geographical locations.

Syed, M., Taqvi, Ali. (2013) studied the 'Challenges and opportunities of GST in India, According to author GST is single indirect the tax which directly affects all the sections and sectors of the economy.

The ICAI, in its paper, 'GST Model for India- Suggestions' has briefed in the paper about the background of Indian tax structure and also has highlighted some of the issues in implementation of the GST in country. The institute also gave some suggestion to the government for the adoption of GST in India.

Vasanthgopal, R. (2011) studied on the topic 'GST in India: A Big Leap in the Indirect Taxation System,' the paper concluded that that switching to seamless GST from present complicated indirect tax system in India will be a positive step in booming Indian economy. Further the study explain that success of GST will lead to its acceptance by more than 130 countries in world and a new preferred form of indirect tax system in Asia also.

Objectives of the Study

- To understand the concept and background of GST in India.
- To identify the issues in GST in banking sector in India
- To assess the impact of GST on banking sector in India

Research Methodology

Research methodology is the foundation of any study. Being an explanatory research it is based on the secondary data. The data collection was done through various sources like newspapers, various websites, articles from different e-journals and from various reports of CRISIL's, NASSCOM's, PWC and EY which focused on the various aspects of GST. Descriptive research design was adopted. The accessible secondary data is intensively used only for research study.

Overview of GST in India

After 11 years of efforts finally the India's new goods and service tax (GST) was implementing on 1st July, 2017, ushering in one of the most significant reforms in the country's history.

Major Milestones in the process of GST in India

- 2006 Announcement to introduced GST by 2010
- 2009 First discussion paper (FDP) released by Empowered Committee (EC)
- 2011 Constitutions (115th Amendment) Bill introduced
- 2013 Three committee constituted by EC and GSTN set up
- 2014 Constitutions (122nd Amendment) Bill introduced in Lok Shaba
- 2016 Constitution Amendment Bill passed
- 2017 On 1st July GST was implemented by replacing all other indirect taxes

Concept of GST

Goods and Services Tax (GST) is a single comprehensive indirect tax levied across India on the supply of all goods and services, right from the manufacturer to the consumer, which make India one unified common market, leading to greater ease

of doing business and big savings in logistics costs from companies across all sector. It is a destination based tax levied on consumption of goods and services. It is also called as value added tax because it is imposed on the value added at each stage in the supply chain. Business can claim input tax credits (ITC) to recover the tax paid for acquiring inputs used in making the supply, so the tax is ultimately born by the final consumer. GST can make the indirect tax system very efficient and will affect all stakeholders including manufacturers, sellers, the ultimate consumers and the tax collecting governments apart from giving a substantial boost to GDP growth.

Components of GST in India

SGST: State GST levied by state government on intrastate supplies of goods and services.

CGST: Centre GST by central government on intrastate supplies of goods and services.

IGST: Integrated GST is the addition of SGST and CGST which will be levied and collected by central government on imports and interstate supplies of goods and services.

Objectives of GST

- To eliminate the multiplicity of indirect taxation and streamline all the indirect taxes which would be beneficial for manufacture and ultimate consumer.
- To overcome the shortcomings of the existing indirect tax structure.
- To expand the tax base through wider coverage of economic activities
- To remove the cascading effect.
- To improve the competitiveness of original goods and services
- To enable better compliances.

Issues / Challenges in GST on Banking Sectors in India

Banking is the backbone of any economy. It plays a significant role in economic progress of the country. Banking sector is one of the important and largest service sectors of India which contribute in the economic development of the country. GST is very challenging for this sector due to increased rate (18%) of GST on various banking services as compare to pre GST rate (15%) and also other challenges are state wise registration requirement, compliance, taxability of interest, interstate transactions , filling of returns on monthly basis so on.

- A numerous number of branches making registration process a big hassle: Previously all banks were having centralized registration in the pre GST system for all the branches but now banks are required to obtain the state wise registrations for branches in each state and union territory under the GST system which substantially increased the compliance burden of the banking companies. GST being imposed on branch transactions will create problem due voluminous financial transactions being

carried out. Under GST regime all records would be required to maintain separately for each state. There will be need to make changes in administrations and IT system of the bank to keep the necessary records of branch separately. Due to multiple branches and multistate presence of most of the banks there will be difficulty in coordination and managing the information for compliance among branches. This is a challenge to bank. Further the number of returns that have to be filed now will increase substantially from just two in a year to about 5 to 6 times per year per state, which is a tedious job.

- **Determination of place of supply of financial service Products:** Under pre GST system, the place of provision of services provided by banks to its customers is the location of the service provider. As GST is a destination based tax levied on consumption of goods and services; it could be a challenge to determine the place of certain services which will create difficulty in deciding SGST, CGST or IGST on business to business and business to customer transactions. GST is a place of supply based tax regime in which for every transaction there will be need to determine the destination of consumption where GST will be paid. It will not be easy to determine place of service in case of multiple inter branch transactions within and outside the state. The point of supply of the bank, they need to decide whether the payment is against CGST, SGST and IGST based on the type of transaction (intra-state or inter-state). For example, inter-state supplies of goods or services (or both) between two branches of the same bank, located in two States, will also attract IGST.
- **Reversal of Input Tax Credit on Capital Goods:** Under pre GST regime, as per Rule 6(3B) of CENVAT Credit Rules, 2004, an assessee in banking sector has to reverse 50% of the CENVAT Credit taken on monthly basis on inputs and input services and banks can take full credit on Capital goods but as per section 17(4) of the GST law states that banks engaged in supplying services by way of accepting deposits, extending loans or advances have to reverse 50% of the eligible input tax credit on inputs, capital goods and input services which places them in a state of decreased credit of 50% on capital goods consequently increasing the cost of capital.
- **Assessment and Adjudication are now troublesome:** in the GST regime the assessment would be done by the respective state regulators under which the individual branch is registered. Every registered branch of banks must clear its stance on chargeability and use of Input Tax Credit in different states. In pre GST regime a tax payer is adjudged by only one adjudicating authority on a given issue but under GST the taxpayer will require to face many adjudicating authorities and each authority may have their own opinion on a particular issue which affects the adjudication process and there will be delay in clearing up the issue.
- **GST Network:** There are also issues of GST network. As per GST rule, each business like bank branches needs to be registered in the place of business.

However, in the GST network, not more than 100 branches of Bank can register. Hence, a number of bank branches are not yet registered due to this technical issue.

- Issues regarding Revenue recognition in GST
 - Financial Services that are Account Linked: The place of supply would be the location of the services receiver on the records of the service provider. In cases where the recipient of service keep changing location from one city to another or one state to another for better job opportunities the service provider may have diverse address.
 - Financial Services that are Non-Account Linked: In this case the location of the supplier of services will be considered as the place of supply of service. This will again be a problem for companies that are widespread in various locations but operate from a back office, in a separate state
 - Actionable Claims: Currently, the definition of the term, 'service' specifically excludes actionable claim, whereas under the Model GST Law, the term, 'service' specifically includes actionable claim. Services provided from bills discounted to securitization will now be taxed as an effect business to business and business to customers significantly.

GST Impact on Banking Sector in India

With the implementation of GST will affect the banking service which will be slightly expensive. Requirement of state wise registration a compare to centralized registration and will have significant impact on the financial products and IT system. GST for banking services will need a change in centralized compliance to state wise compliance and would have a significant impact on financial product and services.

- **Bank Services:** With GST into effect, the service tax is raised to 18% from 15% previously this would have a slight inflationary impact. The hike in the tax rate means, individuals will have to pay Rs 3 more for every Rs 100 paid as charges/fees for banking and financial services including cheque book issue charges, passbook charges, fund transfer, debit card, collection of bills, cash handling charges, outstation cheques, ATM withdrawal beyond the no. of free services, SMS alert and so on which will be more expensive for retail customers. Other effects on the banking sector are the foreign currency, trading in securities, interest rate on loans, finance lease which are fall under GST. So the GST on financial and banking services will make the financial services expensive.
- **Create Confusion on the Charges:** The implementation of GST has created many difficulties for the banking sector as customers will be charged 3% extra in the GST system and it is creating a lot of confusion on the charges imposed by different banks to its customers for various services.

- **Compliance:** Most of banks have a multi-state presence .In addition to state-wise registration; compliance burden about filing of returns has also increased substantially in terms of the periodicity of returns, number of return formats and level of details required in these returns.
- **Input Tax Credit:** Under the current CENVAT mechanism, banks are eligible to take partial credit of excise duty and service tax paid on procurement of qualifying goods and services which are used for provision of output service. GST will bring uniform taxation across the country and allow full tax credit from the procurement of inputs and capital goods which can later be set off against GST output liability. It will help to reduce tax evasion.
- **Need for Updating Location of Customers:** There is a need to update customer profiles and location especially business customers to ensure that correct type of taxes are charged with proper registration number of customer.
- **Interstate Inter Branch Transfer:** Generally, banks would have lot of common/ shared services being supported from Head Office such as call centre, security software etc. Further, many times one branch would internally provide service to other branches for example: resolving issue of a customer having PAN India accounts, providing local information etc. to other branches etc. In the pre GST there was no tax on interstate transfers of goods and services between branches of the same company but now IGST will be imposed on interstate branch transfers of services (they can later claim input tax credit). This will increase the operating cost which affect inter branch billings.
- **Self Service and Self Supply of Goods:** Earlier there was no tax on self service and self supply of goods but now these will be taxed under GST, so bank should be ready to accept this change for better compliance.
- **Work Load and Compliance Cost:** under GST tax is imposed on services at destination of service will call for additional compliance formalities and may increase the compliance costs courtesy multiple levels of assessments and audits under GST regime This would considerably increase the initial workload as well as expenditure.
- **Information Technology:** Under GST regime it is require upgrading the IT system of banks to meet the requirements related to multiple registrations, determining place of supply of services, compliance, input service distribution and serve the purpose of solving the complexity of procedural and documentary compliance in GST system.

Conclusion

Introduction of The Goods and Services Tax (GST) will be a significant step towards a comprehensive indirect tax reform in the country. It is expected to bring about efficiency and transparency in the indirect tax mechanism in India but implementation of

GST creates a fuss for banking sector. Banking companies that were earlier only subject to taxation centrally will now need to restructure the resources to deal with new state tax obligation. Consumer is charged 3% more under GST. Hence, financial services that are based on funds/fee/insurance are seeing a major shift from the previous tax scheme. Intra-state and inter-state transactions will also become a cumbersome task for the bank. It is beneficial in some aspect but at the same time it is creating hurdle in ease of doing business. Among the services provided by Banks financial services such as fund based, fee-based and insurance services will see major shifts from the current scenario. Owing to the nature and volume of operations provided by banks vis lease transactions, hire purchase, related to actionable claims, fund and non-fund based services etc., GST compliance will be quite difficult to implement in this .IT systems will need to be more vigilant in terms of serving the purpose of solving the complexity related to GST compliance and procedures at a higher volume.

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Bridging the Gender Gap: Empowering Women through Financial Inclusion

Dr. Shaifali Mathur *

Introduction

Financial inclusion is well known and well documented. However much of the information on approaches to financial inclusion still lacks sex-disaggregated data, regarding prevailing gender gap in the access that women and men have to financial products and services globally. Financial inclusion or inclusive finance is a phenomenon whereby effort is made by financial institutions/ government to ensure that all households and businesses, regardless of levels of income are able to effectively access and use appropriate financial services they need to improve their lives. For financial inclusion to be effective and successful, attention has to be given to segments of the population that have been excluded from the formal financial sector for whatever reason – perhaps because of their income level and uncertain economic status, sex, geographical location, type of economic activity or level of financial literacy. Financial inclusion is bringing the of banking services at an reasonable cost to the large sections of disadvantaged and low-income groups.

Three components are to be considered concerning financial inclusion:

- Access – making financial products and services available and affordable to all the sectors of the economy;
- Usage – getting customers to use financial services frequently and regularly, and;

* Assistant Professor, The IIS University, Jaipur, Rajasthan, India

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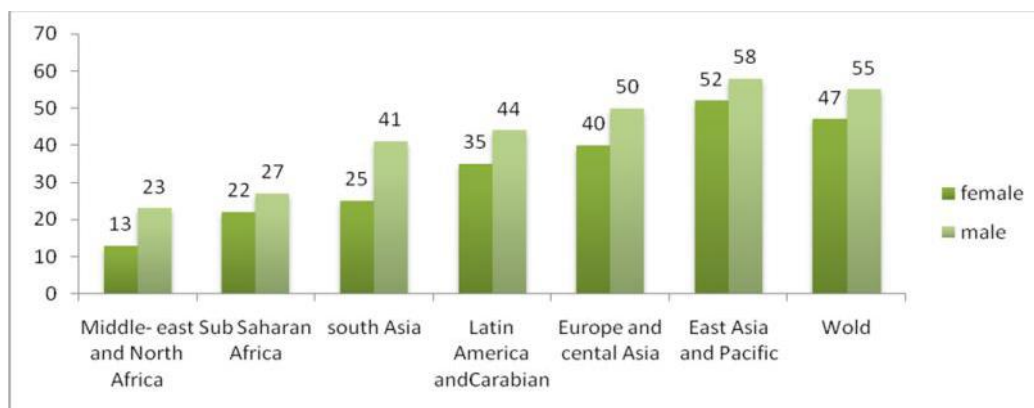
- **Quality** – to make sure that financial services are customized to the needs of clients.

In the context of financial inclusion for women, it is necessary to examine each of these three factors and consider their respective impacts.

Global scenario of women's financial inclusion

According to Global Findex Data (World Bank, 2011), 47 per cent of women and 55 per cent of men worldwide have an account at a formal financial institution, whether a bank, credit union, co-operative, post office or microfinance institution.

Account Penetration by Gender



Note Source: World Bank Global Findex (Global Financial Inclusion Database). The data pertains to 2011 (updated 2015) and is from an unpublished Exim Bank report commissioned by the Commonwealth Secretariat (2014).

The gender gap varies widely across the globe. The research shows that among the regions, South Asia and the Middle East and North Africa have the largest gender gaps, where the women have a formal account 40% less than that of the men. Among Commonwealth countries, the gender gap was the highest for India, Pakistan, Trinidad and Tobago, Mauritius, and Uganda. There is no significant gender gap in account penetration in some Commonwealth countries like New Zealand and Singapore (World Bank Global Findex 2011).

When we talk about women's financial inclusion, we should know that women are not a homogenous group everywhere. Certainly women can not only be seen in the context of 'disadvantaged' or 'marginalized' groups of the population. While it is true that globally there are large numbers of poor women living in both rural and urban settings, there are also many women who are in gainful employment, run their own businesses, and are leaders in their political, business and community spheres. As entrepreneurs and business owners and leaders, we can categorize women in terms of their involvement in micro, small and medium enterprises (MSMEs), or large firms or corporations. We can also consider women as farmers, full-time salaried

employees, informal economy operators, and in domestic or household contexts, including as heads of households. Access to finance can initiate 'a virtuous spiral of social, economic and political empowerment and wellbeing' and the impact of increased access to finance is disproportionate for women facing cultural restrictions (Cheston and Kuhn 2002). Accordingly, increased access to finance contributes to women's economic wellbeing as well as to women's economic empowerment. For example, women's participation in micro-credit programmes can increase their participation in decision-making within homes and in the community, while the effects of male credit on women's empowerment was 'at best, neutral, and at worse, decidedly negative' (Pitt et. al. 2003).

Review of Literature

Sakshi Sachdeva (2015) explained the role of public sector banks in financial inclusion. In this report she discussed that objective of the "Pradhan Mantri Jan Dhan Yojna" is to provide financial services to each and every part of country. Various initiatives are taken by R.B.I and other banks for rural growth through financial inclusion. Further she state that financial inclusion could be achieved only through proper mechanism and governance of banking sector.

A report on the Research and Literature Review of Challenges to Women Accessing Digital Financial Services conducted by International Finance Corporation state that there exist lots of gender inequality in access of financial services among males and females worldwide. The research says that in absence of gender-disaggregated data regarding penetration of financial services it is often found and acknowledged that there is a gender gap for women's inclusion in financial services. The research summits the challenges for Women's in Access as well as usage of financial services and find out how the digital financial services can be used to overcome these challenges.

Kaur Gurveen (2017) in the study, Financial Inclusion of Women entrepreneurs in India says that Women constituting half of our population represent an untapped source of economic growth and entrepreneurship is one way of using that vast pool of human resource as mediators of that growth. There is ample evidence to suggest that besides cultural constraints, the access to formal sources of credit is one of the major factors stifling the growth of women entrepreneurship in India. Financial inclusion program may not aim exclusively at women, but to ensure that women benefit the maximum from such a programme, it is important to understand why financial exclusion for women is different from that for men. In the paper an author emphasizes that there is a need of model of sustainable banking that fosters a more inclusive, environment-friendly, crystal clear and commercially-viable financial sector there by integrating women into it. Financial literacy for women is a

key, but awareness in society also has to play a big role in bridging this gap and the paper is step in that direction.

Elizabeth Brown, Joanne Yoong, Angela Hung,(2013) in the survey on empowering women through financial awareness and education presented their findings based on the review of the literatures on gender differences in financial literacy to better understand their causes and consequences, as well as possible policy responses towards women empowerment for financial inclusion. The review of literature act as a guide for developing analytical work and case studies, and to identify areas that deserve further research

Raihanath (2014) studied the role of commercial banks in the financial inclusion programme. He talked about what the role a commercial banks can perform for financial inclusion by way of financial literacy, Credit counselling, BC/BF model, KYC norms, KCC/GCC ,No-frill accounts, Mobile banking and Branch expansion.

Dr. A. Tamilarasu (2014) said that financial inclusion is the key for inclusive growth. In his study he talked about role of banking sectors on financial inclusion. He discussed that India is considered as largest rural populations and agricultural based activities in the world so there is a need of financial inclusion that provides banking and financial services to all people in a fair, apparent and evenhanded manner at affordable cost. He said that Financial Inclusion growth is possible only through proper mechanism which channelizes all the resources according to the to need of the customers.

Shrivastava Vinita (2013) in her study on Financial Inclusion of Rural Women In India - A Case Study Of Mann Deshi Mahila Bank state that Financial inclusion of rural population is essential for sustainable development of India. Pradhan Mantri Jan-DhanYojana, will be based substantially on the Comprehensive Financial Inclusion Plan (CFIP) in which RBI is trying to open bank account for every household of the country Mann deshi Mahila Sahakari Bank in Maharashtra has over 185000 clients, offerings individual and group loans, saving, insurance and pension plans. The research concluded that Bank is working systematically towards financial inclusion with rapidly increasing the number of its clients at the fast rate and playing pivotal role in empowering women.

Emily Levi-D'Ancona (2014) in the research on Financial Literacy and Financial Inclusion of Women in Rural Rajasthan says that financial inclusion is an important step in development, as access to finances can help the poor build money and lift them out of poverty. In a developing country like India, microfinance is seen as a new approach to eradicating poverty by bringing financial services, including low-interest loans, to the poor so that they can afford to start a business or invest and eventually gain self-sufficiency– in other words, a method of financial inclusion for the poor. However, microfinance in India cannot effectively reach the poor populations,

especially those in rural India, and many of India's rural poor. The study uses the example of a project by the Indian School of Microfinance for Women (ISMW) to explore the notion of financial literacy and observe the project's methods through observation, and uses interview to explore the impact of financial education and other forms of training on borrowers and entrepreneurs.

(Phil Borges, 2007) studied that women reinvest up to 90 for every penny of their salary in their families, contrasted with 30 with 40 percent of earning by men. Regardless of this, and in spite of being perceived over the world as a superior credit risk, women are more likely to be financially excluded than men. In developing economies, 46 percent of men report having a record at a formal financial institution, while just 37 per cent of women do (Klapper and Demirguc-Kunt, 2012).

Significance of the Study

This topic is related with Indian financial system. So the study is of prime importance for the scholars in the field of finance and economics. In the current Indian situation Financial Inclusion is of great importance. The research related to financial inclusion in general and with women in particular has not been carried out systematically. The researcher has identified the research gap in this regard. Thus this study will be an addition to the prevailing body of knowledge.

Objectives of the Study

- To introduce the Initiatives taken by government of India and R.B.I. to promote financial inclusion.
- To study the challenges for Women's Access to Financial Services.
- To critically examine the progress of financial inclusion in India among male and female.
- To find out the reason for low access and usage of financial services by women in India.
- To make suggestion on women's empowerment in India through financial inclusion.

Research Methodology

The study is completely descriptive .For this study data and information has been collected from secondary sources, including vast literature review, reports of relevant studies and surveys, The major problem faced in conducting the study was the non-availability of segregated data on women and men financial access to financial services. But for the purpose of the study some of the data have been taken from the report of Global Findex Data (World Bank) and RBI website.

Financial Inclusion in India

Indian Government and RBI have taken several steps for financial inclusion science independence till date.

Table 1: Government and RBI Initiative in Financial Inclusion

The First Phase (The Post-Independence Period up to 1991)	
<ul style="list-style-type: none"> • Extensive network of rural cooperative banks was established in the 1950s • Nationalization of 14 major commercial banks in 1969, followed by another six banks in 1980 was aimed at extending the reach of organized banking services to rural as well as neglected sectors of the society • Lead Bank Scheme was introduced in Dec' 1969 • Differential Rate of Interest (DRI) Scheme was instituted in 1972 to provide credit at concessional rate to low income groups in the country. • Branch licensing policy was initiated by RBI during the 1970s and the 1980s. • National Bank for Agriculture and Rural Development (NABARD) was established in 1982, as an apex-level institution to deal with all issues related to agriculture and rural development. 	
The Second Phase (Post-Reforms Period 1991-2005)	
<ul style="list-style-type: none"> • In 1992, NABARD, with policy support from the Reserve Bank, launched the SHG-bank linkage programme to facilitate collective decision making by the poor and provide 'door step' banking. • In 1998, banks were advised to open savings bank accounts of the SHGs that were engaged in promoting the savings habits among their members. • During year 1998-99, NABARD introduced the Kisan Credit Card (KCC) scheme in concurrence with co-operative banks, commercial banks and RRBs for flawless the credit delivery system . • The Swarozgar Credit Card (SCC) scheme was introduced by NABARD in 2003 for facilitating hassle free credit. 	
The Third Phase (Recent Initiatives 2005 onwards)	
Most of the policy initiatives in India are initiated /undertaken by the Government of India and the Reserve Bank and hence, are divided into two heads:	
The Government of India	
<ul style="list-style-type: none"> • The Government of India constituted a 'Committee on Financial Inclusion' in June 2006 headed by Dr. C. Rangarajan to look into the problem of omission of rural poor from access to financial services and frame guidelines for accelerating financial inclusion in the country. • Revival of Rural Co-operative Credit Institutions • Adoption of Electronic Benefit Transfer (EBT) • Road Map for Providing Banking Services in Unbanked Villages with a Population of More than 2000 . • Swabhiman flagship programmes • Direct Cash Transfer Scheme, from January 1, 2013 to transfer 29 welfare 	

<p>programmes - largely related to scholarships and pensions for the old and disabled.</p> <ul style="list-style-type: none"> • Interest Subvention • Unique Identity Number (UID)/Aadhaar • Pradhan Mantri Jan Dhan Yojana <p>The Reserve Bank of India</p> <ul style="list-style-type: none"> • No Frills Accounts • Simplification/Relaxation on KYC Norms • General Credit Card (GCC) • 100% Financial Inclusion Drive • Business Facilitator (BF)/Business Correspondent (BC) Model • simplified Branch Authorization/ATM Expansion • Opening of Branches in Unbanked Rural Centre • Opening of Branches in Unbanked Rural Centre • Mobile Banking • Financial Literacy
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Table 1 reveals the initiative taken by government of India and RBI for promoting financial inclusion plan in India from 1960s up to 2015 under various plan. The above table consists of three phase .Phase I(The Post-Independence Period up to 1991), Phase II(Post-Reforms Period 1991-2005), Phase III (2005 onwards) shows establishment of major financial institutions & implementation of various scheme in India, .in phase III government of India and RBI launch subsequent scheme as a tool to promote hasty financial inclusion in India. It has been observed that the Government and RBI initiative is increasing from Phase I to Phase III. In January 2006, the Reserve Bank authorized commercial banks to make use of the services of nongovernmental organizations (NGOs/SHGs), microfinance institutions, and other civil society organizations as middleman for rendering financial and banking services and increasing their penetration into the remote areas. To accomplish the task of financial inclusion Government of India has announced Pradhan Mantri JanDhan Yojna,” a national financial inclusion mission which aims to endow bank accounts to at least 75 million people by January 26, 2015.

PMJDY assist the progress of financial inclusion for the traditionally under-banked segments of Indian society – those living below the poverty line, those in rural areas and women. The rate of financial inclusion for Indian women, for instance, expanded by 24% in the vicinity of 2014 and 2015, compared to 14% among men. In spite of the fact that not explicitly concentrating on female PMJDY was particularly impactful for enabling empowering women capacity to get to access to financial services.

Table 2: Position of households availing banking services in India

Households	As per Census 2001			As per Census 2011		
	Total number of households	Number of households availing banking services	Percent	Total number of households	Number of households availing banking services	Percent
Rural	138,271,559	41,639,949	30.1	167,826,730	91,369,805	54.4
Urban	53,692,376	26,590,693	49.5	78,865,937	53,444,983	67.8
Total	191,963,935	68,230,642	35.5	246,692,667	144,814,788	58.7

Source: financialservices.gov.in

Table 2 depicts the comparison between the total no of household from rural and urban background availing banking services in India. it has been observed from the table that total no of households availing banking services as per census 2011 is more than number of households availing banking services as per census 2001. Rural households increases to 54.40% (census 2011) from 30.1% (census 2001) and Urban households increases to 67.8% from 49.5% .It is clear from the data given in the table that there exist a disparity in access to financial services in rural and urban areas of India.

The Challenges for Women's Access to Financial Services

All around, just 50% of working-age women take an interest in the work constrain, contrasted with seventy five percent of working-age men. At the point when women do work, they keep on being denied meet pay for work of equivalent esteem. Consequently, women face large income inequalities throughout their lives. Although the gender gap has narrowed, in some developing countries, the disparities regarding girls are stark. Low education and literacy levels tend to limit opportunities and options for work for women in developing countries like India.

As we probably are aware India is a male predominant economy. Here individuals regard female particularly they use to love goddess yet they don't understood on female financial status. There is presence of some old matured custom that female are mean for unpaid works like housekeeping and kid fare thee well and male are the worker of the family who take an interest in the monetary exercises. Regardless of profound attached commitment of ladies to the agribusiness part, their work is viewed as only an augmentation of family unit area and remains non-adapted.

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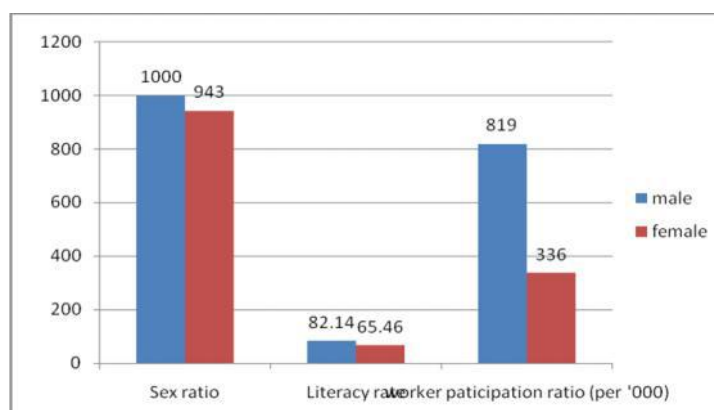
From the provincial time frame Indian history saw that females has been confronted bunches of difficulties In our nation where women speak to roughly 46% of aggregate populace, a large portion of them are minimized and live in most extreme

neediness. Neediness does not mean only shortage of assets to meet the fundamental necessity, however have bigger intentions like rights denied, openings diminished and voices hushed (CARE, 2005). The potential, capacities and also fearlessness of ladies get hinder just barely on account of their financial reliance on men society. India is a male prevailing economy yet sexual orientation disparity discourages the development imminent of an economy. As the reasoning hold on women is weaker than men, women were compelled to face imbalance in many field.

Table 3: Sex Ratio, Worker Participation Ratio and Literacy Rate in India

	Sex Ratio	Literacy Rate	Worker Participation Ratio (per '000)
Male	1000	82.14	819
Female	943	65.46	336

Source: census 2011



Source: Census 2011

The above graph shows that Women and girls do not typically have equal access to education like that of men. The literacy rate is higher in male as compared to female. The reasons range from supply-side constraints, such as inadequate sanitation facilities in schools, to negative social norms favoring boys' education when a family has limited resources. There are also economic and social demands placed on women, spanning from household obligations to child labor and child marriage. Thus low level of literacy among women hinders them to avail the benefits of copious financial services.

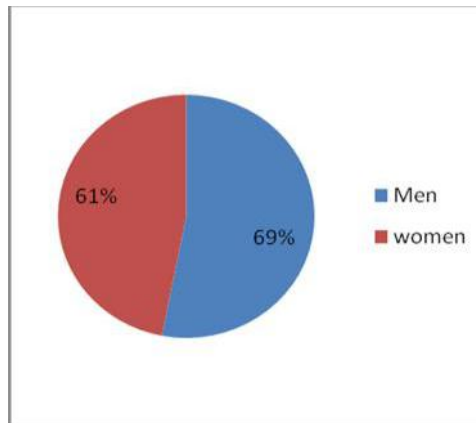
On the basis of literature reviews so referred, it is identified that between 2011 and 2014, 700 million people around the world gained access to a formal financial account for the first time. While this achievement represents a great pace toward advancing financial inclusion, throughout emerging markets, but a financial gender gap persists, with women lagging men when we talk about the access to basic financial services, like a checking or savings account. The report on India gender gap data compiled by Dalberg through analysis of public available sources, including: Intermedia FII (2015), Reserve Bank of India Basic Statistical Returns of Scheduled

Commercial Banks in India Vol. 44 (2015), and PMJDY Progress Report (2016) through light on the access and usage of the financial products and services by male and female groups of our economy.

The analysis and interpretations of the research are:

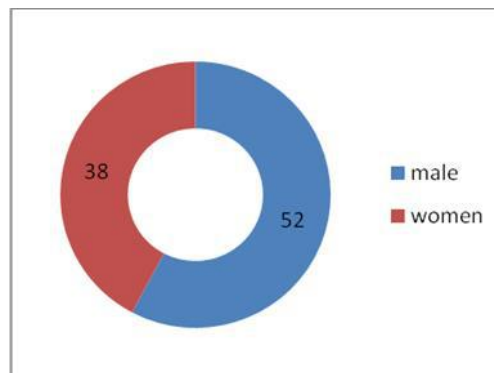
- **Gap in Access of financial Services in (2015)**

Men	69%
Women	61%



There is gap in access of financial services among males and females. The data shows that, this gap is narrowing compared to previous years and is reduced to 8% in the year 2015 respectively. Hence, more women are getting access to formal banking services.

- **Gap on usage of financial services**



The research reveals that there is reduction of the gender gap to 14% in terms of ownership of savings accounts. India is outpacing its peers in connecting women to the formal financial system.

In spite of this number of financially excluded women is high. Some of the facts from the research are given below:

- Out of 280 million women in the year 2015, 62% of all women in the country do not have bank account or are not active users of one. That is more than the population of Indonesia, the 4th largest country in the world.
- 1 out of 4 financially excluded women in the world are Indian.
- 45 % women with college education are financially excluded.
- 50% of women who earn more than \$ 2.50 a day are financially excluded.
- The gender gap is consistent across income and education levels.
- Even when women have access, they still don't use formal financial services.
- 6 out of 10 women in India have access to a bank account but fewer than 4 out of 10 women actively use it.

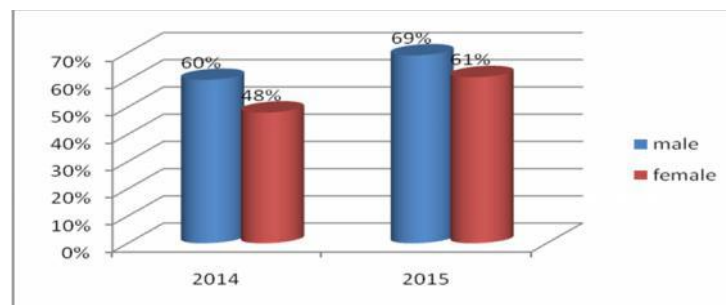
Barriers to Women Empowerment

- Rely upon formal channels for funds and credit: 8 out of 10 Indian women save, but more than half do it outside of banks.
- Are excluded from digital resolution: 44% of all Indian women own a mobile phone and 3% own a Smartphone.
- Have smaller economic geographies: Indian women transact closer to home, especially in rural areas.
- Have restricted social networks: 60% of all Indian women rely primarily on their husbands for financial advice.
- Experience more life change and interruptions: Most of the Indian women become financially active about 5-10 years later than men.
- Play defense while men play offence: Usually in our country, Women stretch the budget for the routine consumption while men grow the assets through investing money.
- Time, mobility and decision-making limitations: Women tend to play roles both inside and outside of the home, and this 'double burden' makes more claims on their time than for men. Added to this, geographical distance to markets and financial services, particularly in rural areas, is a challenge for women in terms of both time and security.

Percentage of accounts opened by males and females members in India

Table 4: Percentage of Account Opened by Male and Females on the Year 2014 & 2015

Particulars	2014	2015
Male	60%	69%
Female	48%	61%



Source: InterMedia Financial Inclusion Insights; figures in %

The above graph shows that India has successfully reduced the gender gap over a year (2014 to 2015) from 12% to 8% respectively. 358 million Indian women (61%) have bank accounts, up from 281 million (48%) in 2014. Although a greater proportion of Indian women have access to financial services than before, very few rely on formal financial services to save or borrow.

Suggestions

Consequently we can state that women confront loads of issues in the male ruled society. Comprehensive money related consideration can fortify women monetarily by clearing out the holding on boundaries by offering scope of monetary administrations. No doubt women were neglected from the very beginning, there are many unwritten rules, which the society scrupulously follows. Right endeavors from all ranges are required in the advancement of women and their more prominent investment in the financial exercises. The accompanying measures are recommended to urge the women to participate in monetary exercises:

- Actualize women advanced education conspire incorporated with vocational courses, as women education rate is low In India, learning is basic for getting benefits of financial services.
- Endeavors should be made toward the path to rearrange the methods. Conventions to make speedy authorize of credits by the financial institutions.
- Financial institution should provide soft loan and subsidies facilities to women. as in general women facing more problems in obtaining financial services from the institution
- In India women possess very low share in the ownership of property so government should increase women's legal access to property by making law where an both husband and wife can enjoy equal ownership in both side's property.
- In India women literacy rate is much low that's why GOVT should launch guaranteed Semi-skilled job scheme for one women from one family on part time and full time basis for at least 100 days in a year to the poor rural families

in collaboration of Awaas Yojana as women participation is high in construction daily waged labor force with digital payment model. New business and entrepreneurial opportunities should be provided to women by the government of India where they will be able to earn more.

- Traditional business and work of women should be commercialized and action should be taken by the government to ensure women are getting paid well.

Conclusion

Financial services are a center empowering influence for utilization smoothing, self-employment, small and medium venture (SME) development, resource accumulation, and wealth creation. Absence of access to money related administrations decreases women's capacity to move out of destitution; expands their danger of falling into neediness; contributes to women's marginalization to the informal sector; and diminishes their capacity to completely participate in quantifiable and beneficial and productive economic activities. It is important to interface financial inclusion as a powerful instrument to sweeping out the barriers for women economic empowerment. Financial Inclusion makes women economically independent offering wide range of financial services. Therefore, financial inclusion can help to attain both gender equity objectives and eradication of poverty objectives in India. Participation of women in national economies can accelerate rapid economic growth and led to sustainable development in India.

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Role of Women Entrepreneurs in Make in India Campaign

Miss Monika Talreja *
Dr. Anurodh Godha **

Introduction

“When Women move forward, the family moves, the village moves and the Nation moves”

- *Pandit Jawaharlal Nehru*

Women Entrepreneurship is exclusively a trending topic that came into spotlight in the late 1970's. There has been a noteworthy increase in the women owned business enterprises and it has been witnessed that they have become the fastest mounting section with the small business sector. Women entrepreneurship in India has travel the path from papads and pickles to engineering and electronics. Nowadays selected women in cities are shining their names in the non conventional fields such as consultancy, garments exporting, food processing, textile industry, interior designing etc. Entrepreneur in general sense may be defined as ‘an individual or group of individuals, who creates something new, combines various factors of production, and undertakes risks in the execution and supervision of business enterprise. It is assumed to be sex neutral.

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- * Research Scholar, Vardhaman Mahaveer Open University (VMOU), Kota, Rajasthan, India.
** Assistant Professor, Department of Commerce, Vardhaman Mahaveer Open University (VMOU), Kota, Rajasthan, India.
~ The paper has been presented in "**International Conference on Modern Management Strategies, E-commerce and Global Economy-In Indian Context**" Organized by **Inspira Research Association (IRA), Jaipur & LBS PG College, Jaipur, Rajasthan, India. 02-03 February, 2018.**

Schumpeter, J.A (1951), defined women entrepreneur as “*Women as the one who are innovative, starts or takes up a business activity are women entrepreneurs*”.

Poornima Charantimath (2009) quotes Kamal Singh’s definition as- “*A women entrepreneur can be defined as confident, innovative and creative women capable of achieving self reliant singly or in aggregate, generates job opportunities for people through initiating, establishing and operating the enterprise by maintaining balance with her personal, family and social life.*”

The “Make in India “campaign is an international campaign launched by the Prime Minister of India Mr Narendra Modi on 25th September 2014 to invite business around the globe and to spend and produce in India. Its main focus is to make India a leading manufacturing hub by the year 2020. In order to reach this benchmark India’s growth rate should increase by almost 10% every year. But In actual it rises by only 3%. This campaign further focuses on creating employment opportunities especially in the secondary and tertiary sector thereby enhancing the national economy and making India a self reliant nation among the globe. The Make in India also endeavor to manage the FDI in the nation for the revitalization of the loss making units in India through its privatization.

Apart from the following actions being taken the Government has also illustrated four pillars of the Make in India movement which will advance the ease of doing business. The four pillars are being named as- New processes, new infrastructure, new sectors and new mindset. All these pillars will spotlight on intensification of the position of women entrepreneur in the Global Market.

Review of Literature

- **Balasubramanyam (2013)** stated the progress of EPZ/SEZ in Indian economy. The second part would evaluate the SEZ administration and various characteristics of SEZ policy. Third part carries out a discussion of the problems in execution of SEZ in the economy .Fourth part studied the international assessment of SEZs in China, Bangladesh and Sri Lanka rising issues for dialogue among policy makers/administrators and further research are posed in the conclusion.
- **Agrawal (2012)** found that India has been emerging as a global leader for past few decades. India’s rise in share in world services exports from 0.6 per cent in 1990 to 3.3 per cent in 2013 was faster than in merchandise exports. Exports of software services, accounting for 46 per cent of India’s total services exports, decelerated to 5.4 per cent in 2013-14, travel, accounting for a nearly 12 per cent share, witnessed negative growth of 0.4 percent.

Objectives of the Study

- To evaluate the current schemes of Government for the development of women entrepreneurship under the Make in India campaign.

- To highlight women's role in the manufacturing sector in India
- To suggest suitable recommendations for spiraling the position of women entrepreneur in India.

Women Role in the Entrepreneurial Sector

Indian women have been at the receiving end of the disparagement but much to the uneasiness of their skeptic, they have mostly emerged winning at the dust of the negativity settled. The industry gained a lot from the women runned business. Some of the merits are defined below.

- India's industry think tank gets bigger
- New opportunities are being explored
- More Employment Generation in the country.
- The domestic per capita income hiked
- The People enjoy improvement in the standard of living
- Increase in the education and awareness level
- Brighter future for the coming generation
- Women get a better understanding of managing the business and domestic chores together.
- Indian women achieve a level of self confidence and self fulfillment
- Women better ability to undertake risks and business decisions.
- Women achieve a level of self realization.

Current Schemes for Women Entrepreneurship Development

- Support to Training and Employment Programme for Women (STEP): The Ministry of Women and Child Development introduced STEP scheme to create employment opportunities to women. Under this scheme women above the age of 16 are providing skill based training for self employment in the areas of Agriculture, Food Processing, Handlooms, Handicraft, Computers and others.
- Women's Vocational Training Programme: The Women's vocational programme was launched in 1977 by the Ministry of Labor and Employment to promote the employment for women in Industries. Under this scheme women are trained under the Craftsmen Training scheme and Craft Instructor training Scheme.
- Digital India: It aims to transform the India into a digitally empowered society and for this purpose the first Women Village Level Entrepreneur Conference was held in March 2015. Other schemes include Arogya Sakhi, a mobile based application that helps women entrepreneurs to deliver preventive health care at the doorstep. Another programme named as Internet Saathi which helps to

deploy 1000 specially designed bicycles with connected device to give women a chance to experience internet for four to six months.

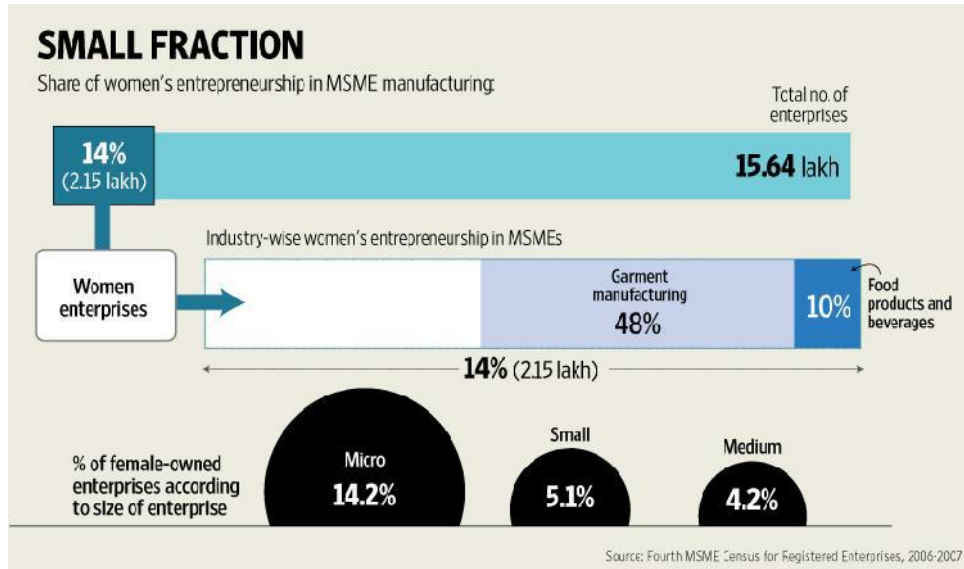
- **Start Up India and Stand Up India:** Both the Start Up India and Stand up India initiates women entrepreneurs and supports them financially to set up their own business enterprises. The programmes also help those who have already set up their business but falls under the start up category. This scheme enables the women to turn from job seekers to job creators.

Women in Manufacturing Sector

Various studies have shown that women have a harder time manoeuvring and looking for success in manufacturing ecosystems in contrast with primitive crafts, retail and knowledge-based services. Women lack business role models in manufacturing and with rare network to learn from, they inclined into sectors where they have seen other women achieve success. Many incentives for women are required to be provided to boost manufacturing sector. There are very few policies that attract women in manufacturing sector. Women-oriented schemes, which are only meant for women, are restricted in number and have carried from the small-scale industries era, which did not promote innovative entrepreneurship. These are mostly centered to women who opted entrepreneurship for their basic needs, to generate an income and not for expansion. Even these policies come with several pericincts on the use of funds as somewhat straight-jacketed capital access, which stymies the potential to be bold and aggressive in an expansionary model of growth.

None of these policies, even if exclusively for women, really focus or offer solutions to the inimitable problems that women entrepreneurs face. A recent report by the International Center for Research on Women (ICRW) showcases these problems, with finance and marketing being main challenges for women in the entrepreneurial world. ICRW's study found that financial institutions act under prevailing, gender oriented attitudes and have less trust and belief in a woman managed enterprise, often forcing females to start their business units with low financial investments. Since women lack feasible connections from where they can arrange capital (other than family), private borrowing is often a suitable option. As part of a larger value chain, women entrepreneurs will be stifled from these partial loan allocations. With even orders, a speedy cash flow and with proven delivery, scaling up for women-based enterprises can be done with more efficacies. This unwavering and ability to gear up can allow women a safer and less perilous path to gain confidence, allowing them to start with their own production and products. With constant struggle from market players, they find it harder to access market knowledge and marketing skills. The head of a women's entrepreneurship group at a large industry association said that women are socialized in a way that hurdles them in marketing products. Women vacillate in various areas like marketing, selling and pushing for their

products; barriers on their flexibility and hesitation in the starting to engage in spaces traditionally conquered by men magnify it.



Suggestions

Incentivizing variety in manufacturing value chains in both the public and private sector is a solution to few problems of women's managed business faces. Companies such as IBM already promote variety by adding goods purchased from women vendors amounting to Rs 360 crores. A recent ICRW study suggested that government should create a rating system for women owned business and rates the eligibility of women owned business. Women in the business often have to work harder for cracking their deals and sustaining in the male working environment. With the accreditation from the rating agency, they will be able to reach a large investors will a level of increased self confidence of an external agency to back her merit. The variations in the value chain along with the combination of existing financial policies can sponsor or endorse success for women owned enterprise thereby contributing to the Modi Make in India Movement.

Conclusion

Establishing a new business is a tedious job. However, despite the hurdles, women entrepreneurs work hard in order to achieve success. Despite of nation of origin or gender, successful entrepreneurs possess some very common characteristics that are highly discernible. Many successful entrepreneurs are extremely fervent about their business ideas. This evid is what motivates them achieve heights and become successful. They tend to remain strong during their toughest times and learn from mistakes. Improve innovation systems includes research and development, technology adoption & transfer and free flow of human

resource. Hence women entrepreneurs are right answer to all above. A key challenge for India is to make its women society more productive, skillful that can lead to successful entrepreneurs and one in another way to fulfill the dream of Make in India. Manufacturing sector still accounts for 18% of India's GDP and the Indian authorities have just transformed their reform impetus 'Make in India'. They are working to make foreign investment simpler in some important areas and to improve the tax system and the delivery of subsidies. These are imperative steps, but further changes are also required for India to make the most of its assets: a young and dynamic population, an entrepreneurial and gradually innovative business sector, and immediacy to one of the most vibrant areas in the world. The manufacturing sector as a whole has to, and will grow in India for the foreseeable future. There are many areas in which India has significant potential advantages. The law of competition is that, alas, threats hit faster, by other's momentum. Opportunities need momentum to capture from Indian industry and government. The successes of mission Make in India's with strong spirit of entrepreneurship are bound to happen with concrete firm policy and proper implementation at grass root level.

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Karz Mafi (Loan Waivers): Is it the Right Solution to the Woes of Indian Farmers?

Ms. Pooja Pareek*
Dr. R.K. Sharma**

Introduction

Even though the agriculture sector of the Indian economy contribute only 15% to country GDP, a majority of population directly or indirectly depends on it for their livelihoods. But condition of farmers in India is not good. 3,18,528 farmers committed suicide during 1995 to 2015. As reported by Aug 19, 2016 farmer suicide saw a hike of 41.7% in 2014 from 2014. The year 2015 saw 8,007 suicide by famers as compared to 5,620 in 2014, according to NCRB data.

“Maharashtra farmer’s outfits restart protest for blanket loan waiver, to march from Nasik to Pune”. “Farm loan waiver farmers protest from several states reaches Delhi”. Gujarat farmers protest over loan waiver, spill milk on road”, these were the news published in the news paper last year. After UP government announced waiver of farm loan, the chores of farm loan waivers across several states, has aggravated concerns about state level finances. The demand of farmers are seen to be quite satisfied as farming – once a backbone of Indian economy – is now simply a loss making business for farmers. There is no doubt that agriculture sector needs government support but whether the waiving of loan is right solution to the problem faced by farmers of country.

* Research Scholar, Department of EAFM, University of Rajasthan, Jaipur, Rajasthan, India.

** Associate Professor, Government Shakambhar PG College, Sambhar Lake, Jaipur, Rajasthan, India.

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Real Problems of Indian Farmers

- Problem of small land holding- while the global average of land holding is 5.5 hectare, the per capita availability of land in India from 1961 to 2011 declined by 70%, from 0.5 hectare to 0.15 hectare. According to 2011 agricultural census, 85% of total farmers are lie in small and marginal landholding category and due to their small farms; they are unable to afford the use of modern machinery. Manual labor costs high and they are also unable to get institutional finance. Sub- division of holdings is one of the main causes of our low productivity and backward state of our agriculture.
- Lack of irrigation facility- Although India is the second largest irrigated country of the world but only 45% of agriculture land has irrigation facility. Agriculture in India is highly based on monsoon, if monsoon is good, the entire economy (not just the agriculture sector) is upbeat and when monsoon fails, everyone and everywhere takes a hit to some extent. In India 60% of total irrigated land is irrigated through ground level water and due to subsidized electricity, farmers used it without proper management. In India, lack of adequate water is not a big problem rather its excess use is the one. In spite of having more population as compare to India china uses 28% less fresh water.
- Lack of proper marketing channel- According to Sirraz hussain, lack of agriculture market is the biggest hurdle in increasing productivity. An improper marketing and storage channel also leads to storage problem in the years where productivity is good, leads to poor agricultural exports due to problems in maintain quality and in many cases leads to the gross wastage of valuable farm output. Due to inadequate market for products, farmers compel to sale their products at lower prices, it make them victim of middlemen and ultimately restrict their income.
- Problem of over dependence on traditional crops- agriculture in India highly depends on traditional crops like wheat and rice. Though we have required condition for growing more oil seeds, we are importing cooking oil from abroad. Heavy dependence on traditional rice and wheat point to the lack of proper national plan on agriculture. Excess stocks in few crops lead to the problems in selling of produce, storage and shortage of other essential farm products.
- Problem of soil degradation- due to excess use of fertilizers and pesticides, quality of soil decline rapidly. One of the reason of this over usage is lack of proper knowledge to the farmers about the type and amount of fertilizers and pesticides use in the fields, and in the desire of more production they use it more than its requirement, which leads to the degradation of the quality of soil and result in the reduction in crop yield in the affected area. In extreme cases soil become unfit for cultivation.

- High cost of production- In present scenario, buying a car is cheaper than buying a agriculture machinery. Banks provide short term loan like crop loans on subsidized rate of 4% but long term loans like loans on bore wells, tractors, agriculture equipments are provided on interest rate of 12%.

Farm Loan Write Off - As a Solution

Farm loan waiver is necessary in the short term as farmers are repay debt due to fall in agri-prices despite a bumper crop, renowned agriculture scientist M S swaminathan has said. Farm loan waivers are not new to the Indian economy. In 2008-09, the UPA government announced a farm loan waiver of around rs 70,000 crore and recently four states- UP, Maharashtra, Punjab, Karnataka, which account for around one- third of India's population have announced farm loan waivers and other state government are likely to feel pressure to implement similar polices. But there is debate about the long term effectiveness of the measure. Acc to the various economist loan waivers though temporally necessary, don't provide secure long term credit system.

Concern related with such moves

- The loan waivers will have a significant impact on state finances and pose risk of future slippages.
- Loan waiver scheme is detrimental to the development of credit markets. Repeated debt waiver programs distort household's incentives structure away from productive investment and towards unproductive consumption and willful defaults.
- Indebtedness is the most acute problem faced by small and marginal farmers. However, their borrowings are primarily from moneylenders, hence loan waiver is not going to make any sense for them. It is the richer farmers who are the real beneficiaries of this populist policy.
- The problems faced by Indian farmers are complex and cannot solve only by this measure. Their landholdings are below the economically viable threshold. The result is cyclical appearance of bad loans and poor rainfall worsens the condition. These loan waivers have little to do with ending condition that leads to such problem.

Has Such Moves Helped Farmers in Past

Indian statistical Institute, Kolkata and World Bank in their study showed that loan waiver is not a solution to Indian agriculture. The institute study showed increase in loan repayment default after the centre government announced farm loan waiver of 70,000 crore in 2008. Another study of Xavier's Gine and Martin Kanz of World bank said such moves can affect agriculture output in medium to long term as bank may get selective in extending credit. Acc to 2015 ICRIER, paper, write off of loan in 2008,

increased the non- performing assets of commercial banks times fold between 2009-10 to 2012-13.

Conclusion

In India, where annual agriculture waste is about rs 96,000 crore, farm loan waiver is just a poll sop with no long term economic gain for farmers in distress. Problem of Indian farmers are not only economical in nature, which can solved by waiving of farm loans. Expenditure on loan waivers will eventually leave less fiscal space for public expenditure on agriculture. The farmer sunk loan as his income has not kept pace with his rapidly growing costs and expenses. So, there is a need that despite of giving temporary relief to the farmers in the form of loan waivers, govt should make investment for creating infrastructure that makes farmers independent of cartel of traders and help them to reap maximum economic benefit for their produce.

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Role of Tourism & Hotel Industry in Development of Jodhpur City (Rajasthan): An Overview

Dr. Ashok Kumar*
Nisha Sankhla**

Introduction

Due to lack of infrastructure and travelling facilities tourism in India was not an integral part of Indian tradition and culture and in ancient times, people often travel primarily for pilgrimage. People in India also traveled to other places to participate in, fairs and festivals. Tourism is one of the fastest growing service industry in the country with great potentials for its further expansion and diversification. In recent few decades tourism industry is known to be a faster growing service sector industry in India. Tourism in India has great potential as well as vast scope of expansion also. As tourism generate both employment and revenue, so tourism industry can play a significant role in economic development of country. Tourism industry involves a large number of people to serve the tourist, so there is employment opportunities for a large number of people in tourism industry.

Both central and state governments make efforts to promote and develop tourism industry. The Government of India in 1982, approved a "National Tourism Policy", in which six point "S" programme viz., Swagat (Welcome), **Suchana** (Information), Suvidha (Facilities), Suraksha (Safety), Sahyog (Cooperation) and Samrachana (Infrastructure development) were involved.

* Assistant Professor, Department of Business Administration, Jai Narain Vyas University, Jodhpur, India.

** Research Scholar, Department of Business Administration, Jai Narain Vyas University, Jodhpur, India.

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India is famous for its hospitality all over the world and Atithi (Guest) are treated as god in India. Based on concept "Atithi Devo Bhavah" and "Incredible India" campaign were launched to promote tourism industry in India. Before independence, India were ruled by dynasty. In dynasty rulers built forts, monuments, gardens, big houses (havelies), temples, tombs, lakes and ponds in defferent parts of India. The rich cultural heritage and traditions, make India a tourists' paradise. In such a background, cultural tradition was developed where 'Atithi Devo Bhavah' (the guest is god) and 'Vasudhaiva Kutumbakam' (the world is one family) became bywords of Indian social behavior. Indian actor Aamir Khan was commissioned to endorse the campaign which was titled 'Atithi Devo Bhavah', Sanskrit for 'Guests are like God'. Atithi Devo Bhavah aimed at creating awareness about the effects of tourism and sensitizing the local population about preservation of India's heritage, culture, cleanliness and hospitality. It also attempted to re-instil a sense of responsibility towards tourists and reinforce the confidence of foreign tourists towards India as a preferred holiday destination. The concept was designed to complement the 'Incredible India' Campaign. India's first Prime Minister Shri Pandit Jawaharlal Nehru often remarked, "Welcome a Tourist and send back a friend".

Objectives of Study

- To know the structure of Indian Tourism Industry.
- To know the structure of Rajasthan Tourism Industry.
- To know the present overview of Hotel Industry in Jodhpur.
- To Examine the government policies regarding the Travel and Tourism.
- To examine the relationship between tourism and economic growth.
- To provide information for future research of Tourism & Hotel industry.

Research Methodology and Data Collection

The present research is based on secondary data collected from journals, magazines, books, reports by visting libraries and various government and non-government agencies. Researchers, economists, academicians will also be approached for data related data and information.

Hypothesis

- Hotel industry in India is gaining boom today.
- Good hotel facilities are available to stay for tourists in Jodhpur.
- Positive relationship between tourism and economic growth.
- Tourism & Hotel industry in Jodhpur playing their role in Development.

Tourism in India

The Tourism Industry of India is economically important and grows at a very high speed. The World Travel & Tourism Council calculated that tourism generated INR 6.4 trillion 6.6% of the nation's GDP in 2012. It supported 39.5 million jobs, 7.7%

of its total employment. The sector is predicted to grow at an average annual rate of 7.9% from 2013 to 2023. This gives India the third rank among countries with the fastest growing tourism industries over the next decade. Tourism in India has seen exponential growth in the recent years. According to official estimates the Indian tourism industry has outperformed the global tourism industry in terms of growth in the volume of foreign tourists as well as in terms of situations for both abroad and home travelers. Tourism's main motive is to make the foreign traveler understand the culture and diversity of India and its revenue system.

In recent few years, hotel industry witnessed a tremendous boom in India. In view of present growth and future prospects of hotel industry in India, hotel industry has created high ease of business opportunities in Indian hotel industry. Development of hotel industry is directly linked to development of tourism, the hotel industry grows simultaneously with development of tourism industry. In recent years there is good growth of infrastructure facilities in India and on the other hand air connectivity is also increased which leads to increased flow of domestic as well as foreign tourist arrivals at tourist places. There are many government agencies in India to promote tourism in India. Some of them are as follows:

- **India Tourism Development Corporation (ITDC)**

In India there is vast business opportunities for businessmen to join hotel industry and government also facilitating entrepreneurs to establish their hotel and resorts. In view to promote and development tourism industry in India, Government of India, Department Tourism established "Indian Tourism Development Corporation" (ITDC) in 1966. ITDC performs following activities:

- In view to facilitate tourists construction, management and marketing of hotels, restaurants and travelers lodges at various places in the country.
- Publish publicity materials e.g. brochures, pamphlets and other related material etc.
- Provide entertainment facilities like sound and light shows, music concerts etc.
- Provide shopping facilities like duty free shops for tourists.
- Provide information and consultancy cum managerial service in India and abroad.

- **Indian Institute of Tourism and Travel Management (ITTM)**

Today, there is boom in hotel industry and its requirement of trained and skilled professionals in tourism industry is growing very rapidly these days. To train professionals in hotel industry, ITTM was set up in January 1983 at New Delhi. This institute offers a number of courses in tourism and travel management and related areas. It has embarked upon a series of alternative educational courses for supervisory and grass root level workers of the industry.

- **National Council for Hotel Management and Catering Technology**

To coordinate training and research activities in hotel and catering management in India, National Council for Hotel Management and Catering Technology was in New Delhi. The council is governing authority to control 15 institutes of Hotel Management and 15 food craft institutes in India. The council is responsible to ensure uniformity in academic standards and procedures for selection and admission of candidates for various courses conducted by these institutes.

- **Tourism Finance Corporation of India Ltd. (TFCI)**

Tourism Finance Corporation of India Ltd. (TFCIL) established in April 1988 is an agency sponsored by Industrial Finance Corporation of India (IFCI). The TFCIL was set up with a view to provide institutional financial assistance to tourism projects other than those in the accommodation sector. In addition to the above mentioned organizations at the central level, the state government and union territories have their own Department of Tourism, Tourism Development Corporations and other institutions or organizations formed for the purpose of helping the development of tourism industry in their areas.

Tourism in Rajasthan

Rajasthan, the largest state by area, is situated in North West part of India. Rajasthan has a geographical area of 3,42,239 sq. km comprising of 11% of the total geographical area of India. The western part of Rajasthan is also important from strategic point of view. The state shares its north-western and western boundary with Pakistan which extends about 1,070 km and touches the major districts including Barmer, Ganganagar and Jaisalmer.

Rajasthan was known as "Rajputana" erstwhile, and was ruled by 'Rajputs'. During erstwhile Rajputana, rulers show keen interest to construct forts, temples, ponds, lakes and historical places. The royal living style of rulers of erstwhile Rajputana is well known worldwide. Rajasthan has rich culture, heritage and is well known for its hospitable way of serving the guests. And here people give best service to domestic as well as foreign tourists for their memorable and enjoyable journey. Rajasthan is also known as most romantic and beautiful travel destinations in the world. Rajasthan is part of 'Golden Triangle' and every third foreign tourist visiting India travels to Rajasthan.

Before independence Rajasthan was ruled by dynasties for a long period of time and it has rich artistic and cultural traditions which reflect the ancient Indian way of life. The village lifestyle in Rajasthan has rich and varied folk culture and it attracts a large number of tourists to visit Rajasthan. By scoring good in worldwide hospitality prospect, Rajasthan makes good place in the World list. The most popular slogan '**Padharo Mhare Desh**' by Rajasthan Tourism Development Corporation, on one hand reflects our culture and hospitality of state and on the other hand it simply means 'come to our country'.

In Rajasthan, tourism is the third largest sector after agriculture and animal husbandry. A series of festivals, fairs and fests are organized every year in Rajasthan. These fest and festivals aims to promote indigenous art and artisans, shifting the cultural landscape of the State from the Western outsider's purview to a more anachronistic visual paradigm. These festivals & fairs are great tourist attractions for every tourist and a large number of domestic as well as foreign tourists participate in these events. The Department of Tourism of Rajasthan Government organizes multiple fairs & festivals during the year. The main fairs and festivals organized in Rajasthan every year are listed in following table:

Table 1: Main Festivals and Fairs in Rajasthan

Festival	Place	Month
Camel Festival	Bikaner	(January)
Nagaur Fair	Nagaur	(Jan-Feb.)
Kite Festival	Jaipur	(held on 14th Jan of every year)
Desert Festival	Jaisalmer	(Jan-Feb.)
Baneshwar Fair	Baneshwar	(Jan-Feb.)
Gangaur Festival	Jaipur	(March–April)
Mewar Festival	Udaipur	(March–April)
Elephant Festival	Jaipur	(March–April)
Summer Festival	Mt.Abu	(June)
Teej Festival	Jaipur	(July–August)
Kajli Teej	Bundi	(July–August)
Dussehra Festival	Kota	(October)
Marwar Festival	Jodhpur	(October)
Bundi Festival	Bundi	(November)
Pushkar Fair	Ajmer	(November)
Matsya Utsav	Alwar	(November)
Kumbhalghar Festival	Rajsamand	(December)
Winter Festival	Mount Abu	(December)

Other than above listed festivals today Rajasthan hosts 'Annual Literary Festival' held in January every year at Jaipur organized by Zee TV and a large number national and international reputed authors and artists participate in this festival. Similarly, every year Jodhpur hosts 'Rajasthan International Folk Festival', organized by 'Mehrangarh Fort Museum' and 'Jaipur Virasat Foundation'. This festival is recognized by UNESCO as one of the 25 best music festivals in the world. This festival aims to promote and give exposure to local musicians. Rajasthan Photographic Association and Saksham Events, organises 'Rajasthan Photo Fest' annually. The festival greets thousands of photography enthusiasts, professionals, tourists and locals who come to absorb what multiple top brands such as Canon, Panasonic, Godrej, Sony, Technova, Epson, etc have to offer. 'Dastakar' festival was sponsored by cement companies, Coca Cola funds Coke Studio, and there are other sponsors for the numerous festivals as well.

Every year thousands of tourists arrived Rajasthan. For development tourism industry in Rajasthan, nine tourist circuits as identified by Department of Tourism of Rajasthan, based on their geography and attractions. The nine circuits are as follows:-

- Desert Circuit: Jodhpur-Jaisalmer-Bikaner-Barmer
- Mewar Circuit: Udaipur-Rajsamand-Chittorgarh-Bhilwara
- Vagad Circuit: Dungarpur-Banswara
- Dhundhar Circuit: Jaipur-Dausa-Tonk
- Godwar Circuit: Sirohi-Pali-Jalore
- Merwara-Marwar Circuit: Ajmer-Nagaur
- Brij-Mewat Circuit: Alwar-Bharatpur-Karauli-Dholpur-Sawai Madhopur
- Shekhawati Circuit: Sikar-Jhunjhunun-Churu
- Hadoti Circuit: Kota-Bundi-Jhalawar

Rajasthan Tourism Development Corporation (RTDC)

The Rajasthan Tourism Development Corporation (RTDC) was incorporated under the companies act, 1956 came into operation from April 01, 1979. The RTDC has played a significant role in the development of tourism in Rajasthan, and mainly involved in construction or maintenance of accommodation for tourists and organized of a number of fair and festivals in the state. The corporation also played a vital role in different sectors like accommodation, catering services, fairs and festivals, transportation, package tour, wild life tour, publicity and marketing efforts and developing other infrastructures such as midway, tourists resort complex, fast food centers, construction of public, Yatri Niwas etc. to promote tourism in the state.

Tourism in Jodhpur

Jodhpur is the second largest city in Rajasthan with geographical land area of 22,850 sq. kms. Jodhpur is also named as "Sun city" because day long sunlight fall on the city and "blue city" because of the blue painted houses around the Mehrangarh Fort. Other than domestic and foreign tourists, Jodhpur is a good destination for Movie makers, celebrities and Hollywood / Bollywood celebrities, big corporate houses etc. The "Umaid Bhawan Palace" in Jodhpur is a famous destination wedding place. Jodhpur is also famous for its hospitality and due to peaceful atmosphere of city it is a point of attraction for multinational companies, famous business houses and famous individual personality. With development of tourism in Jodhpur, a number of hotels including five-star hotels and resorts are established and today all type of facilities are available for tourists arrived to Jodhpur.

Jodhpur city has a number of tourist places including Mehrangarh Fort, Umaid Bhawan Palace, Mandor Garden, Jaswant Thada, Government Museum, Clock Tower, Mahamandir temple, Kailana lake, Machiya Safari Park, Sardar Samand lake, Dhawa (Doli) forest area, Public park (zoo) etc. Jodhpur lies at the foot of the hills of 'Mehrangarh Fort' the entire city is covered with hills and shifting sand dunes. The

clear distinction between the old and the new city is visible from ramparts of the fort. On the other side of the city, facing the fort is the Umaid Bhawan Palace. One of the most spacious, sprawling and well planned palaces in India and from here, as you look at fort, a tantalising view rises before your eyes at sunset. The peculiar slant of the sunset leads the desert landscape an awe-inspiring glow and the people, a chivalry undaunted. Number of Tourist came from France, Japan, Sweden, Korea, Australia, Germany, New Zealand and other countries.

Scope of Tourism and Hotel Industry in Jodhpur

Now-a-days, Jodhpur emerged as one of the most favoured tourist destinations for both domestic and international tourists. Historical forts, palaces, art and heritage culture of Jodhpur attracts thousands of tourists every year. Jodhpur is endowed with natural beauty and a great history and has a prosperous tourism and hotel industry potential. Tourism industry is assumed to be ancient global industry in the world and today hotel industry is faster growing industry in the world. Tourism industry generates a huge amount of revenue on one hand and on the other hand generates employment for thousand of peoples and in this way contributes to overall development to the society. The number of domestic and foreign tourists arrived to Jodhpur is shown in following Table

Table2: Domestic and Foreign Tourist Arrival to Jodhpur (2008 to 2014)

Year's	Domestic Tourist	% growth	Foreign Tourist	% growth
2008	4,93,294		1,24,863	
2009	4,23,939	-14.06	71,201	-42.97
2010	4,55,657	7.48	1,05,945	48.79
2011	4,04,940	-11.13	1,03,034	-2.74
2012	3,83,357	-5.33	1,21,034	17.46
2013	4,35,919	13.71	1,19,927	-0.91
2014	5,20,302	19.36	1,39,640	16.43

Source: Rajasthan Patrika, Jodhpur 29 Jan 2015

The above table shows that domestic tourist arrival in Jodhpur shows negative growth in year 2009, 2011 and 2012 but in 2014 domestic tourist arrival in shows 19.36 percent growth over previous year. Similarly, foreign tourist arrival shows remarkable negative growth in year 2009 and tremendous positive growth in year 2010. Foreign tourist arrival shows 16.43 percent growth over previous year.

Month-wise domestic and foreign tourist arrival is shown in following table

Table 3: Month-wise Domestic & Foreign Tourist Arrival to Jodhpur (2008 to 2014)

Month	Indian Tourist Visitors	Foreign Tourist Visitors
April	37,779	9,364
May	49,520	2,877
June	46,789	2,230
July	50,467	5,639
August	1,72,899	10,940

September	66,012	8,529
October	1,26,659	18,420
November	72,195	21,093
Total	6,22,320	79,092

Source: Rajsthan Patrika, Jodhpur, December 2017

The above table shows that highest domestic tourists arrived in Jodhpur in the month of August and October and comparatively low number of tourist arrived in month of April. Similarly, Highest foreign tourist arrived in Jodhpur in the month of August and October and low number of foreign tourists arrived in month of May and June due to peak summer season.

Conclusion and Suggestions

The natural fantastic thing about Jodhpur is festivals, colourful dresses, heritage sites, customs, respect, peace and many more positive attractions for visitors. Tourism sector has large potential for generating employment and earning great amount of interchange besides giving a positive stimulus to the state as well as country's overall economic and social development. Promotion of tourist and tourism destination in city will have to be done in such a manner that this sector help in protecting and sustaining the variety of natural and cultural environments with the aim of accommodates and entertains valuable guests in an exceedingly way that's minimally intrusive or harmful to the setting and sustains & supports the native cultures within the locations it's operational in. So, the all bodies of the Central and State governments, non-public sector and voluntary organizations have to become active partners within the Endeavour to realize property growth.

Jodhpur continues to face challenges that impede its growth as a tourist destination. The administration as well as the common people of the city needs to concentrate on sanitation of its public spaces like heritage buildings, Nai sadak market, old Jodhpur city market area and street road side. This efforts will definitely add its international appeal. The city should also consider providing more online payment system and it includes the easy acceptance by retailers, business houses, hotels etc. Some hotels in the city provide internet / Wifi facility to the customers because as more tourists are reporting to use the internet facility as a basic daily needs. Moreover, since tourism is a multi-dimensional activity, and basically a service industry.

Here is a lack of trained and expert human resource in tourism industry for services to the visitors, as human resources are key factors in hotel industry because they offer their services to the guest. The positive and memorable service render by expert and trained employees to the guest will definitely impact on overall success of organization and tourism industry too. There is also a need regarding Intra State proper air connectivity, availability of expert Guides, electronic information, tourist assistance force on cheapest and earliest as possible in Jodhpur city to the valuable visitors.

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A Study on Rural Development

Dr. J. Venugopal *

Introduction

Indian economy could be basically categorized into agriculture and industrial economies. The vast majority of population, more than 72 per cent are depended upon agriculture and related activities for their livelihood. The villages has played major role on contribution related to development of rural economy. It is the rural villages which is strong base of industrial development and cultural heritage. The development of rural economy is the study of various problems faced by social citizens in relation to the development phenomena. The socio demographic environment in rural areas basically consists of joint families with various incomes, literacy levels with wide variations in social and culture activities. The other important features of the rural economy are excessive dependence on agriculture related activities, higher poverty levels, rural indebtedness, religious, caste system, and uneconomic distribution of agriculture lands, superstitions / beliefs, more orthodox, untouchability, migration, child labour social and political evils. The Government, both at centre and state level through certain mechanism has aimed to develop the rural economy and, for the stated purpose, the policy makers have formulated various strategies, policies to undertake the development process in a systematic way. The Government has taken many steps to removal of poverty; provide relief to citizens especially to the disadvantageous groups and also undertaken various developmental

* Professor & HOD, Visvesvaraya College of Engineering & Technology, Hyderabad, TS, India.

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activities under various Five Year Plans. The development of rural economy is the development of rural people by the removal of problems, and at the same time to make the optimum utilization of all the available resources like land, local available labour, reduction in unemployment, under employment, unutilization and under utilization of man power, etc. The Government has taken various developmental strategies like structural strategy to bring changes in the existing unequal social economic structure of the society. The multipurpose strategy has incorporated the facilities and scope to the village level worker to act as change agent / consultant on all related aspects of rural development. The community development programmes aimed for all round development with active cooperation and participation of rural people in various developmental programmes but the success rate is not as expected.

The Government of India has constituted a committee under the Chairmanship of Balwantrai Mehta, who recommended setting up of three – tier structure of Panchayat Raj to expedite the various developmental efforts through the participation of local residents. The deficiencies spotted out could be eliminated through the involvement, participation and cooperation of citizens at grass root level at various local residential areas. The Panchayat Raj instrumental mechanism has played a vital role on the development of rural economy. The main determinants of the Panchayat Raj are increasing in agricultural production, development of industries in rural areas, development of cooperative institutions, optimum utilization of manpower and the other resources, progressive of authority in dispersal form, to fill in the critical organizational gap in the implementation of policies and programmes relating to the rural development. The sectoral strategy aimed to improve the standard of living of the rural people. The various programmes incorporated were Intensive Agricultural District Programme, Intensive Agricultural Areas Programme, High Yielding Varieties Programme, which were part of green revolution strategy for development of agriculture. The area developmental strategy was formulated to improve the balance regional development. The various other programmes incepted were drought prone area programme, desert development programme, watershed development programme which contributed utility to some extent only. The other important schemes implemented were the integrated rural development strategy, national rural developmental programmes, Jawahar Rozgar Yojana, Jawahar Gram Samrudhi Yojana, Social Security programmes which have contributed significantly. Besides there were some participatory development programmes like Self Help Groups, Janmabhoomi, Velugu for rural poverty elimination programme.

The policy makers have aimed for rural development but still the results are not satisfactory. The basic reason is the village citizen is not aware of his social responsibility, facilities provided by the government, lack of accurate information about the available resources at rural areas, political interference in administrative machinery, formation of several groups / faction systems at some rural places, lack of

infrastructure, transportation, education, marketing, water, poor sanitation / drainage systems, health care measures, lack of hospitals lack of coordination and cooperation among official and non official machinery, political rivalry, little role for women in administration, lack of financial resources, poor marketing facilities, lack of appropriate feedback system on implementation of government schemes, differences among rural residents due to socio economic, demographic, cultural, implementation of inadequate / primitive systems in agriculture, conflict in implementation of schemes between centre and state, lack of true participation in democratic way are some of the important drawbacks which discounted the real development of the rural areas. Srinivas, V., (2017) has stated that India's flagship health sector program, the National Health Mission (NHM) sought to revitalize rural and urban health sectors by providing flexible finances to State Governments. Tripathy, K.K., (2015) has stated in his paper that the employment generation for the growing labour force in India has been a serious concern to the policy makers. Artur Steiner & Others,(2017), have opined that with the appropriate guidance and support, many rural challenges and needs could be transformed into opportunities for social enterprise development. The vast available research has evidenced that there is lot of improvement that has taken place due to various proactive measures adopted by the government from time to time.\

Objectives

The core objective of the study is to analyse the various problems hindered the performance of various developmental activities at rural areas.

- To study the perceptions of the citizens at rural area in relation to the development
- To study whether the rural problems are in existence
- To study the overall satisfaction of the rural citizen
- To provide recommendations.

Area of the Study

The study has been carried out at Patelguda, Ibrajimpatnam, Near Hyderabad and Maisammaguda, Near Hyderabad. The scope of the study is confined to the assessment related to the problems faced by the rural citizens in the areas identified. The nature of the study is fact finding related to the various developmental activities whether existed.

Methodology

It is basically an explorative study where in the information is gathered after thorough exploration at various rural areas. Besides, the descriptive research has also been adopted basing upon the theoretical inputs: The citizens at Maisammaguda and Patelguda have been approached and explained the purpose of the study, and finally the fifty (50) respondents from each rural area have been selected. The data was collected basing upon the **primary sources** like administration of structured

questionnaire / schedules which was supplemented by focused interviews. The **Observation** method also employed by the investigator in order to assess the problems faced by the rural citizens at various rural areas and also the benefits whether actually derived. The raw data collected was analysed, tabulated, computed, and inferences were drawn accordingly. The simple statistical technique applied was the percentage.

Inferences

It is observed that vast majority of the respondents have positive perception on various statements incorporated in the structured questionnaire. In case of some statements the response rate has differed to some extent like awareness about various facilities provided by the administrators, rural problems like education, rural industrialization, developmental activities, communication of varied nature, health related, migration, evaluation system. The Overall Satisfaction level of the respondents is though positive, it indicates that there still efforts are required to strengthen the present system.

Discussion

There is large scholarly literature readily available on rural development. The policy makers are also providing maximum support for rural development. It is observed that the rural people are not able to utilize the various facilities provided by the administrators. The experts like subject specialists, academicians, professionals have opined that there should be voluntary participation from the local residents is very much essential in the functional administration at local areas. There should be real participation in decision making process related to various developmental at local administration.

Table 1

Total Sample Size: 100.

S. No.	Statements	Percentage (%)
01.	Rural economy is the back bone of national economy.	98
02.	Policy makers gives maximum help for rural development	85
03.	The village citizen aware of his social responsibility	73
04.	The economic, industrialization, financial and the gap is wide in rural areas..	79
05.	The villager knows about the developmental activities incepted by policy makers.	67
06.	The unemployment in agriculture related activities handicap the development of rural areas.	72
07.	The gap in social differences are reduced e.g., untouchability, caste, colour, religion	68
08.	The primary, secondary and college education facilities are limited.	79

09.	The higher / professional education facilities are not available.	62
10.	The sanitary / drainage facilities are in poor condition.	86
11.	The political conflicts discount the rural developmental activities.	83
12.	The role of women in rural politics is bare minimum.	89
13.	The policy makers communicate about various developmental schemes offered to the rural citizens.	72
14.	Local leaders do not have any voice in decision making in real terms.	82
15.	The infrastructure development is in average condition which contributes for low industrialization at rural areas.	76
16.	The health care measures like hospitals with facilities have to install by the policy makers.	89
17.	The policy makers have to encourage for development of industries at rural areas.	100
18.	The policy makers have to provide consultancy services to business people at rural areas.	95
19.	The bankers have to extend finance / credit facilities at comfortable rates.	98
20.	The marketing / storage / technical services have to be provided to rural business people.	92
21.	The mass media / communication of varied nature like Press, TV, and Internet etc., have to be developed.	94
22.	The statutory / constitutional provisions have reduced the social differences considerably.	92
23.	The migration from rural to urban has to be reduced.	98
24.	There should be strict evaluation system related to the implementation of various government schemes.	97
25.	The Overall Satisfaction Level of rural citizen on rural development is excellent.	67

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Aim of Economic Growth and Its Analogous Share in National Economy: With Special Reference to Rajasthan

Rita Soni*

Introduction

Rajasthan is a prosperous state. Its contribution to nation's economy is really very significant, in terms of agriculture, tourism, and digging. Richness in minerals provides it the title of a well-heeled state. Production of wheat, barley, pulses, sugarcane, oilseeds, cotton and tobacco, highly contributes in making the economy sound. Better situations of environment and peacefulness are a positive element to enhance a good amount of investment. If considered the national share of Rajasthan in minerals such as zinc, fluorite, marble, clay and sandstone, it is 99%, 96%, 90%, 71% and 70% respectively. Along with the physical richness the state has a beautiful face to attract the visitors to come here and explore. Tourism has provided many opportunities for employment. In other words the state has its flourishing beauty and the art culture which has assisted it to get the state of being developed. Physical richness of Rajasthan has lead it to be counted among the states which are acquiring development.

Nature and Scope of Study

The study is analytical in nature which analysis the objective of economic growth with its relation to Rajasthan. How far the state is providing its analogous

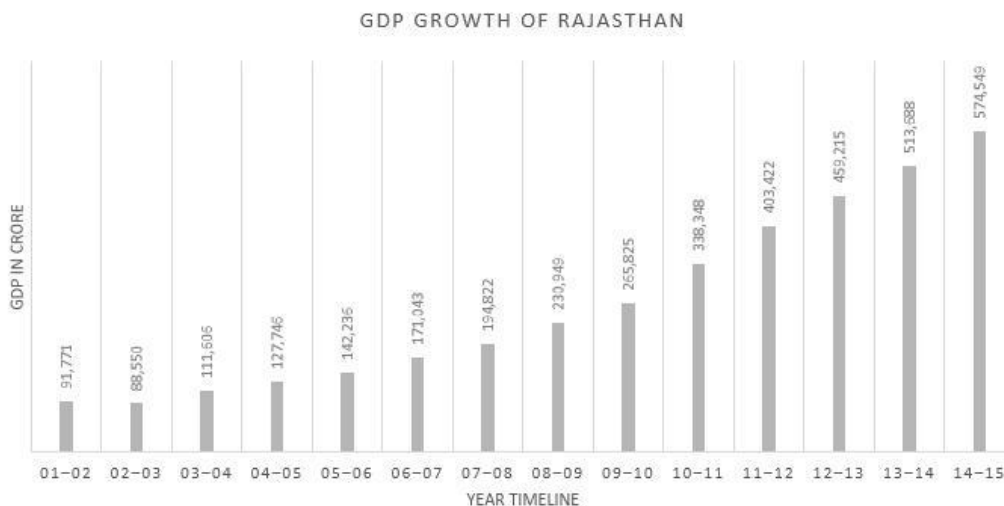
* Research Scholar, Department of EAFM, University of Rajasthan, Jaipur, Rajasthan, India.

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share to the national economy is the subject matter of study. The GDP of Rajasthan is the only factor which has been taken into consideration. The macroeconomic components such as poverty and unemployment are the elements which are mainly focused in study.

Contribution of Small Industries and Overall Industries in GSDP

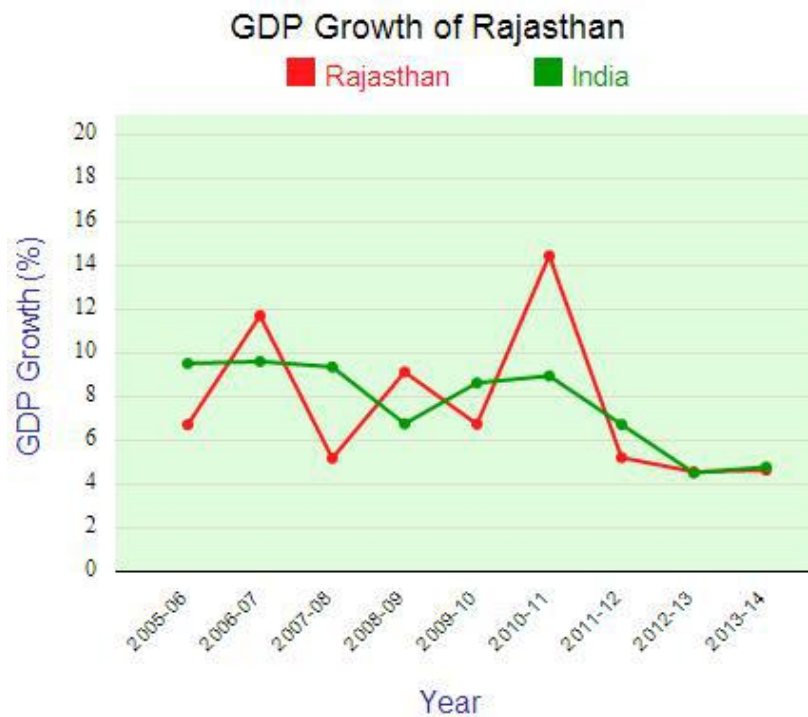
The data show that 2.5% contribution has been made by small scale industries to the GSDP. Talent of poor habitats and art has enlightened the path towards success and self-sufficiency. Textile business is also having a swift growth. Caustic soda, sugar, ball bearings, vegetable oil, woollen goods, rugs and cement industries are playing a really significant role in lifting the state economy upward. 1/10th of salt production is made by Rajasthan. Richness in minerals is the key factor of the state to get succeed in achieving the desired growth. Agriculture sector also plays a remarkable role in the state economy. This sector reports 22.5% contribution. It can be said that the state economy largely depends on agriculture, industries, natural resources and tourism.



In 2014-2015 financial year Rajasthan earns **Rs.5.7 Lakh Crore** about **5% of total GDP of INDIA**. Rajasthan is developing steadily at good **growth rate of 11%** compared to 2013-14.

Annual GDP Growth of Rajasthan from 2001-2002 to 2014-2015

As per the graph presented, the growth rate of GDP can be estimated which has risen with the time. The data of last couple of years present a clear picture of increment in gross domestic product of Rajasthan. Along with its individual growth, its relation with Indian economy has also been shown in the following graph where its clearly visible that in starting years state growth and country's growth are running simultaneously. Somewhere state has increased its GDP more in comparison to country and in the ending years it's equal. Being a BIMARU state Rajasthan is working against gratifying its name.



Relationship between Macro-Economic Components and GDP

Two factors of economy are essential to be kept in mind while going through the growth of nation's economy. The GDP growth has direct relationship with unemployment. Turnout depends on the chunk of labor used for the process of production. The relation is positive between both. The law of Okun presents connection between jobs and growth. According to law there is a census relation between unemployment rate and growth rate. If unemployment rate is going beyond its natural rate, it will surely affect the growth of the nation and same is seen in the case of Indian economy. The law determines transformation according to the changing situations of the economy. The law holds its application well according to the time period considered for study. If the analysis is made on quarterly basis and both factors are taken into consideration for the same time duration, the law holds up well. If poverty is taken under advisement, the previous researches show that greater prosperity slashes poverty. Many evidences are there which show that economic growth has reduced poverty in developing countries. Over the period of 1984 to 1993 study shows that changes in inequality affects changes in poverty. In 1993 Squire discovered that 10% growth rate reduced 24% poverty in countries. In 1998 Bruno said that 10% increase in growth decreased 21.1% poverty. Thus, Increase in economic growth is significantly related to reductions in poverty rate. Economic growth may rise the income levels and eradicate the poverty.

Findings and Conclusion

Opportunities for cheap labor and Political stability are one of the reasons which has pushed state's economic growth. Poverty and unemployment are two major issues which are bothering the success of the state because still there are 30% people below poverty line and 15% unemployed. That's an overall measurement. If we look onto individual states they are having miserable situations. The M- Sarkar has stated that the people having well reputed civil posts should also be a part of blooming economy. They can play a major role in uplifting the nation's economy. Their workings other than office hours and contribution to the nation along with appropriate utilization of power can affect directly or indirectly the economy of whole nation. The success of whole system depends on its individual units. If these higher authorities shall make a proper supervision of many sectors which are responsible for the GDP growth, the nation shall not be a developing nation anymore and will swiftly get converted into a developed nation.

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Fair Value Measurement Concept of IFRS: Problems and Prospects in Corporate Reporting in India

Manisha*

Introduction

Fair value is a measure centered on the market, not a specific measure of the entity. For some assets and liabilities, recognizable market dealings or market information can be available. For further assets and liabilities, recognizable market transactions and market information cannot be obtainable. Though, the determination of a fair value measurement in both cases is the same: to assessment the price at which an arranged transaction would be carried out to sell the asset or transmission the liability among market participants at the measurement date in the conditions current market value (i.e. an exit price on the valuation date from the opinion of view of a market participant who owns the asset or is liable for the liability). When a price for an indistinguishable asset or liability is not recognizable, a unit measures fair value using additional evaluation technique that exploits the usage of pertinent noticeable inputs and reduces the usage of unobservable inputs. Because fair value is a market-based measurement, it is measured using the conventions that market participants would usage when assessing the asset or liability, comprising risk assumptions. As an outcome, the entity's purpose to grasp an asset or settle or satisfy a liability is not pertinent for the measurement of fair value. The definition of fair value centers on assets and liabilities since they are a main topic of accounting measurement. Furthermore, this IFRS will be practical to the entity's equity instruments valued at fair

* Research Scholar, Maharaja Ganga Singh University, Bikaner, Rajasthan, India.

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value. IFRS clarifies how to measure fair value for financial reporting. It does not entail fair value measurements in addition to those now requisite or allowable by other IFRS and does not intend to found valuation standards or influence valuation practices outside of financial reporting. This IFRS put on when additional IFRS needs or permits measurements or information on fair value regarding fair value measurements (and valuations, such as fair value less costs to sell, grounded on fair value or revelation on such measurements).

Review of Literature

By Joshua Cohen (2010), this document examined the adoption of IFRS for Canadian companies in full swing. Starting January 1, 2010, Canadian companies are essential to display financial statements according to IFRS. While Canadian GAAP and IFRS are parallel, there are three main variances that have been a challenge for companies: efficiency tests, admissibility of hedge accounting and fair value measurement. Although not an exhaustive list, these issues represented the biggest challenge for Canadian companies in the first quarter of 2010. The following clarifies some of the variances in hedging activity between Canadians GAAP and IFRS and Best Practices for accounting coverage to help Canadian companies overcome the transition.

Kiradoo, (2013), conducted a study on the challenges due to convergence with IFRS in India, "The introduction of IFRS signifies a ultimate variation in financial reporting, not somewhat that can be managed in a few weeks before adoption Awareness, educating investors and handling the essential vagaries will require considerable commitment from management and the time needed to achieve a successful transition IFRS guide groups and collective work to generate profits, generate fair value in the business: subcontracting becomes important IFRS will influence Indian companies to understand international accounting.

Peng & Bewley, (2010), this research assessed the possibility and desirability of an important emerging economy that adopts and implements fair value accounting (FVA), as classified in the International Financial Reporting Standards (IFRS), when it studies the recent experience of China. The authors discover an upper grade of adoption of IFRS in the 2007 GAAP of China for financial instruments, but various variances for investments in long-term non-financial assets. Standard issuers validate this deviation for the vital features of the Chinese environment. The resulting differences in IFRS in the 2007GAAP and in their application call into question the official statements of "substantial convergence" between the 2007 GAAP and the IFRS. Therefore, the reimbursements anticipated by the Chinese regulators to the international accounting convergence to the IFRS could not be comprehended.

Methodology

This study depends on the literature review of existing relevant articles centring on accounting for fair value. Basis papers comprised refereed research

studies, articles from professional journals and empirical reports. To acquire some perception on the present state of fair value accounting, the study begins with a literature review of specific of the most significant issues relating to the concept.

Objectives of the Study

- To understand the fair value measurement concept of IFRS.
- To discuss the problems associated to the application of fair value measurement.
- To discuss the prospects regarding fair value measurement concept of IFRS in corporate reporting in India.

Problems Associated to the Application of Fair Value Measurement in India

- **Poor Evaluation Technique**

Since the essence of fair value is the objective affirmation of the fair market with respect to assets or liabilities, the fair value derives primarily from a comparatively objective market estimate of the value of the assets or liabilities, which means that the fair value is shown as the type of estimated price? When the valuation technique is applied to estimate the fair value of significant assets or liabilities, the current value always becomes a more common estimation method. However, due to expected returns and differences in valuation models between investors and between investors and administrative authorities, there is more uncertainty about the future cash flow that would cause inequalities, incomparability and diversion towards investors and increase the difficulties for the accountant to confirm the fair value.

- **Increased Cost for the Application of Fair Value Measures**

It is difficult to get fair market value because in this period the underdeveloped economy of our country, inactive market transactions and the small financial market and financial instruments are not generally used. In the meantime, audit firms must analyses every aspect of each final accounting during the initial measurement and the follow-up period so that they can formulate a new assertion on the fair value of assets and liabilities, which requires a large amount of data and information and a higher technical and personal demand, which will cause a certain cost of accounting measurement and financial management. However, the use of fair value has also increased the risk of financial reporting, a higher requirement for the relevant supervisory department, such as the auditor.

- **The Application of Fair Value Measurement Can Cause Untruth fularoma of Poor Enterprise Operation**

When using the fair value measurement model, changes in assets and liabilities will be included in net assets or net gains and losses, which could lead the company to the volatility of management gains. The shares of listed companies, for example, according to the historical model of cost measurement, before selling the

fluctuations in market prices do not adjust the carrying amount is not included in current gains and losses, unless the final price of the market it is under cost; And according to the fair value measurement model, the economic environment and the foreign exchange risk situation and the change in the company's credit, can cause fluctuations in the financial statements of companies, lead to a high corporate performance and a low business management for investors because of the unstable phenomenon, and it can also mislead users of financial statements, affect the value of the company.

- **The application of Fair Value Measurement Can Cause The Loss of Reliability of Financial Information**

First of all, it could easily cause profit manipulation and distortion of accounting information. The reliability of the fair value was the focus of attention since the fair value was introduced in accounting practice. When there are active markets, the measurement of fair value is based on the quoted prices of the direct market observation, whose reliability should not be questioned. The point is that measuring fair value requires subjective judgment and a manipulative space. Furthermore; the measurement of fair value would have a pro-cyclical effect and an excessive underestimation of the financial value in the crisis environment. The financial institution would record the financial assets based on the market price when the market collapses or loses its basic function, which would result in a decrease in both the amount of the company's physical account and the capital adequacy index. At this time, due to the deterioration of the debtor's cash flow situation, investors underestimate their panic-stricken actions lead to a sharp decline in fair value, which would make the recoverable amount well below the book value and the company has to withdraw a large amount of provisions for impairment. Increasing losses, in turn, encourages companies and financial institutions to step up their efforts to sell existing assets. In addition to the direct cost caused by low-price retail sales, excess assets must enter the vicious circle of the consecutive fall in trade prices due to the collapse of the market price, which would result in a further decline.

- **It is Difficult to Use Fair Value Measurement**

To implement fair value measurement, the main problem we face is how to obtain fair value information through certain channels and methods in the most reasonable way possible to ensure the reliability of the relevant accounting information and to avoid the impact of subjectivity in the financial information on the company. In most cases, it is necessary to assess and verify the fair value rather than directly accessing it. Meanwhile, in real work, accountants will not only study the technology and the method of estimating value, but will also have to make more professional judgments, which will directly increase the difficulty of accounting calculation. Therefore, in many cases, fair value remains difficult to achieve despite

the rapid development of the market economy in India. Observable transaction prices of many accounting items, such as assets and liabilities, are difficult to find, so the complexity of measuring current value is also the difficulty in issuing and applying the fair value measurement method.

- **The Measurement of Fair Value Intensifies The Fluctuations in the Company's Commercial Performance**

In measuring the price, we will take into account changes in the market environment, the credibility of the environment and the level of risk, as they induce changes in the company's activities or projects of responsibility, i.e. the fluctuation of the declaration element of business. According to the new standard, changes in the fair value of financial assets and liabilities on different balance sheet dates will be confirmed as the current gain. Since the financial assets and liabilities of the transaction are sensitive to changes in the exchange rate, interest rate and transaction price, which can cause a large fluctuation of the commercial performance in different accounting periods in companies and financial institutions with a large amount of financial assets a financial liability. Theoretically, if there is a fluctuation, it can be reflected in the declaration in order to provide more relevant information on the decisions. But the fluctuations induced by some factors may not be very relevant and the response to these fluctuations could mislead the users of the declaration. This phenomenon is exceptional especially in the outbreak of the financial crisis.

- **Fair Value Amplifies the Instability of The Financial Market**

The market-marked accounting standard requires companies to determine the carrying amount of the relevant assets in the balance sheet in accordance with the current market price and to replace the historical cost accounting in the past. In accordance with the legislation on the measurement of fair value, the enormous fall in the market and in the absence of the market pricing function, the financial products owned by the companies have led the financial institutions to record excessively the assets according to the price market, induced loss, reduction of the adequacy of assets and encourage financial institutions to sell assets and bring down the market in a vicious circle of reduction in transaction prices - reduction of assets due to deterioration of assets after the sell-sale in prey panic - a greater decrease in prices, which has intensified the financial crisis. In the financial crisis, the role it plays in helping to increase and avoid the decline has intensified the instability of the financial market, and in the meantime the companies were difficult to look for in the situation of asset depreciation and reduction of profits, which intensified financial difficulties.

- **The Reliability of Fair Value Measurement is Difficult to be Ensured**

The problem of reliability of the right value is always discussed. Reliability and relevance are the two most important quality characteristics for accounting information, and the decrease in each of them will induce the increase of the other.

The measurement of fair value is more important than a measurement of single historical costs, but with slightly lower reliability. Fair value is a judgment expressed by both parties in the transaction on the price value. Due to the instability of the market environment, some accounting items can be confirmed or found with a similar transaction price, but the other can be calculated rather than uncovered. Because of the rules of confidentiality, information blocking and other factors of trade secrecy, it is rather difficult to obtain the right value and to judge its impartiality, which in some way affects the objectivity of accounting data and reduces its reliability.

- **Low business Quality of Accountant**

In the fair value measurement, the carrying amount of a particular asset or liability is determined primarily by estimating the cash flow. Since cash flow generally occurs in one or more periods in the future and the currency has a time value, it is inevitable to introduce the current value technology into the measurement. There are several important issues that need to be solved in the process of measuring current value technology, such as estimating future cash flow, determining the discount rate and selecting the price estimation method. In the provision and analysis of such external and internal information, in the selection and use of relevant parameters used in determining the price of assets and in quantifying the risk of assets, the accountants will have different degrees of subjectivity, so that to a large extent requires a professional judgment of the accountants. In today's society with rapid economic development, the promotion of people's approach is increasingly evident. Accountants are easy to lose their moral and professional ethics before the great temptation of profits. Driven by the interests of an individual or a small group, some accountants lose their accounting integrity, compensate for the estimate of the value of the assets, refuse to disclose detailed and real information, underestimate the loss, overestimate the advantage or even deliberately forge something, which makes accounting information distort economic activities, distort accounting issues and seriously affect the quality of accounting information.

Adoption of Fair Value Accounting in Indian Accounting System

Of the 14 countries that have adopted IFRS for at least some (but not all) national entities that are publicly responsible, India is one of them. Therefore, India has finally adopted the measurement of fair value in its corporate information system. For the purposes of defining and measuring fair value in India, ICAI introduced converging international accounting standards in line with IFRS, IND-AS 113, on fair value measurement. Although IND-AS 113 defines fair value, establishes a single IND AS framework for measuring fair value and requires information on fair value measurements, it does not address assets and liabilities that are also measured at fair value. On the other hand, IND-AS 113 is applicable when another IND-AS requires or allows measurements to be made at fair value or information on fair value

measurements. On the basis of the MCA notification of 16-02-2015, the first financial report based on convergent AS of Indian companies will be prepared on 31 March 2017. The analysis of the fair value measurement of assets and liabilities carried out by the companies India can be created only after the preparation of its financial statements for the year 2016-17. It will be interesting to see how Indian companies measure the fair value of assets / liabilities, for which there is no active market, using significant unobservable inputs (i.e. level 3 inputs) as listed in the IND AS 113 hierarchy.

The time has come to examine the degree of adoption of the Fair Value (FV) concept in India's financial reporting system as part of the convergence with the International Financial Reporting Standards (IFRS). During the last decades, numerous studies have been carried out all over the world that establishes the superiority of the concept of FV with respect to the concept of historical cost. India, though one of the fastest emerging economies, has different economic, financial and social conditions. The adoption of the concept of FV in India is one of the essential elements for the convergence with the IFRS. However, some accounting experts have expressed concern about the emphasis on fair value of IFRS and the influence of accounting officers in uncommon regions, where losses have been recognized less timely. The present work examines the degree of adoption of the concept of FV in the Indian scenario. The measurement of fair value can provide accounting information that is more related to the measurement of the cost of the story that can help the decision maker to choose the right decisions. As the knowledge economy progresses, the intangible assets that arise in the company and the massive use of financial derivative instruments, customers need more relevant information to assess both the opportunity and the risks they are facing and the information that Users have increased the requirement of pertinence of accounting information.

Suggestions to Make Perfect the Measurement Property of Fair Value & Its Effect

- **Reinforce the Theoretical Study, Provide Assessment Guides and Improve the Evaluation Technique:** To reasonably use the right value, we must strengthen its theoretical study, improve the theoretical system and build a framework that meets India's national conditions. This framework should explain the details of fair value so that it is easy to manipulate. The current standard is the necessary assessment guide, however, the accounting skills are limited, it is very important to provide the corresponding evaluation guide. The evaluation guide should provide selectable evaluation models and the conditions applicable to different models to reduce arbitrariness. The guide should also make it clear that if there are many models available, companies should use multiple models to test the price. At the same time, the guide should include some examples of how to select relevant parameters and models and ask companies to verify relevant parameters and models to ensure that relevant parameters and models reflect market value.

- **Improve Professional Judgment of Accountants and Professional Level:** Use of fair value is limited by accounting standards and professional judgment of accountants. Apparently, the professional judgment of our accountants cannot meet the requirements. We can see it from the problem during its use. Therefore, improving the general level of accountability of accountants is very important. First, strengthen the professional knowledge of accountants through training. Helping them to familiarize and master methods and procedures. Accountants must have the ability to recognize valuable information from a large amount of complex information. Secondly, accountants have to expand their horizons; they should not limit themselves to their company's activities. They should try to learn about the characteristics of their profession and the performance of other relevant companies. Thirdly, we must strengthen the professional ethics of accountants and an awareness of integrity.
- **Reduce the Impact of Fair Value Measurement on the Quality of Financial Information:** We should at the same time provide historical cost measures and fair value measures in two types of financial relations, respectively, to reconcile the contradiction. First of all, we can establish two measurement models at the same time. Secondly, we must perform a daily accounting work at historical cost and not use the fair value for daily accounting. Finally, we must provide two types of financial reports at the end of each accounting period.
- **Measures to Avoid The Use of Fair Value Measurement Attributes to Manipulate Benefits:** The most important measure is to strengthen the supervision of fair value measurement by establishing a fair value review system. Companies should be encouraged to use fair value measurement correctly. Strengthen the specifications of laws and regulations for operational behaviour, ensuring the reliability of accounting information. Furthermore, we must improve existing laws and regulations to provide a good legal environment for fair value implementation. India must complete a series of specific audit guidelines for fair value on time, standardizing the procedures for determining fair value. At the same time, strengthen the supervision and administration of accounting staff, ensuring that the accounting staffs strictly adheres to professional ethics when using fair value measurement.
- **Measures to Reduce Pro-Cyclicality Caused by Fair Value:** In order to alleviate the effect of pro-cyclicality caused by fair value, the uniform pricing service can be used to obtain the fair value of the related financial products. Uniform pricing is a quotation service provided by independent brokers and consultants for the complex and illiquid financial instrument. The price is based on the sale price of the related financial instrument, however, if the value of the financial instruments is too dispersive or if the banks believe that the value is not fully reflected in the market, the result of a uniform price may not be corrected. , when using the uniform, it is necessary to assess the authenticity and authority of the brokers and the price level of the

consulting agency and make sure that the pricing mechanism provided by them corresponds to the measurement of reasonable value or not .

- **Create and Refine the Market Environment for the Application of Fair Value:** Fair value measurement has its roots in a better market environment, so the creation of a market of orderly and uniform transactions with total competition is a prerequisite for introducing the property of fair value measurement. Only in that market can fair value information is better disseminated in a more detailed and hierarchical way to help the user understand the impact of fair value on company performance. In particular:

Firstly, we will invest more in building the market economy and establish a perfect market system in India. Our current Chinese market urgently needs to perfect the capital market, expand the bond market, the stock market, the foreign exchange market, the gold and other precious metals market, set up capital markets and market second-hand transactions, with full competition, in particular the real estate market and the market for financial instruments, with the aim of making currency exchange more objective, timely and economic.

Secondly, we will break the industrial monopoly, reduce access conditions in areas such as finance, telecommunications, energy and electricity, allow private capital to enter the financial, insurance and other sectors; In the meantime, we will fully introduce the market competition mechanism, encourage mixed operations and break the limits of the split operation. Third, we will normalize and limit government behaviour to ensure the government's legal administration and transform the company into a genuine agency of free and independent transactions, as well as ensuring fairness in the market price.

Thirdly, we will establish a national market data information network and a market information database to greatly facilitate advertising and price information in real time and to make it easier for accountants to select the appropriate data when the fair value is used to evaluate the activities. Enter the realized income, rewards rate, costs, price, production, sales and other conditions of each company over the years in the market information database that will be used for forecasting future cash flow. The historically realized income of the company is always an important basis for forecasting future income. The cash flow data passed into the database can be used to predict future cash flow in order to transform the complex technology into an easy one.

In the meantime, we will establish an authorized institution for the evaluation of activities. For resources with different use value, duration, measurement and many varieties, we will apply the value estimation technology that must be used by highly specialized technicians in a professional assessment institute with the help of certain technical means and parameters of the market. The estimated value must be

recognized by the company; therefore it is urgent to establish an authorized institution for the evaluation of the activities.

- **Do Everything Possible to Ensure the Reliability of Fair Value Measurement:** Many people today doubt the reliability of fair value measurement and take a long time to explore and synthesize the experience, but the standard business accounting system in India has taken full account of our national conditions, made improvements We have carefully and stipulated several standard for reliable measurement of fair value when determining the scope of fair value: (1) Assets with an active market will determine fair value based on the transaction price on the market; (2) Assets without an active market will determine the fair value based on the transaction price of similar assets; (3) Assets without homogeneous or similar assets comparable to the activities of the market operations determine the fair value using the value estimation technology. In the meantime, the company will rightly inform investors and other interested parties of the detailed reasons and context for the measurement using fair value in the meantime. The disclosed content should include:

A. Transaction price range for each project. The balance reflects the concept of a time point. But fair value essentially emphasizes the price estimated in the current transaction intentionally concluded in a fair and rational state for both transactional parties. Therefore, it will be a long-term dynamic concept. Although, according to the hypothesis of periodicity, the company must provide the declaration in accordance with the time and the reported balance sheet information is definitely a measurement feature at a certain point in time. Especially for assets or liabilities with an active market, such as transactional financial assets, the company will provide not only the fair value estimated in accordance with the accounting standard at the balance sheet date, but also disclose the trend distribution of the transaction price, these assets and liabilities in their period of existence or in the accounting period to which they belong.

B. Sensitivity analysis. It is necessary to communicate any change in the fair value and its impact on the company's profits and losses, as well as on the owner's net equity if the risk variables relevant to the balance sheet date have been changed in a reasonable manner. It's possible. For example, it is more feasible to analyse the sensitivity of derivative financial instruments than to disclose only their nominal value or fair value. It takes into account the impact of changes in the interest rate, the exchange rate and other factors in the position value of the financial derivative products owned by the investment. Similarly, for other asset and liability projects, the company may also use different technologies and methods to estimate the value to establish a model among several factors with a given fair value and analyse their sensitivity.

- **Prepare a complete declaration of the results, carefully use the mixed measurement mode and avoid large fluctuations in the elements of the statement:** To avoid the fluctuation of certain elements in the state of the company

due to fair value, we will introduce a concept of total income to prepare the complete declaration of results. Total income is a broad concept of income, including confirmed and realized but not realized gains and losses. To prevent the company from manipulating profits through the use of fair value, we will evaluate the unrealized gains and losses and the realized revenues respectively, and we will also increase disclosure of fair value information. It is difficult for fair value to reflect the true characteristics of assets that do not have an active market and whose value is difficult to estimate. It would also cause a serious deviation of value. In comparison, the value of assets or liabilities will show a small fluctuation if the historical cost is adjusted. Therefore, we will integrate the advantages of the various measurement properties. Financial assets will be valued at fair value, while financial liabilities will be valued based on historical costs. The accounting measurement method that combines the principles of fair value and historical costs can solve measurement problems in financial derivative instruments, eliminate the disadvantages of fair value and historical costs, overcome the defects in the single measurement principle for the balance sheet. Traditionally effectively avoid the fluctuation of financial information due to the measurement of property values.

Regarding the declaration and disclosure of fair value, we can prepare the comprehensive income statement according to the fair value principle, as many countries and organizations do. We can prepare the income statement based on the historical cost principle or prepare the full declaration of the results according to the fair value principle, which can not only provide general information for the users of the declaration, but also avoid large fluctuations of income in the income statement. In addition, users of the declaration may also have a more in-depth knowledge of the company's business situation by comparing the net final result in the income statement with the final full-time result in the declaration of the global results.

- **Try to Improve the Business and Moral Quality of Accountants:** Continuously making more investments in education and cultivating accountants who have a conception of fair value, understanding theory and practice and having a noble professional ethics are the necessary conditions for the full application of the right value and also the premise to reduce the costs of measurement of fair value and application of fair value. We will focus on the training and supervision of business quality and professional ethics, we will increase the study and advertising activities for the new standards and we will strengthen the application of electronic accounting in practice. Only in this way can we guarantee that the measurement of fair value is adequately implemented in practical work.
- **Effect of Reliable Measurement of Fair Value:** Through the combined facilitation of companies, countries and individuals, the measurement of fair value can impose a good effect, can reflect in a timely manner the change in

assets and liabilities to be in line with the demand for financial innovation; it may reflect the estimated net present value of the future cash flow directly or indirectly contained in the financial instruments for the market, which leads to the calculation and innovation of financial instruments, it can take into account the reality and the future to deal with risks and uncertainty in a reasonable manner and to provide reliable accounting information to decision-makers. It is believed that with the steady development of the economic situation, the gradual perfection of the economic environment and the inexorable exploration of a wide range of workers in accounting theory and practice, the theory of fair value measurement will continuously improve and measurement of the fair value will certainly be widely disseminated.

Conclusion

The appearance and use of fair value are adapted to the needs of economic development. While there are a number of difficulties and obstacles with the generalization of fair value in India, the development and application of fair value have become an irresistible trend. At present, we need to fully understand the right value, understand the obstacles we face, find solutions and then we can gradually improve the theoretical system of equity in practice, establishing accounting standards similar to international standards, further improving the market economy system, improve the system of legal rules, strengthen supervision. Use them to guide the practice and finally gradually increase the right value.

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Role of Literature in Advancing Women's Economic Empowerment

Dr. Ruchi Goyal*

Introduction

Empowerment is known as a process of giving opportunity to people to take control of their life and become more confident and strong. It was originated in 1960 with the starting of civil rights movement in USA. Women empowerment is a general term covering a wide range of ideologies and theories which pay special attention to women's rights and women's position in society and culture. It has always meant a belief that women should have the same rights, power and opportunity that men have. Literature plays an important role to strengthen the waves of women empowerment. There are many evidences in literature from Mary Wollstonecraft through Simone de Beauvoir to the present Toril Moi and Elaine Showalter that favour the same idea and give voice to the voiceless women psyche. "A woman especially if she has the misfortune of knowing anything should conceal it as well as she can... imbecility in women is a great enhancement of their personal charm." - Jane Austen (Northanger Abbey 199) In literature women empowerment is incorporated with the idea of Feminism. This ideology was greatly influenced by the writings of Simone de Beauvoir and Kate Millett, who drew attention to ways in which women were oppressed by the very structure of Western society. The French writer-philosopher

* Lecturer, Department of English, LBS PG College, Jaipur, Rajasthan, India.

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Simone de Beauvoir is probably the best known as one of the portents of the feminist movement of the 1960s. Her book *The Second Sex*, published in 1949, emphasized the importance of equality for both men and women, and is considered a classic of feminist literature. In France, the feminist theorists H  l  ne Cixous and Luce Irigaray explored ways of making new knowledge from the viewpoint of the female body, including the idea of women's empowerment.

In India the ideology of women empowerment is not new. The Vedic verse यत्र नारी पूज्यन्ते रमन्ते तत्र देवता (Wherever Women is respected, God resides there) proves it in real sense. Yet gender bias is a sensitive topic which has not been uprooted completely. In India women's empowerment not only depends on educational and social status but also on geographical location (urban/rural). No doubt, we have already come a long way. We have seen striking declines in gender gaps around the world in education. Women are proving themselves in various educational fields. There has also been an increase in women's voter participation. India has a central political system. Indian constitution favours to increase representation of minority groups and women in economic growth of the country.

Women are now entitled to one third of the seats in local governing bodies with improved room for representation and empowerment. Women's issues have been taken seriously in the government's five year plan. Women are working as a life support system for the economic development of the country. It is providential enough to have women in leadership positions in business and public office which is a powerful signal for both men and women. But across India there are massive social cleavages and gender inequality is prevalent in sectors related to nation's economy. Women hold the responsibility bearing the children, taking care of the household, and also supporting the family financially. They are still juggling about having children and establishing a career. They have to make a choice between their career and their family. If we look intensely at the matter she is free but in chains also. Social systems, familial force, traditional values, patriarchal gender norms, etc. are some manacles that hamper her road to success. Even some specific characteristics like female psychology, feminine sensitiveness, endurance, those are the resources of her inner strength sometimes obstruct her way and lower down their decision making power.

In Indian literature, the theme of women empowerment is most subtly handled under restricted circumstances. But it is accepted with advancement of time, setting aside the patriarchal predominance to certain extent. Literature has no boundaries. It works leaving aside the activists and crusaders of the political and social scenario. Unlike the pre-independence period when most of the literary field was male dominated, in the post-independence period women novelists have made a significant contribution to Indian English novels. A number of women novelists such as Kamala Markandaya, Nayantara Sahgal, Ruth Prasad Jhabwala, Anita Desai, Shashi

Deshpande worked for the development of Indian English novel. These women writers mainly wrote about female experiences, sexual politics, gender relationship, women status in society and her quest for identity. They describe the lives of women under the impact of rural background also. They present the concept of new women who is strong, fully awakened and ready to fight against the patriarchal norms. They fought not only against the social status of women but also for their economic status which is compulsory to give them equal status to men. The condition of rural woman was very pitiable in the pre – independence era but after independence it came into consideration. Male novelist in general and female novelist in particular began to treat rural women as legitimate subject for their novels. In 1960, feminism rises against the colonial rule, patriarchal practices and traditions enhance the ideology of female subordination. Although Indian constitution completely prohibits discrimination on the basis of sex, there are still enormous barriers between policy and practice and the adaptation of policies into reality. This inequality continues to disrupt the social and economic ethos in India.

There are various councils and bodies in India which are working for empowering women such as the National Commission for Women, Department of Women and Child Development and the Parliamentary Committee. These organizations have reviewed various laws and policies for their welfare and to increase their share in economic growth of the nation. The equal remuneration act, 1976, ensures equal wages and equal work for women. Regardless these efforts India ranks 127 out of 187 countries in the gender inequality index with a score of 0.536. The World Economic Forum ranked India 101 out of 136 countries in the Gender Gap Index with a score of 0.655.

The power of education and entrepreneurship can't be denied for the economic growth of a nation. If we have more women to join men in the race, more records will be broken and our collective performance will improve. Women's empowerment creates a great impact in promoting global economy. People feel hesitant to call themselves feminist. In spite of whether someone is a feminist or not, he should always support gender equality in the workplace and at home, to strive for a diversified society, because diversity will always benefit one as an individual. Now-a-days development organizations have understood the impact of gender dynamics on the success or failure of their efforts. They know that there's a tremendous amount of economic gains that could be made by empowering women.

Shashi Deshpande who has a prominent place among the writers of eighties basically write about family relationship, women issues in most of her novels such as *The Dark Hold No Together* (1980) *A Matter of Time* (1996) *The Stone Women* (2000). In *Roots and Shadows* (1983) she depicts the theme of alienation and the search for identity. The story is set on the rural background, depicting urban-rural

conflict also. Her novel reveals the emergence of the 'new woman' in Indian atmosphere. New woman is fully independent and aware about the women rights. They know the value of earning money and economic growth.

Arundhati Roy's *The God of small Things*, Booker prize winning novel is based upon Indian rural background. It is a fantastic village narrative, which deals with the ravages of caste system in a South Indian village of Kerla and the struggle of a woman in a patriarchal society. Here Roy focuses on the life of Ammu and her two children Rahel and Estha, who live in a fisherman's village in Kerla. Roy also raises a question about arranged marriage system in which a woman has no right to tell about her choice. Being modern woman writer Roy presents the conflict exists at individual and societal level. On the one hand she presents a pessimistic picture of rural society but on the other as a feminist writer she portrays a strong woman character who fights for her freedom in the male-dominated society. She displayed the struggle of a woman to get economic stability for her children. It motivates women to get independence in the male dominated society at societal level as well as at financial level.

As we know Indian English fiction right from its birth, represents various phases of women empowerment. But due to the increasing forces of urbanization and industrialization most of the modern novelist shifted gradually their focal point from women empowerment to women economic empowerment. In India women tend to leave their professional careers especially because they find it impossible to balance the growing career pressure and meeting increasing family demands. There are various internal and institutional forces that can trip up an ambitious woman. When we talk about equality at work place, it is all about the work distribution, the capability of completing the task and the rewards one gains for the performance. . But it is not only a physical phenomenon. An individual should feel the need of equality. The male chauvinism is a popular thinking among both men and women. For instance, if someone ask a women whether she has the right to equality at work and the answer will be a resounding yes, but ask the same women whether she feels confident asking for a raise, a promotion, or equal pay, and some reticence creeps in.

Sheryl Sandberg, operating officer of Facebook, coauthor of *Option B* with Adam Grant and one of Fortune magazine's most powerful women in business reignited the conversation around women in the workplace in her book *Lean In: Women, Work, and the Will to Lead*. The book argues about the women equality at work place and their psychological status to get that equality. It is about what women can't do to what they can. The book addresses internalized oppression of women and opposes the external barriers that create it. The author motivates women to support each other to fight both. Sandberg talks about the men's role in achieving female equality. She argues not only for women's equality in the workplace, but men's

equality in home-care and child-rearing. Sheryl mentioned in her book, sometimes as women we have to make a choice between our career and our family: "*During the same years that our careers demanded maximum time investment, our biology demanded that we have children.*"

Susan Faludi, an American feminist journalist and author, argues in an article published in *The Baffler*, an art and criticism journal that self-described feminist Sandberg's message of women's workplace empowerment is actually a corporate-backed campaign that encourages women to promote themselves individually as "marketable consumer object[s]" for professional advancement, while discouraging solidarity and downplaying the damaging effects of systemic gender bias felt collectively by women in the workplace. In her book Sandberg argues how women unintentionally hold themselves back in their careers. She encouraged women to fight against the patriarchal norms and urges them to sit at the table, seek challenges, take risks, and pursue their goals with gusto. But we always try to ignore the reality and as a result women end up in insecure, low-wage jobs, and constitute a small minority of those in senior positions. Due to their countless household works, they get little time left to pursue economic opportunities.

As Brundtland said, "There isn't single country in the world-not one-where men and women enjoy completely equal opportunity... that is why we must change attitudes and policies. The aim must be to give each and every human being greater freedom to make choices about their own lives...." -Gro Harlem Brundtland, World Conference on Women, Beijing, 2006

A variety of literature discusses about marginalized groups including rural women, domestic workers, some migrants and low-skilled women. It promotes women's ability to secure decent jobs, collect assets, and determine economic growth and development. Women economic empowerment is the only way to get gender equality, poverty eradication and inclusive economic growth. We should accept the fact that women make massive contributions to economies, whether in businesses, on farms, as entrepreneurs or employees, or by doing unpaid care work at home. Literature is a supporting stone for women to preserve their identity, their existence. It is used to relieve women from the burden of patriarchal system. It makes clear vision of male being and creates a feeling of equality in them. Overall, it helps to enrich and empower the economic growth of women.

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Merger and Acquisition of Selected Indian Company

Prof. (Dr). Mahendra H. Maisuria*

Introduction

Restructuring of business is an integral part of the new economic paradigm. According to Gibbs,(2007) restructuring as a change in the investment structure, operational structure, financing structure and governance structure of a company.

What is Merger?

- Merger means 'transaction involving two or more companies in the exchange of securities and only one company survives'.
- In a merger one of the two existing companies merges its identity into another existing company or one or more existing companies may form a new company and merge their identities into a new company by transferring their businesses and undertakings including all other assets and liabilities to the new company.

Types of Merger

There are generally the following types of mergers:

- (i) Vertical Mergers (ii) Horizontal Mergers (iii) Reverse Mergers
(iv) Conglomerate Mergers (v) Circular Mergers

* Associate Professor, City C.U. Shah Commerce College, Ahmedabad, Gujarat, India.

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What is Acquisition

Acquisition involves acquiring the ownership in the property, which is tangible or intangible. In the situation of business combinations, acquisition occurring when a one firm purchase the controlling interest in the share capital of another existing firm. The controlling interest may be acquired either through purchase of majority of shares carrying voting rights in general meeting, or controlling the composition of board of directors of the other firm. The acquired company continues to exist but its shareholders change without any change in its constitution. The basic motive is that it allows firm to acquire control over another firm by investing much less than compare to merger.

Review of Literature

Agarwal, Jaffe and Mandelkar (1992), "The Post-Merger Performance of Acquiring Firms: a Re-examination of an Anomaly." The purpose of the study is to measure the post-merger performance of acquiring firms after adjusting for the firm's size effect and beta risk. Sample of the study: 937 mergers and 227 tender offers which took place in U S during the period 1955 to 1987. In this study the analysis is based on two alternative methodologies, both adjusted for beta risk and market capitalization. In this study they concluded that stockholders of acquiring firms experienced a statistically significant wealth loss of about 10% over five years after the merger completion date. The result was robust to a variety of specifications and did not seem to be caused by changes in beta. The results of the study were not consistent with this hypothesis. The resolution of this anomaly was left by the study as a challenge for future research.

Mantravadi and Reddy (2008), "Post-Merger Performance of Acquiring Firms from Different Industries in India" The main purpose of the study is to examine the impact of mergers on the operating performance of acquiring corporate in different industries. In this study the sample firms have chosen as all mergers involving public limited and traded companies in India from 1991 to 2003, to measure the operating performance researcher was used Ratios analysis. The results of study suggest that there are minor variations in terms of impact on operating performance following mergers, in different industries in India. In particular, mergers seem to have a slightly positive impact on profitability of firms in the banking and finance industry, the pharmaceuticals, textiles and electrical equipment sectors show a marginal negative impact on profitability and returns on investment and assets. For the Chemicals and Agri-products sectors, mergers had caused a significant decline, both in terms of profitability margins and returns on investment and assets.

Mahesh and Daddikar, (2012), "Post merger and acquisition on financial performance analysis: A case study of selected Indian airline companies". The study is based on the companies involved in Merger & Acquisition in Indian Airline sector

from 2005-2010, The main purpose of this research paper is to analyze whether the Indian Airline Companies have achieved financial performance efficiency during the post-merger & acquisition period. Ratio analysis is used to measure the financial performance and paired sample t-test has been used to determine the significance differences in financial performance standards two year before and two year after the merger activity. His finding shows that there is no improvement in surviving Company's return on equity, net profit margin, interest coverage, earning per share and dividend per share post-merger & acquisition. Financial performance of airline companies does not improve after merger.

Research Methodology

The study was based on secondary data from 2007 to 2010. In order to evaluate the financial performance of sample companies on a comparative basis, five years before merger and acquisition and five years after merger and acquisition were considered. The researcher has use multi-stage purposive sampling method. In this method of sampling process is carried out in several steps. In the first step, there are number of companies financial restructuring undergo through merger and acquisition form in India. Those companies are listed in BSE/NSE in India. This would represent a population of the research study. In second step, the researcher would arrange the companies in sector wise. This would represent the homogeneous sub population or strata of the study. Then researcher would select two sectors from sub population. Those sectors would be involved in this study. Those sectors are IT and FMCG. The data was collected from center for monitoring Indian Economy (CMIE)-PROWESS, which is considered as the most reliable Indian corporate database. Other source would be used via BSE website, NSE website and topic related other website. The additional financial and non- financial data was collected from books, corporate magazine, articles in several journal etc. Financial performance ratios are computed for the entire set of sample companies, which have gone through financial restructuring in the form of M&A during the selected period. The pre-merger financial performance ratios of acquire and target companies are compared with post-merger financial performance ratios of the combined firm. To see if there is any statistically significant change in performance of acquirer firm after M&A, using "paired sample t-test" at confidence level of 0.05.

Objective of the Study

- To examine and comparatively evaluate the impact of financial restructuring in the form of mergers and acquisitions on the profitability position of the selected Indian companies.
- To study the impact of financial restructuring through mergers and acquisitions on the Liquidity position of the selected Indian companies

Hypothesis of the Study

There is no significant difference in gross profit ratio of selected Indian companies between pre and post-merger period.

1. There is no significant difference in gross profit ratio of selected Indian companies between pre and post-merger period.
2. There is no significant difference in net profit ratio of selected Indian companies between pre and post-merger period.
3. There is no significant difference in operating profit ratio of selected Indian companies between pre and post-merger period.
4. There is no significant difference in return on capital employed ratio of selected Indian companies between pre and post-merger period.
5. There is no significant difference in return on return on shareholder fund ratio of selected Indian companies between pre and post-merger period.
6. There is no significant difference in return on return on assets ratio of selected Indian companies during between pre and post-merger period.

Data Analysis & Conclusion

According to Hypothesis 1

Gross Profit Ratio	Pre-merger	Post-Merger	Paired Differences		
			mean	S.D	Std. Error m.
mean	62.84	59.74	3.10		
Std. Deviation	30.02	33.42		10.60	
Std. Error Mean	10.01	11.14			3.53
Degree of freedom = 8			t _{cal} = .88	t _{tab} = 2.31	sig. (2 tail) 95 % =0.405

From the above table, at 5 % level of significance and 8 d.f. the value of $t_{cal} = 0.88$ and the value of $t_{tab} = 2.31$ Therefore $t_{cal} < t_{tab}$, More over the value of Sig.2 tail 95% =0.405 > 0.05

So, we accept null hypothesis and conclude that there is no significant difference in gross profit ratio of selected Indian companies between pre and post-merger period.

According to Hypothesis 2

Net Profit Ratio	Pre-Merger	Post-Merger	Paired Differences		
			Mean	S.D	Std. Error m.
mean	3.07	1.17	1.89		
Std. Deviation	10.11	13.90		16.67	
Std. Error Mean	3.37	4.63			5.56
Degree of freedom = 8			t _{cal} = .034	t _{tab} = 2.31	sig. (2 tail) 95 % =0.742

From the above table, at 5 % level of significance and 8 d.f. the value of $t_{cal} = 0.34$ and the value of $t_{tab} = 2.31$ Therefore $t_{cal} < t_{tab}$, More over the value of Sig.2 tail 95% = 0.742 > 0.05

So, that we accept null hypothesis and conclude that there is no significant difference in net profit ratio of selected Indian companies between pre and post-merger period.

According to Hypothesis 3

Operating Profit Ratio	Pre-Merger	Post-Merger	Paired Differences		
			Mean	S.D	Std. Error m.
mean	19.80	12.70	7.10		
Std. Deviation	18.65	9.63		21.04	
Std. Error Mean	6.22	3.21			7.01
Degree of freedom = 8			$t_{cal} = .101$	$t_{tab} = 2.31$	sig. (2 tail) 95 % = 0.341

From the above table, at 5 % level of significance and 8 d.f. the value of $t_{cal} = 1.01$ and the value of $t_{tab} = 2.31$ Therefore $t_{cal} < t_{tab}$, More over the value of Sig.2 tail 95% = 0.341 > 0.05

So, that we accept null hypothesis and conclude that there is no significant difference in operating profit ratio of selected Indian companies between pre and post-merger period.

According to Hypothesis 4

Return On Capital Employee	Pre-Merger	Post-Merger	Paired Differences		
			Mean	S.D	Std. Error m.
mean	3.27	11.78	-8.86		
Std. Deviation	46.37	13.92		50.30	
Std. Error Mean	15.46	4.64			16.60
Degree of freedom = 8			$t_{cal} = 0.51$	$t_{tab} = 2.31$	sig. (2 tail) 95 % = 0.622

From the above table, at 5 % level of significance and 8 d.f. the value of $t_{cal} = 0.51$ and the value of $t_{tab} = 2.31$ Therefore $t_{cal} < t_{tab}$, More over the value of Sig.2 tail 95% = 0.622 > 0.05

So, that we accept null hypothesis and conclude that there is no significant difference in return on capital employed ratio of selected Indian companies between pre and post-merger period.

According to Hypothesis 5

Return on Shareholder Fund	pre-merger	post-merger	Paired Differences		
			mean	S.D	Std. Error m.
mean	30.95	1.66	29.29		
Std. Deviation	53.33	21.86		52.62	
Std. Error Mean	17.78	7.28			17.54
Degree of freedom = 8			$t_{cal} = 1.67$	$t_{tab} = 2.31$	sig. (2 tail) 95 % = 0.133

From the above table, at 5 % level of significance and 8 d.f. the value of $t_{cal} = 1.67$ and the value of $t_{tab} = 2.31$ Therefore $t_{cal} < t_{tab}$, More over the value of Sig.2 tail 95% =0.133 > 0.05 So that we accept null hypothesis and conclude that there is no significant difference in return on shareholder fund ratio of selected Indian companies between pre and post-merger period.

According to Hypothesis 6

Return on Assets	Pre-Merger	Post-Merger	Paired Differences		
			Mean	S.D	Std. Error m.
mean	5.44	4.26	8.85		
Std. Deviation	8.42	8.62		50.30	
Std. Error Mean	2.80	2.87			16.55
Degree of freedom = 8			$t_{cal} = 0.322$	$t_{tab} = 2.31$	sig. (2 tail) 95 % =0.756

From the above table, at 5 % level of significance and 8 d.f. the value of $t_{cal} = 0.322$ and the value of $t_{tab} = 2.31$ Therefore $t_{cal} < t_{tab}$, More over the value of Sig.2 tail 95% =0.756 > 0.05 So that we accept null hypothesis and conclude that there is no significant difference in return on assets ratio of selected Indian companies between pre and post-merger period.

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Impact of GST on Economy and Marketers in India

Ms. Chandni Seth*

Introduction

GST stands for Goods and Services Tax which has been recently introduced by the Government of India in order to get away with all the indirect taxes. In India, the idea of GST was considered in 2005 by the Task Force on carrying out of the Fiscal Responsibility and Budget Management Act 2003, named Kelkar Committee. The Kelkar Committee was motivated that a dual GST system will be able to have a larger reach and would cover taxation on almost all goods and services. GST implementation would help the government in better resource allocation and would improve revenue collection. Goods and service tax referred as GST in the normal context is a simplified, one tax across nation in replacement of multiple taxes and multiple layers of rates, structure, compliance procedures and authorities has been introduced in India w.e.f. July 1, 2017.

Prior to GST there was Central excise, state excise, Vat, state sales tax, surcharge, service tax and these taxes were coming under jurisdiction of multiple officers working under various government department. Procedures of compliance were different at different state levels and it was big challenge to the existing business as well as new investors to understand and ensure compliance. Also, there were compliance avoidances and possibility of avoidances as well harassment due to multiple agencies involved in the process.

* Research Scholar, Amity Business School, Amity University, Lucknow Campus, Lucknow, U.P., India.

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Under the GST, every person will be liable to pay tax on output and tax shall be only on the amount of value added. The main aim of GST is to eradicate spilling effect i.e. tax on tax and it will lead to cost competitiveness of the services and the products at the national and international market.

Literature Review

- Nishita Gupta (2014) in her study stated that implementation of GST in the Indian framework will lead to commercial benefits which were untouched by the VAT system and would essentially lead to economic development. Hence GST may usher in the possibility of a collective gain for industry, trade, agriculture and common consumers as well as for the Central Government and the State Government.
- Saravanan Venkadasalam (2014) has analyzed the post effect of the goods and service tax (GST) on the national growth on ASEAN States using Least Squares Dummy Variable Model (LSDVM) in his research paper. He stated that seven of the ten ASEAN nations are already implementing the GST. He also suggested that the household final consumption expenditure and general government consumption expenditure are positively significantly related to the gross domestic product as required and support the economic theories. But the effect of the post GST differs in countries. Philippines and Thailand show significant negative relationship with their nation's development. Meanwhile, Singapore shows a significant positive relationship. A positive impact of GST depends on a neutral and rational design of the GST such a way it is simple, transparent and significantly enhances involuntary compliance. It must be actual, not presumptive, prices and compliance control would be exercised through an auditing system.
- Jaiprakash in his research study mentioned that the GST at the Central and the State level are expected to give more relief to industry, trade, agriculture and consumers through a more comprehensive and wider coverage of input tax set-off and service tax setoff, subsuming of several taxes in the GST and phasing out of CST. Responses of industry and also of trade have been indeed encouraging. Thus GST offers us the best option to broaden our tax base and we should not miss this opportunities to introduce it when the circumstances are quite favorable and economy is enjoying steady growth with only mild inflation.

Objectives of the Study

- To study the positive and negative impact of GST.
- To study the sector wise analysis on GST implementation
- To study about the impact of GST on sales and marketing.

Impact of GST in India

- **Positive Impact of GST in India**
 - GST will help in reducing indirect taxes as it is a single taxation system. GST would include all the indirect taxes under it.

- This system would be very benefiting to the people of the country as it would help in bringing down the prices to a great extent.
 - GST would also help in reducing the burden from the central and state government as all the taxes would come under one roof.
 - GST would help in developing the market as the taxes would not be charged at every point of sale like it used to happen before in case of indirect taxes.
 - GST would help in building a corruption free taxation system as it would make taxation very transparent.
 - GST has majorly helped in decreasing the burden of tax compliance.
 - Removes surging effect of taxes.
 - The prices of consumer goods have considerably fallen as the manufacturing cost have been reduced.
 - Reduced costs have made luxury products like cars and FMCG products cheaper.
 - Unified tax regime has given more transparency in the system thereby curbing corruption to a great extent.
- **Negative Impact of GST in India**
 - With the introduction of GST the real estate prices have been impacted significantly. This has resulted in reducing the buyers' market by 12 percent and has increased home buying prices by 12 percent.
 - GST is a baffling term where under the name of single tax double tax is charged.
 - GST is expected to be having a neutral-to negative impact in the short term for the broader economy.
 - It is going to be a very difficult and time taking process to completely align the production processes in the new framework as the companies would try to adjust with the new tax credit system and better management of the working capital required for easy flow of business.
 - Looking at the consumers' perspective, GST is said to be a mixed bag where some goods are cheaper while others have become expensive.
 - With the introduction of GST services have become expensive example- telecom, airline, banking etc.
 - It would take some time for the people to understand the implications of GST as it is a completely new system being incorporated in the country.
 - One big complication attached with GST is that it is a consumption based tax. The problem arises in case of services as the place where service is provided needs to be determined.

- The benefit has to be passed to the consumers as if it is not done then the seller would be increasing his profit margin and the prices of the goods could be seen having an increasing trend.

However, it must be noted that GST is a long term strategy and the positives shall only be seen in the long run.

- **Impact Of GST On Manufacturers, Distributor and Retailers**

The manufacturing sector of India is anticipated to have a big boost in its performance and competitiveness. High infrastructure spending and decline in the exports are a major concern in this sector as the previous tax structure comprising of multiple indirect taxes had increased administrative cost for the manufacturers and distributors to a great extent and with the introduction of GST the tax burden would significantly be reduced making this sector to grow strongly in the near future.

- **Impact of GST on Service Providers**

There were 12, 76,861 service tax assesses as on march 2014 in the country out of which only top 50 paid more than 50% of the tax accumulated nationwide. Mostly major part of the tax burden is carried by domains such as IT services, Insurance industry, telecommunication services, Banking and Financial services, business support services etc. These pan-India businesses at present work in a joined market, and while they will see compliance burden becoming less however, there will not be a very significant change in the functioning even after implementation of GST.

- **Sector-Wise Impact Analysis**

- **Logistics-** In an enormous country like India, the logistics sector is the backbone of the economy. We can clearly presume that a mature logistics industry has all the potential to accelerate the “Make in India” initiative of the Government of India to its desired position.
- **E-Com -** The e-com sector in India has been growing at a rapid pace. In many ways, GST will help in growth of e-com sector but during the long term the effects have to be closely watched out for as GST proposes tax collection at source and the e-com companies are apparently not very happy with this decision. The current rate of TCS is at 1% and it will be interesting to see if the rapid boom that this sector is currently experiencing is in any way diluted or not.
- **Pharma -** GST is likely to have a positive impact on the healthcare and pharma industries. It will help in creating an arena for generic drug makers and boost tourism in medical field and most importantly simplify the tax structure.
- **Telecommunications -** Implementation of GST had made it visible that the prices have come down considerably in the telecom sector.

The manufacturers would be able to save a lot of costs through effective management of stocks. Mobile manufacturers would find it comparatively easier to sell in the market as GST would remove the need to transfer stocks and set up state specific entities. It will also help in saving the logistic costs.

- **Textile-** Textile industry in India is a huge source of employment for both skilled and unskilled workers. The contribution of textile industry in total annual export is about 10 percent and this number is likely to rise under GST. GST is likely to affect the cotton value chain which is preferred by most small medium enterprises as it presently entices zero central excise duty (under optional route).
- **Real Estate** - The real estate sector is one of the most important and influential sectors in Indian economy as it plays a very crucial role in generation of employment in the country. The possible impact of GST on this sector cannot be fully assessed as it largely depends on the taxation rates. However, it can be assumed that the sector would see benefits in the form of transparency and feasibility.
- **Agriculture** - The overall GDP is greatly affected by the agriculture sector in India. Around 16 percent of Indian GDP is covered by agriculture sector. Transportation of agricultural products through state lines across the country is one of the major problems faced by agriculture sector. It is extremely possible that GST will work out the issue of transportation. GST may make available the first National Market for the agricultural goods in India.
- **FMCG-**The FMCG sector could see noteworthy savings in distribution and logistics costs as the GST will eradicate the necessity for various sales depots. The rate of GST for FMCG sector is about 17 percent which is way less than tax rate paid previously around 24-25 percent. This includes entry tax, VAT and excise duty– all of which will be incorporated by GST.

- **Impact of GST on Sales and Marketing**

GST is the one of the biggest tax reforms since independence. From July 1st 2017 India has ushered into a new era with the tax law known as Goods and Service Tax. Under GST there is four-tier tax structure of 5%, 12%, 18% and 28%, with lower rates for essential items and the highest for luxury goods has been imposed. Marketing activities are not going to change because of GST, as the focus in marketing is always customer needs and demands. Though marketing expenses will go up by 3% than before but with the reduction of tax slab under GST, all sectors will be able to advertise more in the same budget as cost of advertising per unit may

reduce to a large extent in the long run. Immediate impact of GST will pose challenges to the marketing, sales and ad industry, however, in long run this sector will see immense growth and dynamics of marketing will become more national focused than regional. Post GST, certain developments have indicated that there is going to be price reduction bringing cheers to the consumers. Sectors such as electronics, automobiles and consumer goods announced a reduction in the price of some products. History has taught us that competition is the best guarantor of consumer welfare.

Conclusion

GST at present is at an infant stage in the economy in India. GST would be a success or would be a big economic disaster can only be assessed in the long run. However, GST has been designed and planned in such a way that it is expected to have a greater impact on the generation of revenue both for the central and state governments. The impacts of GST would be seen in the long run for business houses and service providers. GST would bring more transparency and systematization in the procedures of collecting taxes and would in turn help in curbing corruption to a great extent. It has made the procedure for collecting taxes more simplified and easier. However it would take time for various sectors of the economy to understand and implement this new tax regime in their system. At international trade forums GST would help India in better negotiation and discussion on important issues for the country. GST would also help in increasing the tax payer base of the country by bringing in unorganized sectors and SMEs under its compliance. This is a very well drafted move as it would help in stabilizing the Indian market which would then benefit the Indian companies in competing with foreign companies.

To summarize, GST will certainly be a game changer as it will create win-win situation for the companies and the consumers. While the companies will be able to save cost will have more investments and optimum utilization of resources, the Consumer will also be happy as they will re-calibrate their expenses to the new price and will get to see more buying power in their hands.

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An Evaluative Study of Microfinance and Women Empowerment in Rajasthan

Ekta*
Salim Khan**

Introduction

Rajasthan is a state in which due to feudalism and patriarchal social order gender discrimination has been a major issue. This has affected the health, literacy level, financial condition and political status of women. A strong need for women empowerment is evident considering the present status of Rajasthan's women. Microfinance has acted as a boon and by providing money on social collateral, i.e. a group of people gives witness or guarantee that the money borrowed will not become a bad debt, if not paid by the borrower then the money will be paid by other group members. Microfinance is the provision of loans and other financial services to those who have traditionally been denied access to the formal financial sector has grown from an idea into an industry. The taskforce on supportive policy and regulating framework for microfinance has defined microfinance as "Provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi-urban or urban areas for enabling them to raise their income and improve living standards". Access to financial services plays a very vital role in economic and social development of women. The leads to changes in income level of beneficiaries;

* Assistant Professor, St. Xavier's College, Jaipur, Rajasthan, India.

** Assistant Professor, St. Xavier's College, Jaipur, Rajasthan, India.

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reduction of dependence on moneylenders; increase expenditure/ investment in children's education, health, agricultural inputs, increase in production and most importantly the increased awareness and self confidence among poor.

Review of Literature

According to the World Bank, empowerment of women should be a key aspect of social development progress (World Bank, 2001) Tiyas Biswas has stated Empowerment of women required long-term strategic process because credit alone cannot enable poor women to overcome their poverty. As asserted by Medatwal Chandan, progress of SHGs is not up to the mark. It should be improved through various schemes and programs, and there is need to find the factors in SHGs programs, which have greater impact on the empowerment of women. Bhatia and Bhatia have observed that in the recovery of old dues the SHG's is higher than that of other borrowers. In order to accelerate the reduction of poverty and empowerment of women, Government of India has implemented various developments and innovative programmes. SHGs had helped the bank's branches. SHG's involvement leads to economic empowerment of poor women. Sibhatullah Nasir found the contemporary issues and challenges in microfinance. He discovered the prevailing gap in the functioning of MFI.

Objectives

Through this research, an endeavor has been made to analyze the role of microfinance in the political, social and economic empowerment of women.

Research Methodology

This study consists of 500 sample size for the survey of women respondents. The sample of the study is based on multistage random sampling technique. Rajasthan is divided into 7 zones based upon their geographical location. These zones provided the first stage of sampling unit, while SHGs, MFIs and respondents became the second and third unit of the sampling unit. Respondents from SHGs and MFIs are selected randomly from different divisions.

Hypotheses of the Study

Null Hypothesis H_{01} : There is no significant difference between educational qualification and Social, Economic and Political Empowerment of women.

Alternative Hypothesis H_{a1} : There is a significant difference between educational qualification and Social, Economic and Political Empowerment of women.

Analysis of Data and Discussions

The main objective of the study is to evaluate the impact of microfinance among rural women in three dimensions of empowerment i.e. economic, social and political. For each aspect of empowerment, a set of variables were selected to assess the level of empowerment among the respondents.

Following tables show the testing of Hypotheses on the basis of ANOVA and comparative analysis of mean to show the status of empowerment on the basis of educational qualification.

- **Economic Empowerment**

The status of the women is connected with their economic condition or status which depends on their involvement in economic activities such as ability to access credit, role in decision making in financial matters etc.

Null Hypothesis H_{01} : There is no significant difference between educational qualification and Economical Empowerment of women.

Table 1

Analysis of Variance of Different educational qualification wise in Rajasthan on Economic Empowerment

Source of Variation	Sum of Squares (SS)	D.F	Mean Sum of Squares (M.S.S.)	F-ratio	Result of H_0
Between Groups	508.021	4	127.005	3.646*	Rejected
Within Groups	17241.729	495	34.832		
Total	17749.750	499			

- Significant at .05 level, 'F' value at .05, (4,499)= 2.39

It is evident from table 1, that variability exists between Economic Empowerment of Different educational qualifications wise namely i.e. Illiterate, Primary Schooling, Secondary Schooling, Higher Secondary and Graduation & above.

Above table shows that significant difference is found in Economic Empowerment of the Different educational qualification wise as obtained F-ratio value (1.114) is higher than the tabulated value (2.39) required F-ratio to be significant at .05 level with (4,499) degree of freedom. Our null hypothesis is rejected.

Table 1(a)

Comparative Mean showing its rank order of according Different educational qualification wise for Economic Empowerment

S. No	Educational qualification	Number	Mean	Rank of Mean
1	Illiterate	196	34.48	5
2	Primary Schooling	184	34.97	4
3	Secondary Schooling	76	36.50	1
4	Higher Secondary	27	37.93	3
5	Graduation & above	17	37.24	2
	Total	500		

It is evident from table 1(a), that the sequence of means of Economic Empowerment is Secondary Schooling > Graduation & above > Higher Secondary > Primary Schooling > Illiterate.

- **Social Empowerment**

Social empowerment is a gradual process, a cumulative effort of economic and political empowerment but without social empowerment it is very difficult to achieve economic and political empowerment. Social interaction with outsiders and assertiveness to fight against injustice and problems are the indicators of social empowerment.

Null Hypothesis H₀₂: There is no significant difference between educational qualification and Social Empowerment of women.

Table 2
Analysis of Variance of Different educational qualification wise on Social Empowerment

Source of Variation	Sum of Squares (SS)	D.F	Mean Sum of Squares (M.S.S.)	F-ratio	Result of Ho
Between Groups	426.357	4	106.589	4.088	Rejected
Within Groups	12905.251	495	26.071		
Total	13331.608	499			

- Significant at .05 level, 'F' value at .05, (4,499)= 2.39

It is evident from table 2, that variability exists between Social Empowerment Different educational qualifications wise namely i.e. Illiterate, Primary Schooling, Secondary Schooling, Higher Secondary and Graduation & above.

Above table shows that significant difference is found in Social Empowerment of the Different educational qualification wise as obtained F-ratio value (4.088) is higher than the tabulated value (2.39) required F-ratio to be significant at .05 level with (4,499) degree of freedom. Our null hypothesis is rejected.

Table 2(a)
Comparative Mean showing its rank order of according Different educational qualification wise for Social Empowerment

S.No	Educational Qualification	Number	Mean	Rank of Mean
1	Illiterate	196	35.06	5
2	Primary Schooling	184	36.01	3
3	Secondary Schooling	76	37.66	1
4	Higher Secondary	27	37.22	2
5	Graduation & above	17	36.53	4
	Total	500		

It is shown from table 2(a), the sequence of means of Social Empowerment is Secondary Schooling > Higher Secondary > Primary Schooling > Graduation & above > Illiterate.

- **Political Empowerment**

Participation of women in political process at the grass root level enhances their social status and it helps to solve the local problems, particularly drinking water, health, education, child development, social security for aged, disabled and in grass root level planning. Based on the above facts, the following variables were used to assess the empowerment of women.

Null Hypothesis Ho3: There is no significant difference between educational qualification and Political Empowerment of women.

Table 3
Analysis of Variance of Different educational qualification wise on Political Empowerment

Source of Variation	Sum of Squares (SS)	D.F	Mean Sum of Squares (M.S.S.)	F-ratio	Result of Ho
Between Groups	88.213	4	22.053	1.741	Accepted
Within Groups	6271.675	495	12.670		
Total	6359.888	499			

- Significant at .05 level, 'F' value at .05, (4,499)= 2.39

It is evident from table 3 that variability exists political Empowerment of Different educational qualification wise namely i.e. Illiterate, Primary Schooling, Secondary Schooling, Higher Secondary and Graduation & above. Above table shows that insignificant difference is found in political Empowerment of the Different educational qualification wise as obtained F-ratio value (1.741) is less than the tabulated value (2.39) required F-ratio to be significant at .05 level with (4,499) degree of freedom. Our null hypothesis is accepted.

Conclusion and Suggestions

From the above discussions, it may be concluded that microfinance and other development schemes have benefited women. They lead to their socio-economic and political empowerment. Women are the main pillar of the family. Their empowerment will lead to the development and growth of economy on society. But, there should be equal distribution of microfinance facilities in every area. Government should take initiatives for the improvement in microfinance facilities in every region. Equal distribution will lead to inclusive growth of the state.

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Empowerment of Women: Strategies and Governmental Efforts

Dr. Piali Biswas *

Introduction

The most famous saying said by Pt. Jawaharlal Nehru is, “ To awaken the people it is the women who must be awakened. Once she is on the move, the family moves, the village moves, the nation moves.” Empowerment means person attaining the efficacy to assume and accomplish candidly, exercise choices and carry out their abeyant as full and equal members of society. As per the UNIFEM, the term women empowerment means acquiring knowledge and understanding if gender relations and ways in which relations may be changed.

- Developing a sense of self-worth, a belief in one’s ability to secure desired changes and the right to control one’s life.
- Gaining the ability to generate choices exercise bargaining power.
- Developing the ability to organise and influence the direction of social change, to create a more just social and economic order, nationally and internationally.¹

It can also be enumerated as a multi dimensional social process that assist women in achieving control over their own lives. Women empowerment is empowering women to take their own decision so that they can lead their lives on their own term, can be independent in all respect whether it be mind, thought, right decision

* Associate Professor, Faculty of MBA, Jamshedpur women’s College, Jamshedpur, Jharkhand, India.

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etc leaving behind all social and family limitations. Women empowerment is a very important aspect for the future of society, country and family.

Although the process of empowerment varies from culture to culture, sexual types of changes are contemplated to be relevant in a broad ambit of cultures. Some of these changes include enlarged participation in decision making, more equitable status of women in the family and community, increased political power and rights, and increased self-esteem. The root cause of women's oppression is patriarchy which has snatched legitimate powers from women, making them totally defenceless and powerless. Hence women need to be empowered not as a favour to them but for undoing the injustice apportioned to them. Soviet president, Mikhail Gorbachev, in his welcome address to the world congress of women at Moscow in June 1987 said, "The status of women is a barometer of democratisation of any state, or indicator of how human rights are respected in it."

As women are oppressed in all spheres of life, they are required to be empowered in all walks of life. They cannot be a piecemeal approach to women's empowerment. Hence all aspects of society have to be restructured. Government may offer welfare schemes for women. They may drift anti-poverty programmes, they may set afloat projects for their upliftment, they may enact legislation to armament women's rights. The government policies can only facilitate the process, reduce the hurdles and create an atmosphere conducive to transformation. But it is the women who have to empower themselves. Unless they themselves become conscious of their oppression, show initiative and seize the opportunities, it would not be possible to change their status.

Strategies for Empowerment of Women

Empowerment is a multidimensional process which should enable individual or a group of individuals to realise their full identity and powers in all spheres of life. It consists of greater access to knowledge and resources, greater autonomy in decision making to enable them to have greater ability to plan their lives, or have greater control over the circumstances that influence their lives and free them from shackles imposed on them by custom, belief and practice. The empowerment mechanism is easily enumerated. But the question is the operationalisation. We all agree that women should have; higher literacy and education, have better health care, married at higher age, acceptance of small family, greater work participation in modernised sector, self-reliance, self-respect and dignity, high standard of living etc. But how these will work? What is the role of society, universities and colleges in empowerment.

Empowering Women in India Through Education

All over the world, the movement for improving women's status has always emphasised education for the most significant instrument for social change.

The social reforms of the 19th century tried to use education as a medium and establish the position of women socially, they brought about cognizance of the nation to the evils of child marriage, sati, compelled widowhood, dowry system etc. However, during 19th century itself, western education evolved which brought about a method of earning and since women were not required to earn, it was not considered mandatory for women to be educated. Learning to do household work was sufficient for her and so the parents were not keen to incur any expenditure in educating the girls till very recently. During the present century the country has made spectacular progress in promoting the interest of women. When the demand for women education started in the 18th century, it was more in the lights of women's rights, for the approach to knowledge and not as a national economic asset. It took a U turn in 1962 at UNESCO conference, which underlined the Importance of the access of girls and women to technical and vocational education for economic and social development.

Labour Force Participation

The pattern of women's participation in the labour force can indicate women's education in preparing them for participation in national development on equal terms with men. The distribution of workers by individual category, 80% of women workers are engaged in agriculture, 13% in organised sector of the economy and the rest in unorganised non agricultural occupations. Of these women workers, more than 89% are illiterate, about 50% of the total non working women are engaged in household activities, hardly 0.2% are women in independent means.

The wage differentials between men and women continues to exist in spite of legislation enacted for equal pay for equal work. 30-35% of the rural household are headed by women due to male migration. We have many schemes, many programme for the purpose of women empowerment at every stage of administration, all we need is good agencies and a good system for the implementation of these policies and programme. And if these systems are build up, and implement these programmes, then the goal of women empowerment can be achieved very easily through various programmes. Swami Vivekananda once said that, " Arise away and stop not until the goal is reached." Some of the schemes implemented in some states are as such

Uttarakhand

- Uttarakhand women integrated development scheme aiming at reducing the work load in daily life of women, to develop decision making capacity in women, to create understanding amongst women on panchayats raj system and women self employment. But these schemes of government are still pending.
- Nandadevikanyadhan yojana- to provide monetary aid to the women on the birth of girl child with the objective to reduce gender discrimination and to stop female feticide.

West Bengal

- West Bengal panchayat election bill 2012 provides 50% reservation for women in election ensuring the equal participation of women in the politics.

Gujarat

Various schemes for the women empowerment, this state has come up with:

- **Krishitalimyojona**- it is the training in the field of agriculture imparted to women farmers and farmers wives for research and use of latest technology. These women are paid stipend and transportation for the training course.
- **Sakhi mandal yojona**- these are the formation of women SHG based on thrift and credit principles. It provides financial services to accelerate the process of economic development and ensure welfare of women.
- **Nariadalat**- these are the courts in which women jury dispense justice in women's case of rape, dowry, abandonment etc. They solve these cases faster than the ordinary judicial courts.
- **Chiranjeevi yojona**- here the BPL families have been provided with all the cost and expenses on the delivery of baby through a proper hospital.
- **Mahilavrudh ashram**- old age home for women.
- **Gaurav Nari Neeti**- aim at gender equality.
- **Fish Entrepreneurship yojona**- low cast women encouraged to sell fishes and become self reliant. Sources are provided at 59% subsidised rate by Gujarat government.

These are some of the examples of state governments where various initiatives are taken to induce empowerment of women. Apart from the state schemes, many NGO's are also working in the field of women empowerment through education and vocational training.

Gender need

The focus on women's empowerment has been strengthened by the theoretical advance which enabled a distinction to be drawn between women's practical and strategic gender interests, women conditions the material situation of her life means that she has practical needs resulting from her gender position in society that means she also has strategic needs, In 2001, the government of India declared the year as the of women empowerment and national policy for the empowerment of women was passed.

Various Department of Women and Child Development

- **STEP:** support to training and employment programme for women aims to upgrade the skills of poor and asset less women ,provide training and employment ,gender sensitisation ,women in development inputs and provision

of support services, women in diaries, handloom, handicraft and sericulture received maximum benefits.

- **NORAD:** extends financial assistance to public sector undertaking /autonomous bodies etc to train women in non-traditional trades like electronic, electrical, watch assembly and manufacturing ,computer programming, printing and binding, hand looms, garment making, weaving and spinning, hotel management etc. This programme played preventive role in keeping young girls from early marriage and gain economic independence and self reliance.
- **Condensed Courses of Education and Vocational Training:** This scheme has been aimed to provide educational qualification and relevant skills to needy women so that they become eligible for identifiable paying task opportunities.
- **Rashtriya Mahila Kosh:** This is intended to meet credit needs of poor women particularly in the informal sector. This is being managed by governing body.

Findings and Suggestion

It is becoming increasingly evident that issues related to the position of women cannot meaningfully be dealt with only through specific projects ,without effectively linking them to economic policies, plans and programmes and making these projects a fundamental part of the long term process of development. The access of women to productive resources is a necessary pre condition for their advancement.

The issues of women's role in development cannot be a concern of women only. The value creating mechanism ie, the educational system, the media should be suitably modify or eliminate legal provision that still upholds the unequal status of women. The census 2011 data was a call for urgent action, because this highlighted that the girl child is increasingly being excluded not only from economic development and growth but from life itself. Crèches /day care centre for the children of working and ailing mother is being provided at work place.

The national commission for women has brought in several new bills in the parliament from time to time towards elimination of many social evils.work participation empowers women .However the condition of women in India is more miserable than the rest of the world in almost every field of social life .On an average women works 15-16 hours a day unsalaried at home and under paid outside.

- First we should empower our students by,
- Removing sex bias in our curriculum
- Emphasising on the multiple role of women
- Overcoming social taboos and traditional beliefs
- Encouraging to believe in their own ability and a sense of self worth
- Making them aware of possibilities of self -employment

Development tasks connected with healthcare, environmental safety, promotion of population control, family welfare, legal rights, etc could be taken up in our community services, social services and adult education activities.

Conclusion

It is only the women who can come and help to self empower themselves. The most critical component of women's empowerment is found to be education. Women worldwide share a common condition, they are not full and equal participants in public policy choices that affects their lives. In spite of women holding an important area not only in society and world but in all sphere of life, they suffer in calm and belong to class which is a deprived area on account of several bottleneck and encumbrance. Among strategies for women empowerment, government policies such as 73 and 74th amendments of Indian constitution, reservation policies, social legislation and enactment of certain acts were found to be very important. There is need to eliminate and prevent violence against women thereby educating them.

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Government Reforms for Developing Women Entrepreneurs

Dr. Neha Khatri *

Introduction

Economic progress of a country is largely determined by the active participation and contribution of its labor force. India comprises of both men and women population. Where women population is nearly 50% of the country, it is important for both men and women to work. According to ILO survey 2016, Indian economy has returned to high rates of growth as compared to last figures. In 2015-16 GDP growth rate reached 7.6% up from 5.6% in 2012-13. But the picture of the status of women entrepreneurs in the country is not good. The sixth economic census, released by ministry of statistics and programme implementation, presents the survey which shows that women constitute only 13.76% of the total entrepreneurs, i.e., 8.05 million out of the 58.5 million entrepreneurs. These establishments in total, owned by females, provide employment to 13.45 million people. Another revelation is that out of these entrepreneurs, 2.76 million women (34.3% of the total entrepreneurs) work in agriculture sector whereas 5.29 million females (65.7% of the total entrepreneurs) work in non-agricultural sectors. Among the states, the largest share in number of establishments under women entrepreneurship is of Tamil Nadu (13.51%) followed by Kerala (11.35%), Andhra Pradesh (10.56%), West Bengal (10.33%) and Maharashtra (8.25%). In India the labor force gender gap seems to get widen. Both men and women constitute the labor force; however it has been noted that in the past decade, India has seen a steady decline in Female Labor Force Participation (FLFP) from 37% in 2004 to

* Lecturer, Department of EAFM, S.S. Jain Subodh Girls College, Jaipur, Rajasthan, India.
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an all-time low of 27 percent in 2014. According to NSSO (68th round) employment grew strongly from 2000-10 to 2011-12. But taking a long term perspective, employment has grown faster for men than for women. As per NSSO, Rural India majorly depends upon agricultural sector, nearly 48.9% in 2011-12. But the gross value added has fallen rapidly from 18.4% in 2011-12 to 15.4% in the year 2015-16. At the same time Urban India is dominated by the service sector which gives the share of 58.7% in urban sector and only 16.1% in rural regions. Survey also revealed the fact that rural female self-employed worker are more than urban female self employed worker. According to the International Labor Organization's Global Employment Trends 2013 report, India is placed 120th in a list of 131 countries (surveyed) in terms of women's labor force participation. These trends are further substantiated by the latest Employment Survey (2013-14) carried out by the Ministry of Labor and Employment, Govt. of India, which has found that there is a wide gap in the labor force participation rates of men and women. Thus it is very much clear from the data that from all aspects women participation is less than men. Comparing to the urban area women with rural women, women in urban area workforce seems less than rural women.

Unemployment Rate in India

India has a plus point that it has world's largest youth population with 354.4 million people aged between 15 – 29, it represent a population share of 27%. This share can contribute so much to the Indian economy. Despite increase in general education level, unemployment situation continues to be a major challenge. Unemployment in India is projected to witness marginal increase during 2017-18, as per the United Nation International labor report (ILO). According to report Unemployment in India is projected to increase from 17.7 million last year to 17.8 million in 2017 and 18 million next year. In percentage terms, unemployment rate will remain at 3.4 per cent in 2017-18. India had performed slightly well in terms of job creation in 2016, when a "majority" of the 13.4 million new employment created in Southern Asia happened in the country. The report also acknowledged that India's 7.6 per cent growth in 2016 helped Southern Asia achieve 6.8 per cent growth that year. Unemployment is one of the main reasons for poverty and also one of the causes for rising crime rates and suicides. Eradicating it is one tough task and a major concern not just for the governments but also for all those who can actively contribute to be job-creators and not job-seekers. One of the solutions of unemployment could be self reliance which encourages us to become entrepreneurs. That is why it is said: India is witnessing a major growth in entrepreneurship — not because of its X factor but out of the need for its citizens to create their own job.

Women Entrepreneurship: An Overview

Entrepreneurship involves a willingness to take responsibility, risk and ability to put mind to a task. Another ingredient of entrepreneurship is sensing opportunities,

doing more with less, getting started with little or no capital, and validating the market. India has a large pool of entrepreneurs, who have the ability to make a difference and need to be nurtured to achieve their potential, and provide a further boost. India needs entrepreneurs for two reasons – first, to Create employment and wealth and, second, to get the most out of existing opportunities. Indian entrepreneurs are catalytic agent of change. A few Indian pioneers have figured out how to do more with fewer resources. India, known as the land of the successful world famous entrepreneurs like Mukesh Ambani and Lakshmi Mittal, JRD Tata etc who changed the face of India, provided employment to millions and is contribution for the growth of India. They are the people who envisioned a dream and took a risk to achieve their dream. They marched on a different path to achieve their dreams. These people were the innovators, inventors, and adventurers. They have brought a new vision to the forefront of economic growth

Women Entrepreneurs

As technologies are speeding up, women are an emerging economic force. The world's modern democratic economy depends on the participation of both male and female. Historically, there were the days where dominated men fragment was considered as the powerful section who contributed to the nation. But now a day's women are not less considered and no more seems to be as suppressed segment of the society. Today, when businesses are facing a severe crunch in entrepreneurial talent, if women don't play a meaningful role in business, then half of the country's potential talent pool will remain under-utilized. Women's have proved themselves to be more commanding than men on various parameters such as hard work, intelligence, systematic, leadership qualities, supervision etc. Women's have the capability of managing both family and profession. They have overcome all negative notions and proved beyond many spheres of life. They have immense believe in themselves and put on fire in their bellies to do their best in the business.

Women entrepreneurs as known as a women or a group of women who initiates, organize and cooperate a business venture. They accept the challenge to become economically self sufficient. Women Entrepreneurship is the process where women organize all factors of production, undertakes risk and provide employment to others. They are one who starts business and manages it independently and tactfully. She faces all the challenges, risk of the business boldly with the aim to accomplish their goal. Women Entrepreneurs are actually making a change in the nation. They are building a real backbone of the economy. The Indian women are no longer treated as show piece to be kept at home. Things have changed a lot after independence. Now they are enjoying the globalization era. They are spreading not only in India but internationally they are putting great impact. Women being not only an entrepreneur are house holder, mother, sister, wife, daughter in law etc. They are doing a wonderful

job as they are balancing equally their house and career. In India women comprise almost half of the population, but only few women participate to the business world. There is a need to utilize the untouched segment, to make women work for the betterment of Indian economy. Many other countries have lot of successful women entrepreneurs, but India is still cramped in the vicious circle of not letting Indian women work in the business. One of the reasons of not utilizing this segment could be gender inequality. Gender inequality in India refers to health, education, economic and political inequalities between men and women. It is an urge to advance women to become independent. Encouraging women to start their small venture, goes along with women empowerment. Woman empowerment seems to be a big and important issue. Women can show their talent only when they are empowered well.

Women Empowerment helps women to take their own resolutions by breaking all limitations of society and family. Instead of depending on others women needs to be dependent and take their own decisions. Empowering women is to make them independent in all aspects from mind, thoughts, rights, decisions etc. Society should bring equality for both men and women in all areas. Women empowerment is not necessary for women but for the society as well. To make our country fully developed country women empowerment is an essential task. Women in Indian were given top place from ancient times, however they were not given empowerment to participate in all areas. They were given first priority but at the same time they were confined to only household work. They were badly treated in the family and society. They were kept totally unaware of the rights. It is important from women's end to be strong, aware and alert all the time for their growth. People of India say "Bharat Mata" which means mother of every Indian whom we have to save and care always. But people never realize and followed the true meaning of it.

Constitution of India makes it a legal point to grant equality to women just like men. The department of women and child development are working well in this field. Many programmes have been implemented and run by the government such as international women day , mother's day etc in order to bring awareness in the society about the true rights and value of women. According to the National Mission for Empowerment of women (NMEW) launched by Indian Government, this step has shown some improvement in 2011 census. The rate of female sex and female literacy have shown an increase. To empower women, it is important to kill dowry system, illiteracy, sexual harassment, inequality, female infanticide, domestic violence against women, rape, trafficking, and other issue. Gender discrimination is curse which pushes back the country. The most important remedy is to kill such devil is to make women empower by ensuring the Right to equality mentioned in the constitution of India. Uplifting women in all means should be the at most priority of women. Empowerment is significant in the nation like ours. Reasons why it is important:

- Gender inequality between men and women generates lot of problems which is a big obstruct in the way to success of the nation.
- Women constitutes major portion of the population. If this major segment is left unutilized it will create imbalance growth of the country. So it is important to heighten up women's for better nation.
- Women encompass the power to change many things in the society and country as well.
- Women can form a better world, they are able to handle economic conditions in a much healthier way.
- Educated and empowered women can understand the disadvantage of over population. So to empower them can fetch a big transformation.
- Empowering women can easily help to grow each and every member of the family without extra effort.
- Women are more conscious about their health, education, job and responsibilities. By empowering them status of women in regards of health, medical, literacy etc will improve itself.
- Women empowerment is important to generate self confidence, power to make own decisions, ability to think positively, ability to say no to wrong things, becoming self independent and self reliant, obtaining many options then just marriage.
- Empowerment will also increase the participation rate in the society. They would be treated as an important individual who have their own understanding and power to make own decisions.
- Therefore, in order to really bring women empowerment in the society, nation needs to understand and eliminate the main cause of ill practices against women. Society needs to be open minded and change the old and poor mindset against women.

Government Measures for the Development of Entrepreneurship

In present day, India is one of the world's strongest countries in terms of entrepreneurship and currently has the fastest growing economy and the fastest growing market place in the entire world, even over China. Much of India's growth as a nation has been due largely to the fact that young innovators are creating new businesses, which are able to compete with international corporations. The Indian market and economy is gigantic and dense. Communication and transportation between cities has improved immensely in the last ten years, and people are now creating and sharing ideas more rapidly. To bring increase in entrepreneurship programme government has started following schemes.

- **Start up India:** Startup India campaign announced on 15th August 2015 aimed at promoting bank financing for start-up ventures to boost entrepreneurship and encourage start ups with jobs creation. A startup is an entity that is headquartered in India which was opened less than seven years ago and has an annual turnover less than ₹25 crores. As per the latest NASSCOM Start-up Report 2015, start-ups created 65,000 new jobs in 2014 and by 2020, the number is expected to touch 2,50,000. That's an ambitious plan and as of now, driven almost entirely by private sector initiative. If PM Modi succeeds in establishing a pro-active start-up eco-system as intensioned, then the potential for new job creation will be far greater than NASSCOM's projections. In order to meet the objectives of the initiative, Government of India announced the Action Plan that addresses all aspects of the Startup ecosystem on 16th January 2016. With this Action Plan the Government hopes to accelerate spreading of the Startup movement. The latest figures shared by DIPP show that 2017 was a year of strong growth: Up to 6,337 startups were recognised by December 2017, a significant 12-fold increase from a year ago

- **Stand up India:** The Stand Up India scheme, launched on April 5, ensures that women and SC/ST entrepreneurs have a fair chance at setting up their own businesses. The scheme facilitates loans from Rs 10 lakh to Rs 1 crore for these sectors of the population. Women entrepreneurs in India find it difficult to get funding for their startups. Global Entrepreneurship and Development Institute (GEDI) published a global ranking that looked at how female entrepreneurs fare in the world. India was placed in the last five among the 30 countries that were analysed. It stated that about 73% women entrepreneurs failed to get funding from Venture Capitalists (VC). A study based in Karnataka found that about 90% women had only their own funding to rely on, while 68% found it tougher to get bank loans..

A research done by your story in 2014 indicates that about 54% women have no idea what a startup should work like or how to work on problem solving. About 58% women need to be educated about entrepreneurial resources and techniques. However, provisions under the scheme also includes support for both women and SC/ST borrowers, all the way from pre-loan stage to operating stage. Besides familiarising them with bank guidelines and terminology, they will also know about registering online and how to use e-markets, and entrepreneurial practices. To bring together all the information related to the scheme, the government will be setting up a website for Stand Up India.

While self-employed women working in the low-skill sector (such as manual labour or street vending) has increased to almost 1 crore between 2000 and 2010, the number of women in higher income entrepreneurship still remains low. To increase this number, the intention of the scheme is to get at least two entrepreneurial projects

started in every bank branch in the country. The Stand Up India scheme is expected to benefit about 250,000 potential borrowers, according to its official statement.

- **Atal Innovation Mission:** The Hon'ble PM Modi launched this scheme subsuming the self employment and talent utilization (SETU) on 16 th Jan 2016. An initiative to promote a culture of innovation and entrepreneurship in the country. AIM's objective is to develop new programmes and policies for fostering innovation in different sectors of the economy, provide platform and collaboration opportunities for different stakeholders, create awareness and create an umbrella structure to oversee innovation ecosystem of the country. AIM's flagship schemes include establishing Atal Tinkering Labs (ATL), Atal Incubation Centers (AIC), providing scaling up support to Established Incubation Centers (EIC), and finding ultra-low cost solution to India's most intractable problems through Atal Grand Challenges and Atal Vikas Challenges. As of now this scheme is successful in establishing ATL, AIC and EIC. In all 13005 applications were received from school for establishing ATL, 3658 application from academic institutions, corporate and individuals for establishment of AIC, 232 applications were received for Incubation centres.
- **TREAD:** Govt. of India launched a scheme entitled " Trade Related Entrepreneurship Assistance and Development" (TREAD) during the 9th plan period which has slightly been modified and is now put in operation. The scheme envisages economic empowerment of illiterate & semi literate women of rural and urban areas through trade related training, information and counseling extension activities related to trades, products, services etc. Since counseling and training is not enough but delivery of credit poses the most serious problem for the poor, such women are not able to have an easy access to credit, it has been envisaged that the credit will be made available to women applicants through NGOs who would be capable of handling funds in an appropriate manner. These NGOs will not only handle the disbursement of such loans needed by women but would also provide them adequate counseling, training and Assistance in developing markets. Government Grant up to 30% of the total project cost as appraised by lending institutions which would finance the remaining 70% as loan Assistance to applicant women, who have no easy access to credit from banks due to their cumbersome procedures and the inability of poor & usually illiterate/semi-literate women to provide adequate security demanded by banks in the form of collaterals. Till 2016 Government grant released is 1456.48 lakh and 56471 no. of women are benefitted through this scheme.
- **EDI:** Entrepreneurship Development institute in India. It is an autonomous and non profit institute set up in 1983. Under this scheme assistance is provided to training institutions in the form of capital grant for creation, strengthening of infrastructure and programme support for conducting entrepreneurship development and skill development programmes

- **ASPIRE:** Another scheme for promotion of Innovation, Entrepreneurship and Agro- Industry is ASPIRE implemented by MSME. The main objectives of the scheme are to Promote entrepreneurship culture in India, create new jobs and reduce unemployment, Facilitate innovative business solution for un-met social needs, and to promote innovation to further strengthen the competitiveness of MSME sector. 80 Livelihood business incubators (2014-2016) to be set up by NSIC, KVIC or Coir Board, one-time grant of 100% of cost of Plant & Machinery other than the land and infrastructure or an amount up to Rs.100 lakhs whichever is less to be provided. In case of incubation centers to be set up, one-time grant of 50% of cost of Plant & Machinery other than the land and infrastructure or Rs.50.00 lakhs, whichever is less to be provided. Assistance towards the training cost of incubates will be met out of the ATI scheme of the Ministry as far as possible for both centers. Total budget plan is Rs.62.50 crore for 2014-2016. As per reports 1st LBI set up in April 2015 under ASPIRE and first batch of 107 youths has been trained and skilled through it. 19 LBI have been approved till September 2015 and numbers will increase in coming years.

- **MUDRA:** This scheme has been launched by the Govt. of India for individual women wanting to start small new enterprises and businesses like beauty parlors, tailoring units, tuition centres, etc. as well as a group of women wanting to start a venture together. The loan doesn't require any collateral security and can be availed in 3 scheme:

(i) Shishu – loan amount is limited to ₹50,000 and can be availed by those businesses that are in their initial stages (ii) Kishor – loan amount ranges between ₹50,000 and ₹5 lakhs and can be availed by those who have a well-established enterprise. (iii) Tarun – loan amount is upto ₹10 lakhs and can be availed by those businesses that are well established but require further funds for the purpose of expansion.

If the loan is granted, a Mudra card will be given to you which functions the same way as a credit card however the funds available are limited to 10% of the loan amount granted to you. This scheme successfully disbursed loans worth Rs 1.8 crore in 2016-2017. Through the scheme, the government was able to disburse money to the underprivileged and claimed that 70 per cent of the beneficiaries were women. With the help of banks and PMMY scheme launched in 2015, people who earlier used to struggle in getting loans can now easily opt for loans. Pradhan Mantri Mudra Yojna is said to have helped 58 million small business owners in our nation.

- **Cent Kalyani Scheme:** This scheme is offered by the Central Bank of India with the aim of supporting women in starting a new venture or expanding or modifying an existing enterprise. This loan can be availed by women who are involved in village and cottage industries, micro, small and medium enterprises, self-employed women, agriculture and allied activities, retail trade, and government-sponsored programs.

This scheme requires no collateral security or guarantor and charges no processing fees. And the maximum amount that can be granted under the scheme is Rs. 100 lakhs. The interest rate for this scheme will be defined by the existing market rates.

- **Mahila Udyam Nidhi Scheme:** This scheme is launched by Punjab National Bank and aims at supporting the women entrepreneurs involved in the small scale industries by granting them soft loans that can be repaid over a period of 10 years. Under this scheme there are different plans for beauty parlors, day care centres, purchase of auto rickshaws, two-wheelers, cars, etc. the maximum amount granted under this scheme is ₹10 lakhs and the interest depends upon the market rates.
- **Udyogini Scheme :** This scheme is offered by Punjab and Sind Bank so as to provide women entrepreneurs involved in Agriculture, retail and small business enterprises to get loans for business at flexible terms and concessional interest rates. The maximum amount of loan under this scheme for women between the age bracket of 18-45 years is ₹1 lakhs but your family income is also taken into consideration and is set at ₹45,000 per annum for SC/ST women.
- **Stree Shakti Package for Women:** This scheme is offered by state bank of india, loan can be availed by women who posses 50% ownership in a given business Another eligibility criteria is that women entrepreneurs who have taken part in sdp are eligible for the loan. Availing a loan of more than 2 lakh will procure a discounted interest of .5%
- **Support for Training and Employment Programme (STEP):** STEP aims to promote rural women by updating their skills in traditional sectors. It was launched in the year 1986-87. This scheme is dedicated to asset less, marginal rural women and urban poor women. Aim of the STEP scheme is to assist women with all skills and competencies that enable women to become self employed. It impart skills of entrepreneurship in almost every sector e.g. – agriculture, horticulture, handlooms, food processing, tailoring, stitching, Embroidery, handicrafts, computer, IT, banking, spoken English, Gems & Jewellery, Tourism etc.
- **Swayamsidha Scheme:** It was launched in the year 2001. It is a Self Help Group (SHG) based programme dedicated to women empowerment. Their main aim is to ensure that member of SHG's avail the benefit of all schemes integrated. These SHG women are doing income generating activities such as food preservation, dairy farming, Tye & Dye, Cutting and Tailoring, Kitchen, Gardening, Beautician, Dari Making etc.
- **Yuva Udyamita Protsahan Yojana :** Rajasthan Government has announced this scheme for "Yuva Udyamita Protsahan Yojana" for providing term loans for projects with cost ranging between Rs. 25 lakhs to Rs. 100 lakhs at minimum rate of interest. This scheme was launched to promote those entrepreneurs, who have good idea but cannot start their venture because of lack of financial resources.

- **Other Scheme:** There are many other scheme which provide benefit to entrepreneurs. They are named as ANNAPURNA scheme, Mahila vikas ypujna scheme, dena shakti scheme, Akshaya Mahila Arthik Sahay Yojna etc

The growth and development of women entrepreneurs required to be accelerated because entrepreneurial development is not possible without the participation of women as women constitute major portion of population In the words of president APJ Abdul Kalam "empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation." Now let us understand how this government scheme really befitting everyone. For this a survey was conducted. Gist of survey are as follows.

Research Methodology

This research is based on primary and Secondary data both. Survey was conducted on 250 women entrepreneurs. Out of 250 respondents 50 each respondents were surveyed from the main cities of Rajasthan viz Jaipur, Jodhpur, Ajmer, Kota and Udaipur. Business of women are mixed in the form of small, very small, medium and large enterprises. Information is gathered through questionnaire method. This research is also supported by Secondary data. Secondary data are those which have already been collected by someone else. It may include published or unpublished material in the form of books, journal, report, article, research work, census report, statistical report etc. shall also be used in this study which provides greater help to fulfill research objective.

Objective of Study

- To understand the concept of Entrepreneurship and Women Entrepreneurs.
- To study the importance of Women Entrepreneurs in Indian Economy..
- To review Government schemes & policies and other supportive measures available for women's development.
- Identifying and analyzing all the problems encountered by women in Rajasthan and suggesting measures to overcome from these problems.

Limitation of the Study

The study has been made on the basis of both primary and secondary data. The secondary data has been obtained mainly from the statistics reports, matter published in magazines, Government publication, journals, books, newspaper etc. Therefore, the accuracy of secondary data depends upon the reliability of data obtained. The primary data has been obtained from direct interview, questionnaire, scheduled etc. Most of the women entrepreneurs were small and tiny units with small investments. In many cases, they did not have the practice of documentation and

keeping records. Therefore, the data given by them is out of memory. The accuracy of the study is based on the reliability of the information provided by the respondent. Since it is an approximation, accuracy of the study depends upon the applicability with individual cases.

Findings and Conclusions

This study is based on both Primary and Secondary data. After studying and evaluating all secondary data such as census reports, statistic published, articles in magazines, newspaper, journal etc. and collection of Primary data through questionnaire the following are the findings and Conclusions of the study.

- Women are important part of the society but in India in many areas they are not getting equal status. They always face problem of gender discrimination, not getting easy loans, education, marriages at early ages, health n medical issues, financial status, dowry etc.
- They are bound to stay at home and take care of families and children. State cannot make lasting progress if women and girls in the 21st century are deprived of their rights and left behind.
- India is more rural with less work. Men in rural areas are seen to migrate in urban areas in search of work. And women are left at homes and confined to household activities only.
- Literacy has shown an upward trend but still female literacy seems to be less than men in both rural and urban areas.
- The gap in rural-urban literacy rates has narrowed down 20.86% in 2001 to 18.39% in 2011 census. Increase in female literacy rate in rural areas is higher than urban area. But still many female in rural areas are illiterate compared to female in urban areas.
- Low female literacy rate means an overall sluggish growth of India, as it impacts every arena of the development. When a girl or a woman is not educated, it is not only she who suffers but the entire family has to bear the consequences of her illiteracy. It has been found out that illiterate women face more hardships in life than literate ones.
- Government is making efforts to increase education but still many families consider education as waste and are not ready to send their girl child to school. State Government has established 16000 secondary schools till 2013, along with more than 10000 higher secondary schools across state. Ajmer, Bikaner, Jaipur, Jodhpur, Kota, Udaipur are the key educational hubs in the state.

- As per census 2011, Worker participation rate for female is 42.7 against 51.7 for male in rural areas. WPR for urban female is 12.0. It is seen that females in rural areas work more than females in urban areas.
- Overall, the labour force participation rate for women is falling: from 37% in 2004-05 to 28% in 2016
- As per CIA report if India can increase women's labour force participation by 10 percentage (68 million more women) by 2025, India could increase its GDP 16%.
- As per the primary data collected from 250 women entrepreneurs. It was seen that nearly 32.4% women out of 250 respondents are involved into boutique business. 27.20% women are involved in the business of Parlor or beautician and 6 % of women entrepreneurs have their training institutes, 7.20% open their Restaurants. And rest other 27.2 % women are involved into other business like tea shop, mini diary, grocery shop etc.
- During data collection it was seen that women are usually involved into small and medium business. Women in Rajasthan rarely involve into large business due to financial problem faced by them. Bank loans are not seen to be an easy task for women. Bank does not found women reliable to pay back their loans, so they always want security and guarantor, which is difficult for women to arrange. So maximum women tries to start their business at small scale with their own money.
- To know the status of women in Rajasthan, this question was asked in the questionnaire to understand how many women are literate women. In the survey it was found that 109 women were illiterate. It means that out of 250 respondents 43.60 % women were uneducated. Only 16% women were graduate and 9.20% women have done masters. The education rate was seen less in women which does not seems to be a good indicator.
- During survey it was seen that rural female entrepreneurs involve themselves into business to earn a supplementary income. And mostly urban female worker start their business to become self independent and self reliant.
- From the survey it was clear that because banks are not ready to grant loan to women at initial stage with zero income so most women have started their business from their own money. They have initiated business on small scale with their own money, nearly 157 women out of 250 respondents have started their business with own money. And only 22.8% women have taken bank loan to start business. 26% women said they have faced no problem, it was easy for them to start business with their own money.

- It was asked during the survey that whether women has taken bank loan during their throughout business life. Out of 250 respondents, nearly about 50 % of women entrepreneurs have taken bank loan. But bank loan seems not to be an easy task, they have faced many challenges while taking loan.
- 106 respondents said bank loan involves complicated procedures, while talking to them it was found that taking loan is not as simple as it seems to be in the schemes details. It involves lot of procedures to be completed. As per data analysis another problem they have faced is incomplete documents. This problem was generally faced by rural women, who have incomplete documents like ration card, aadhar card etc. 24.6 % women said that lack of security was another constraint to apply for loan. Because of security and guarantor problem women faces loan issues and do not get required loan.
- Another important fact revealed while doing survey was that many women were not aware about the scheme. As per data analysis about 48% of women are unaware of self employment schemes run by the government and 52% women are aware about it.
- Out of 52% women entrepreneurs only 4% women have not availed the scheme, but remaining 48% women have taken the benefit of the scheme. But again availing the facility of the scheme was not an easy activity. They have faced many challenges while availing the scheme. 54.17% women entrepreneurs said that while availing the scheme there main problem was lack of procedural knowledge. They were puzzled as to what method they have to follow to make loan easy. 47.50% women said that taking loan involves immense paper work. 27.50% women faced documentation problem and for 22.5 % women said taking loan was easy.
- Women Entrepreneurs were asked why they have not availed any scheme benefit. This question exposed the fact that these entrepreneurs were not at all aware about the scheme. Out of 48 % women who have not availed any benefit, 80.68% women said that they were not aware of the scheme. During survey this reality was also identified that first and foremost they are not aware about schemes, secondly if they are aware that some sechems are run by the govt for their benefit, awareness team do not come back again to tell them details about the scheme or to take any follow up as to how many of them are taking or want to take benefit in the scheme. And moreover they become lazy to make themselves aware about details of the scheme.
- An attempt was also made to understand the role of NGOs and it was found that 44.4% women have taken assistance from NGOs and many has formed self help groups to help each other as well. They found this assistance very

helpful. Many women have taken entrepreneurial training and founded it useful to start business.

- Women were asked as to what measure Rajasthan govt. should make to develop women. 92.40% women said that government are taking various measures to uplift women, various programmes and schemes are initiated and run by the govt. but it will be useful only when women take active participate in the scheme, when they avail such scheme and get benefit out of it. For that it is important for government to make people more aware about the prevailing schemes. Only awareness is not enough. Rural women has complained that team just come once and then never come back again to ask as to how many people wants to take benefit. According to them regular follow up should be taken at least in backward areas.
- Another measure that government should make is to make loan procedures simple. Nearly 40.80% of women said that government should shorten loan procedures, it becomes very hectic for them to take loans. And moreover because of large procedures many women hesitate to take loans

Challenges Faced by Women in Rajasthan

During the survey it was found that many women in Rajasthan faces challenges in starting business. Gists of all those problems are:

- **Financial Assistance:** While talking to them truth was revealed that financial assistance from bank is not easy task for them. They face many problems like immense paper work, problem of security, guarantor, incomplete documents for rural women etc. It was also known that in schemes were it says no security required, bank ask for security and do not give loans without security to unknown person. For loan to sanction women needs a person known to bank manager. General women without jack, security and guarantor cannot get loan. This type of problem creates stress in the mind and women cannot focus on their business.
- **Awareness:** This is now a well know reality that all women are not aware about self employment schemes. Schemes should be promoted in those areas where women have fewer networks. Urban female generally have internet connection, and many are self promoted, if they are in need they can contact the concerning person. But rural women has to be empowered and realized the benefit of scheme on regular basis.
- **Gender Discrimination:** In Rajasthan gender discrimination is another important issue. Many women said that they still face gender related problems in their business.

- **Lack of Understanding:** Due to lack of power, understanding and knowledge people can fool women in business. This problem is also faced by many women entrepreneurs. They know something is going wrong and they are paid less prices for their products but still they are unable to raise voice against it due to less support and power.
- **Documentation:** Documents may include ration card, aadhar card, address proof etc. Women faces problem in documentation as many women do not have complete documents.
- **Lack of Empowerment:** Many women are untouched about the meaning of women empowerment; they are just doing what crowd is doing. They do not have their own will and interest, it is important before developing women to make them realize how important they are for the society.
- **Networking:** For all business networking is important. Rural women find it as a challenge more than women in urban to network with more people. This type of a problem stops women to do smooth business

Recommendations

Development as entrepreneurs is a recently discovered phenomenon for women for which they need motivation, training and family support. If we see the present business and entrepreneurship trend throughout the world, we can notice that the percentage or ratio of women entrepreneurs is growing tremendously. This is a good indicator as if the aforesaid condition prevails through a long period of time the number of women entrepreneurs will just double and even in certain sectors of economy it may triple in the coming 5-7 years. The emergence as well as development of women entrepreneurs is quite visible in India and their over-all contribution to Indian economy is also very significant. The occupational structure and the enterprises are undergoing a drastic change.

But situation in many parts of India, does not seems to be that good but with continuous efforts by the government and society we can bring good change. It is vital to make women realize their imperative position, so that they can also make efforts to uplift her. The need of the hour is to provide an opportunity in a conducive atmosphere free from gender differences. The need for awareness motivation and courage to correct the faults of male counterparts is great challenges today. It is, therefore, encouragement of the growing intensity of motivation amongst educated young women for coming in the entrepreneurial stream and extends support with scientifically designed package of the technical and financial assistance. Banks should also make efforts to lower the procedures to take loans. Because huge process demotivates people to obtain loans. By raising easy financial assistance, we can make an attempt to develop more successful entrepreneurs and make situation better. The non-governmental organizations have a bigger role in stimulating and

nurturing the spirit of entrepreneurship among women. Towards this end, an integrated approach is necessary for making the movement of women entrepreneurship a success. For this purpose, both the government and non-government agencies have to play a vital role.

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Analysis of Oilseed Crops Scenario in Rajasthan

Sunil Kumar*
Anuj Kumar**

Introduction

Oilseed production occupies an important position in the Indian agriculture economy as a backbone since long. India is the fourth largest oilseeds producers in the world, next to USA, China and Brazil, accounting for about 12-15 percent of the area and 8.5 percent of the world's oilseed production and 9-10 percent of the total edible oils consumption (IARI Report 2010). The Indian climate is suitable for the cultivation of oilseed crops; therefore, large varieties of oilseeds are cultivated.

Oilseed area and output are concentrated in the central and southern parts of India mainly in the state of Madhya Pradesh, Gujarat, Rajasthan, Andhra Pradesh and Karnataka. The major oilseed cultivated in our country are Groundnut, Rape/Mustard, Soybean, Sesame, Castor, Linseed, Safflower, Sunflower and Niger accounted for an area of 256.01 Lac ha with the production 275.01 Lac tons. In terms of acreage, production and economic value, oilseeds are second only to food grains. The country produces 14.9% Groundnut and 10.7% Rapeseed with second and third rank respectively (GOI 2016). China has first rank in Production and yield of Groundnut. India rank first in the production of most of the minor oilseed (Castor, Safflower, and Niger) and second in Groundnut and Sesame. The area, production and Yield of oilseed grew

* Research Scholar, Department of Economics, University of Rajasthan Jaipur, Rajasthan, India.

** Assistant Professor, Government College, Dholpur, Rajasthan, India.

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at a compound annual growth rate of 1.58 percent, 3.05 percent and 1.45 percent, respectively, during the period 1951 to 2009-10. Among the oilseed crops, the growth rate in area and production was the highest for Soybean 10.73% and 12.72%, respectively (Swain S 2013). As per the fourth advance estimate for 2015-16, the production of total nine oilseed crops is a quantum jump over previous year's production. Oilseed crops play the second important role in the Indian agriculture economy next to food grains in terms of area and production. At present, more than 27 million hectares of land is under oilseeds cultivation. The area under oilseeds has been increasing over time and the production has registered many fold increase but its productivity is still low as compared to other oilseed producing countries in the world. To improve the situation of oilseeds in the country, government of India has been pursuing several development programs. They are oilseed Growers Cooperative Project, National Oilseed and Development Project, Technology Mission Oilseeds (TMO) and integrated scheme of oilseeds. These development programs/schemes register significant improvement in annual growth of yield and area under oilseed crops in mission period and the highest growth was observed in the case of Soybean and Sunflower oilseeds. The expansion of irrigation facilities and transfer of new technologies also help to obtain the desired results (Narayan P et al. 2011).

The Oilseeds account for 13% of the Gross cropped area, 3% of the Gross National Product (GNP) and 10% value of all the agricultural commodities. The annual growth rates of area (2.44%), production (5.4%) and yield (2.96%) of Oilseed crops during 1999-2009 have declined as compared to that of 1986-98 (Area: 3.05%, Production: 6.36% and Yield: 3.73%). As per fourth advance estimates an ever highest production of 328.77 Lakh tons of oilseeds with a productivity level of 1153 kg/ha has been recorded during 2013-14 due to favorable weather conditions coupled with support from the Government to the Oilseeds production programmers and policies (GOI Krishi Bhavn Delhi 2014).

A wide range of oilseed crops are grown in different agro-climatic regions of Rajasthan. Among the oilseeds, groundnut which was the most important crop in TE 1998-99 in the country has lost its prime position to Soybean in TE2008-09. Soybean is largely grown in Madhya Pradesh, Maharashtra and Rajasthan, accounting for 95% of total production in the country (Table). The second most important oilseed crop is Groundnut, which is grown mainly in Gujarat, Andhra Pradesh, Tamil Nadu and Rajasthan. The third major oilseed crop, Mustard, is grown in Rajasthan, Uttar Pradesh and Haryana (Table). The production of these three crops accounted for 87% of total oilseed production in the country. The other edible oilseeds are Sunflower, Sesame and Castor seed. Andhra Pradesh and Maharashtra are major Sunflower producing states while West Bengal, Gujarat and Rajasthan are major Sesame and Castor producing state (DOD, GOI, 2011).

Table: Area, Production and Yield of oilseed crops during 2009-10 to 2014-15.

Crop		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15*
Groundnut	Area	326.03	349.33	418.11	397.81	466.31	500.82
	Production	371.17	681.08	805.27	616.35	907.38	1011.12
	Yield	1138	1950	1926	1549	1946	2019
Rape/Mustard	Area	2212.34	2489.89	2441.25	2724.96	2782.54	2433.78
	Production	2912.29	3883.30	2950.31	3759.94	3620.85	2878.94
	Yield	1316	1560	1209	1380	1301	1183
Sesame	Area	598.31	548.01	512.77	415.16	360.65	329.91
	Production	97.23	223.17	166.34	122.07	72.06	112.20
	Yield	163	407	324	294	200	340
Linseed	Area	3.26	1.74	1.21	1.06	2.11	2.56
	Production	6.54	2.11	1.29	1.02	2.85	3.29
	Yield	2006	1211	1066	964	1351	1285
Caster seed	Area	117.22	166.75	263.93	222.99	195.27	226.34
	Production	101.33	241.24	382.53	341.09	286.14	335.11
	Yield	864	1447	1449	1530	1465	1481

Source: Production according to Final estimates and *advance estimates.
(Directorate of Economics and Statistics, GOI, New Delhi)

Rapeseed/Mustard

Brassica (Rapeseed- Mustard) is the most important edible oilseed crop in India after groundnut and accounts for nearly 30% of the total oilseed production in the country (Damodar et al., 2005). It is one of the most important edible and cash crops of our country.

Area, Production and Yield of Major Crop Growing Countries

(Average of 2007-08 to 2011-12)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major countries	Area	Production	Yield
Rape/Mustard	China	686.95	1258.54	1832
	Canada	682.72	1236.22	1811
	India	610.12	688.51	1128
Total Rape/Mustard		3222.95	5931.62	1840

*Source: (DOD, GOI, Hyderabad, 2014).

According to the current position of Rapeseed production in world China, Canada, India and USA are major producer country. India is producing 16% of the production of Mustard of world but in the country productivity is however quite low. The comparatively lower yields are mainly due to the fact that the quality of the

seed varieties is generally poor and Mustard crop in India are mostly cultivated in irrigated areas.

Area, Production and Yield of Major Crop Growing States

(Average of 2006-07 to 2010-11)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major states	Area	Production	Yield
Rape/Mustard	Rajasthan	246.79	311.28	1261
	Uttar Pradesh	72.03	82.28	1142
	Haryana	51.32	80.62	1571
Total Rape/Mustard		610.12	688.51	1128

*Source: (DOD, GOI, Hyderabad, 2014).

Rajasthan is India's top Rapeseed and Mustard producing state. Almost half (46%) of Rapeseed and Mustard is Produced by only the state. Rajasthan, Uttar Pradesh, Haryana and Madhya Pradesh are the major rapeseed-mustard growing states contributing about 77% and 82% of the total oilseed area and production of the country.

Area, Production and Yield of Major Crop Growing District

Average of 2009-10 to 2014-15

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major Districts	Area	Production	Yield
Rape/Mustard	Alwar	25.05	37.84	1510
	Ganganagar	24.78	37.67	1521
	Bharatpur	21.06	34.93	1658
Total Rape/Mustard		253.02	342.54	1354

*Source: (DES, GOR, Jaipur, 2015-16)

Rajasthan is the major Rape/Mustard producer state in the country. Alwar, Ganganagar, Bharatpur, Hanumangadh. S. Madhopur and Dholpur district are mainly producing district in Rajasthan. Fifty percent of area and forty five percent of production of Mustard has been concentrated in these top four districts.

Groundnut

Groundnut is called as the 'king' of oilseeds. It is one of the most important food and cash crops of our country. While being a valuable source of all the nutrients, it is a low-priced commodity but a valuable source of all the nutrients. It's called also as wonder nut and poor men's cashew nut.

Developing countries constitute 97% of the global area and 94% of the global production of this crop. Over 100 countries worldwide grow groundnut. The production of groundnut is concentrated in Asia and Africa is 56% and 40% of the global area and 68% and 25% of the global production, respectively (Madhusudhana B. 2013).

Area, Production and Yield of Major Crop Growing Countries

(Average of 2007-08 to 2011-12)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major countries	Area	Production	Yield
Groundnut	China	437.12	1480.17	3386
	India	581.08	740.15	1274
	Nigeria	246.15	309.03	1255
	USA	49.66	184.93	3724
Total Groundnut		2348.97	3831.96	1631

*Source: (DOD, GOI, Hyderabad, 2014)

The major groundnut producing countries in the world are India, China, Niger, USA, Burma and Sudan. These countries account for about 70% of the area and 74% of the production.

Area, Production and Yield of Major Crop Growing State

(Average of 2007-08 to 2011-12)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major states	Area	Production	Yield
Groundnut	Gujarat	181.57	276.1	1520
	Andhra Pradesh	155.82	149.32	958
	Karnataka	82.02	59.46	725
	Tamilnadu	44.19	97.37	2204
	Rajasthan	33.78	57.1	1691
Total Groundnut		581.08	740.15	1274

*Source: (DOD, GOI, Hyderabad, 2014)

India occupies the first place, both in regard to the area and the production in the world. About 7.5 million ha are put under it annually and the production is about six million tons. Seventy percent of the area and seventy five percent of production has been concentrated in the five states of Gujarat, Andhra Pradesh, Tamilnadu, and Rajasthan. In these states Groundnut production is mainly depends on rainfall. The irrigated areas from about six percent of the groundnut are in India.

Area, Production and Yield of Major Crop Growing District

(Average of 2009-10 to 2014-15)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major Districts	Area	Production	Yield
Groundnut	Bikaner	1.023	2.147	2099
	Jodhpur	0.463	1.02	1666
	Jaipur	0.612	0.857	1849
Total Groundnut		3.944	6.789	1721

*Source: (DES, GOR, Jaipur, 2015-16)

Rajasthan is the fifth largest state of Groundnut production in India. Major Groundnut producing district in the state are Bikaner, Jodhpur, Bikaner and Churu. Fifty five percent of the area and sixty percent production have been concentrated in these districts.

Soybean

Soybean (*Glycine max*) is the world's most important seeds legumes are used for direct human consumption, as an oil and protein source (Weiss 1983). Additionally, plant residues are extremely important as fodder for cattle in many regions of the world (Savage et al., 1994). The commercial cultivation of soybean crop in India in has reached to 9.21 million ha in 2010. Similarly, the production and yield levels increased to 10.4 million tons and 1200 kg/ha in 2010, respectively (Rai S K et al., 2016). Soybean is the third largest oilseed crop in India next only to Groundnut and Rape/Mustard. India's share in world production of Soybean is only 3 % (DOD, GOI, Hyderabad, 2014).

Area, Production and Yield of Major Crop Growing Countries

(Average of 2007-08 to 2011-12)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major countries	Area	Production	Yield
Soybean	USA	2957.84	8376.02	2832
	Brazil	2217.16	6372.15	2874
	Argentina	172.064	4525.41	2630
	China	864.74	1456.4	1684
	India	956.75	111.576	1166
Total soybean (World)		9676.66	24003.45	2441

*Source: (DOD, GOI, Hyderabad, 2014)

Cultivation of Soybean in Global level India has 5th rank after China, USA; however, yield of Soybean is concern point in India because this is far below compared to that major Soybean country.

Area, Production and Yield of Soybean Growing States

(Average of 2006-07 to 2010-11)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major states	Area	Production	Yield
Soybean	M P	534.54	613.74	1148
	MH	289.7	344.29	1188
	Raj	81.36	105.9	1302
	A P	12.88	18.48	1435
Total Soybean		956.75	1115.76	1166

*Source: (DOD, GOI, Hyderabad, 2014)

Rajasthan rank 3rd in total area and production of Soybean in India. Madhya Pradesh and Maharashtra contributes about 86% of total Soybean area and production.

Area, Production and Yield of Soybean Growing Districts

(Average of 2009-10 to 2014-15)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major Districts	Area	Production	Yield
Soybean	Baran	24.15	33.55	1389
	Jhalawar	25.91	31.19	1204
	Pratapgarh	10.76	13.68	1271
Total Soybean		93.13	117.18	1258

*Source: (DES, GOR, Jaipur, 2015-16)

In the state Baran, however, are major producer district, they contribute about 76% of total production of Soybean. After the production of Groundnut and Rapeseed it is the largest oilseed crop in Rajasthan. The state share of 9.64%, 8.13%, and 830 area, production and yield respectively (DES 2014-15).

Castor Seed

The castor oil plant can vary greatly in its growth habits and appearance depending upon the climatic conditions. Castor seed is the source of castor oil, which has a wide variety of uses.

Area, Production and Yield of Major Crop Growing Countries

(Average of 2007-08 to 2011-12)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major countries	Area	Production	Yield
Caster seed	India	94.78	137.58	1451
	China	21.32	17.84	848
	Brazil	16.81	10.53	627
Total Caster seed		157.38	179.37	1140

*Source: (DOD, GOI, Hyderabad, 2014)

Global castor seed production is around one million tons per year. Leading producing areas are India (with over 60 % of the global productivity).

Area, Production and Yield of Major Crop Growing States

(Average of 2006-07 to 2010-11)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major states	Area	Production	Yield
Caster seed	Gujarat	51.64	103.61	2006
	Rajasthan	16.07	20.87	1299
	Andhra Pradesh	18.96	8.94	472
Total Caster seed		94.78	137.58	1451

*Source: (DOD, GOI, Hyderabad, 2014)

Table shoes that Gujarat is major castor seed producer state in India. Gujarat, Rajasthan and Andhra Pradesh contributing about 91 % and 97% to the countries area and production, respectively.

Area, Production and Yield of Major Crop Growing Districts

(Average of 2009-10 to 2014-15)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major Districts	Area	Production	Yield
Caster seed	Jalore	8.12	16.28	2003
	Sirohi	3.91	6.27	1604
	Barmer	3.35	2.88	860
Total Caster seed		20.14	28.01	1390

*Source: (DES, GOR, Jaipur, 2015-16)

Jalore, Sirohi and Barmer are major Caster seed producer district in Rajasthan.

Linseed

(Average of 2007-08 to 2011-12)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major countries	Area	Production	Yield
Linseed	Canada	47.98	64.32	1341
	China	34.09	32.52	954
	USA	12.09	15.69	1216
	India	37.99	15.71	413
Total Linseed		212.75	186.67	877

*Source: (DOD, GOI, Hyderabad, 2014)

Canada is top producer of oilseed in the world. According area and production of linseed India has fourth rank next to however. India is the fourth largest growing country of linseed in world level but yield is less compared to other countries.

(Average of 2006-07 to 2010-11)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major states	Area	Production	Yield
Linseed	Madhya Pradesh	11.86	4.63	390
	Uttar Pradesh	6.33	2.41	382
	Chhattisgarh	4.51	1.36	301
Total Linseed		37.99	15.71	413

*Source: (DOD, GOI, Hyderabad, 2014)

Madhya Pradesh (MP) is share of 30% Linseed production of the country with top rank. About 80% of area and production of Linseed is concentrated in four states, namely, MP, Uttar Pradesh, Maharashtra and Rajasthan.

(Average of 2009-10 to 2014-15)

(Area in 000'ha, Production in lac tons, yield in kg/ha)

Crop	Major District	Area	Production	Yield
Linseed	Nagaur	0.0064	0.0131	2036
	Kota	0.0025	0.0051	2037
	Pratapgarh	0.0013	0.0013	920
Total Linseed		0.019	0.028	1489

*Source: (DES, GOR, Jaipur, 2015-16).

Production of Linseed in Rajasthan is very low compared to other growing state of the country. Nagaur is top producer district of the state. About 55% percent production of total Linseed is concentrated in three districts, namely, Nagaur, Kota, and Pratapgarh.

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The Amendment in GST: An Attempt to Give Relief to Ordinary Consumer

Kavita Bharti*

Introduction

The GST has changed the whole scenario of current indirect tax system. It is a single tax right from the producers to the consumer on the sales of goods and services to conceived on the principle of 'one nation, one tax, one market'. GST was first introduced by France in 1954 and now it is followed by more than 150 countries. In India, it is making since 2000, but finally implement in from July 1st 2017. Our honorable prime minister , Shri Narendra Modi launched GST at midnight on 30 June 2017 The launch was marked by a historic midnight (30 June – 1 July) session of both the houses of parliament convened at the Central Hall of the Parliament.

Before implement GST, in India complicated indirect tax system was applied by state and central level. Many taxes was included in this indirect tax system . Excise duty additional excise duty, additional custom duty, service tax , surcharge and cess were in under of central govt. Sales tax, purchase tax, entertainment tax , luxury tax , entry tax and taxes on lottery and gambling are charged by state govt. GST will unify all the indirect taxes into a basket and will create a one tax one national market. Experts say that GST will help the economy to grow in more efficient manner by improving the tax collection as it will reduce all the tax barriers between states and integrate country via single tax rate. there was an expectations that it will done well for

* Research Scholar, Department of EAFM, University of Rajasthan, Jaipur, Rajasthan, India.

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consumer and economy. But after its implement the consumers seem dissatisfies with GST. Some product and services tax rate are higher than before GST implementation that do keyhole in the pocket of consumers as they have to bear an economic burden of tax cost (GST). To give relief to ordinary consumer the Council has recommended major relief in GST rates on certain goods and services at 23rd meeting of GST that was held on 10th November, 2017.

Objective of Study

- To know the concept of GST
- To study the features of GST
- To know the consumer position on GST system and impact of GST on ordinary consumer.
- To know the how amendment in GST slabs give relief to ordinary consumer.
- To study the highest GST rates in other country.

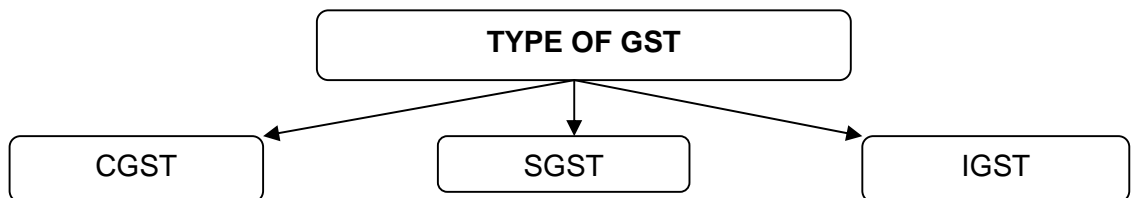
Research Methodology

Being an explanatory research it is based on secondary data of journals, articles, newspapers and website. The accessible secondary data has used for research study.

Features of GST

• **Dual GST Model**

Most of the countries followed unified GST while some countries like Brazil, Canada follow a dual GST system where tax is imposed by central and state both. In India also dual system of GST is proposed including CGST and SGST. A dual GST module for the country has been proposed by the Empowered Committee of State Finance Ministers (EC). There is 3 type of GST: Conclusion. So, if the Indian famers, predisposed to high risk aversion, are organised into cooperatives, they may lean towards greater risk taking. This would mean transformation from a highly risk averse individual to a moderate risk taker with improved likelihood of entrepreneurial success. This change in the mindset would encourage them to take a calculated risk, which setting up a cold storage unit is, in the hope of improving their lot which may eventually trigger a significant rise in their income levels and standard of life.



1. Central Goods and Services Tax
2. Collected by the Central Govt.

1. State Goods and Service Tax
2. Collected by the State Govt.

1. Integrated Goods and service tax
2. Collected by the Central govt.
3. Applicable on inter-state sales

Taxes to be Subsumed

GST has unify all the indirect taxes into a basket and create a one tax one national market. GST would replace following indirect taxes in place:

Central taxes to be subsumed under GST:	Central Excise duty, Addition excise duty, Additional Customs Duty, Service tax, Special additional duty of customs, surcharge and Cess.
State taxes to be subsumed under GST:	VAT/Sales tax, Entertainment tax, Luxury tax, tax on lottery, betting and gambling, entry tax, octroi, purchase tax.

GST SLABS: Under GST, goods and services are taxed at the following rates, 0%, 5%, 12%, 18%, 28%. There is a special rate of rough precious, semi-precious stones and gold. Alcohol product , petroleum product tobacco and electricity are not fall under the purview of GST.

Various GST Tax Slabs in India

Tax on goods under GST (Total goods:1,211)

Tax Slabs	% of total item under this slab	Examples
0%	7	Food grains, gur, milk, eggs, curd, fresh vegetables, atta, besan, maida, vegetable oil, common salt. coloring book, bindi, kajal etc.
5%	14	Sugar, tea, coffee, edible oil, coal, milk powder, milk food for babies, condensed milk, packed paneer, umbrella , PDS kerosene, LPG, .
12%	17	Butter, ghee, mobiles, cashew, almonds, sausages, fruit juice, packed coconut water, agarbatti
18%	43	Hair oil, soap, toothpaste, capital goods, pasta, industrial intermediaries, com flakes, jams, soups, ice- cream, toilet and facial tissues, iron and steel, fountain pen.
28%	19	Consumer durables, cars, cement , chewing gum, custard powder, pan masala, perfume, shampoo, make-up , fireworks, motorcycles
Cess	-	Coal ,luxury car, aerated drinks (cess on luxury car fixed at 15% on small petrol cars at 1% and on diesel powered at 3%

Taxes on Most Use Services

Tax rates	Examples
0%	Education and health care service, hotels and lodges with tariff below Rs. 1000, grandfathering services.
5%	Transport services(railways, airports) small Restaurant
12%	State-run lotteries, non A.C. hotels ,business class air ticket fertilizers , work contract
18%	A.C. hotels that serve liquor. Telecom services, IT services, branded garment financial services ,room tariff between Rs.2,500 and 7,500, restaurant inside five star hotels , movie tickets below Rs. 100
28%	Private- run lotteries authorized by the state, hotels with room tariffs above Rs. 7,500, 5-star hotels, Race club betting movie tickets above Rs.100

Consumer Position Under GST

Every person of country is consumer. We cannot imagine any industry without a consumer. All units are produced and sold to satisfy the need of consumer .A business needs consumer more than machines , employees and worker. There is an interdependence between business , indirect tax and consumer. One of the leading revenue generators to the government is indirect taxes, a tax that is collected and deposited by a business, shopkeepers but burden passed on to the person who bears ultimately the economic burden of the tax (i.e. the consumer). GST affects all traders, manufacture, seller and consumers But consumer are the last person on GST chain.

GST Impact on Ordinary Consumer

- **Reduction in Price of Goods and Services**

The indirect tax cost on most goods was on the higher. This is for the reason that most goods attract an excise duty of 12.5% and a VAT of 12.5 to 15% depending on the state. Further there numerous cascading of taxes on account of levy of CST, etc, till the time the product reaches the end consumer. The entire effect of the same leads to indirect tax rate 25% to 30% in the hands of the end consumer. The implementation on GST is curb the cascading effects, and provide a seamless credit to the supplier of goods and or services.

In turn, there has only be a tax on value addition. No business costs in terms of taxes paid on inputs, input services, or raw material. Thus the net amount of indirect taxes implanted in the value chain will be less then this reduction in indirect tax cost will lead to reduction in production cost and increase in base line profits, giving chance for reducing prices and benefiting end users.

- **Uniform Prices Throughout the Country**

Before implementation of GST, India had Value Added Tax (VAT), which is charged on sale of goods and administered at state level. According to the VAT laws,

it has various Schedules which outlines the tax rate on commodities with their brief description. This description and arrangements may differ from state to state which leads to price variation. Besides all of this, there are certain local taxes (such as entry tax) which are levied only in identified states. With GST coming in, all these tax compliances are finished, and there are uniform prices across nation. Implementation of GST is most commonly known as 'one nation, one tax, one market'.

- **Transparency in Tax Structure**

According to consumer right, he is entitled to know all information including taxes and duties relating to products and services that he consumes. After implementation of GST, MRP - based taxation has been eliminated, where consumer was never aware of taxes inbuilt in the price of commodities. Also there has been an end to dual taxation (levy of service tax and VAT at the same time), which is prevailing in software and restaurant sector.

- **Better Accessibility of Goods and Services**

There is a better accessibility of goods and services under GST, because consumer need not travel across states to other states for making a purchase to save tax.

- **Certain Goods and Service has Taxed at Higher Rate**

Removal of such benefits, some product and services tax rate are higher than before GST implementation. That does a hole in the pocket of consumers as they have to bear an economic burden of tax cost (GST). The services are to be costlier by three percent, and the rate under GST increased to 18 percent.

Amendment in GST Rate

GST has minimum exemptions on necessary goods and services. Some product and services tax rate are higher than before GST implementation. The government has introduced some cess on certain goods such as tobacco products, coal, motor cars aerated water, etc. to be commonly be known as 'compensation cess'. This charge of additional 'cess' has make these goods costlier than the existing prices. Also the services are to be costlier by three percent, and the rate under GST increased to 18 percent. Most of necessary goods and services are including 18% or 28% GST rate that do a hole on consumer pocket. To give relief to ordinary consumer the Council has recommended major relief in GST rates on certain goods and services at 23rd meeting of GST that was held on 10th November, 2017. The council has decided to keep the highest 28% tax on luxury and sinful items as a result 177 items (approx) including chocolates, coffee, and custard powder, beauty products, chewing gums, among others, were slashed from 28 per cent to 18 per cent GST on many items have also been reduced.

Here are the changes on goods and services taxed under various GST slabs:

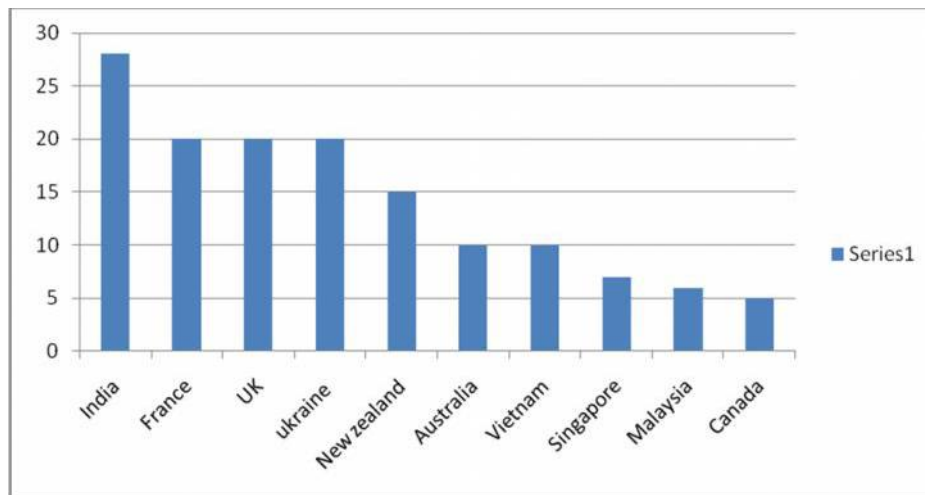
- The GST Council reduced the list of items in the top 28% Goods and Services Tax (GST) slab. Just 50 items from 228 items. Only luxury and sins goods like

perfumes, ACs, dish washing machine, washing machine, refrigerators, pan masala, aerated water and beverages, cigars and cigarettes, tobacco products, cement, paints, vacuum cleaners, cars and two-wheelers, aircraft and yachts are now in the highest tax slab. Daily use items are shifted to 18% or 12% slab.

- Eating in restaurant becomes cheaper: All restaurants will be charged the GST at 5 per cent, without any input tax credit (ITC) benefits. However five-star restaurants that room rent charges are above 7,500, will attract 18 per cent and can still avail ITC benefits. The council decided that Outdoor catering will carried 18 per cent GST with input tax credit benefits.
- GST on 13 items has been cut to 12 per cent from 18 per cent.
- GST on two items has been charged into 12 per cent from 28 per cent slab.
- Six items have been charged into 5 per cent from 18 per cent slab.
- GST on eight items has been cut to 5 per cent from 12 per cent.
- Tax rate on six items has been lowered to zero from 5 per cent.
- Tax on wet grinders and armoured vehicles was brought from 28 per cent to 12 per cent.

India's GST Rate is Highest than Other Country

GST Around the World



Source : <http://indiatoday.intoday.in/education/story/gst-highest-india/1/993300.html>

India has the highest tax rate from the others countries that have implemented GST. When compared to other countries markets, India's maximum rate of GST stands at 28%, which is the highest. Most of the commodities in Singapore and Malaysia fall under 7%, 6% tax rate respectively. On the other hand developed economies such as Germany and United Kingdom France, have higher GST rates set between 19% & 20%.

Conclusion

Every person of country is consumer. Any change in economy affect consumer. GST is the biggest change in Indian economy. There was an excitement as well as expectations that it will do well for consumer and economy. But after its implement the consumers seem to be cheated. The highest rate of GST does a hole in the pocket of consumers. The 23rd amendment in GST tax slabs are an attempt to give relief to consumer and increase consumption by reducing tax rate and price. But reality are different , when we compare GST rates form other's country GST rates, we realize that we pay more tax than other developed and developing country's people. Indian Govt. should need to decrease highest GST tax rate and petrol should include in GST slab.

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Impact of Demonetization on Society and Economy

Sunita Sharma*
Prof. D.S. Rathore**

Introduction

The dictionary meaning of demonetization is “to deprive (a mental) of its capacity as a monetary standard “or “to withdraw from use a currency”. So “demonetization refers to an economic policy where a certain currency unit ceases to be recognized or used as a form of legal tender. In other words, a currency unit still loses its legal tender status as a new one comes into circulation. The main intention of government behind the demonetization policy was as follows:

- To flush out the black money in an economy
- To eliminate the fake currency
- To control the increased prices.
- Boost to Digitalization
- To stop funds from illegal activities

Before November 8, 2016 announcement government also took a few steps in this direction. Firstly, Government had suggested people to generate bank account under Jan Dhan Yojna. They were asked to deposit all money in their Jan Dhan a/c and do their future transactions through banks only. Secondly, govt. also initiated step of tax declaration of Income by the people up to 30oct.2016. Through this method, govt. was able to clean up a huge amount of undeclared income.

History and Background of Demonetization (From 1946 to 2016)

- The step of demonetize of Rs.500 and Rs 1000 currency is not new or first time. Rs1000 and higher denomination notes were demonetized in Jan 1946 and again in 1978.

* Research Scholar, Faculty of Commerce, Amity University, Jaipur , Rajasthan, India.

** Amity Business School, Amity University, Jaipur, Rajasthan, India.

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- The highest denomination note ever printed by RBI was the Rs.10000 note in 1938 and again 1954. But these notes were demonetized in Jan. 1946 and again in Jan. 1978.
- Prior to Jan 1990 Rs.1000 and Rs.10000 banknote were in circulation. Higher denomination banknotes of Rs.1000, Rs.5000, Rs.10000 were re-introduced in 1954 and all of them were demonetized in Jan 1978
- The Rs.1000 note made a comeback in Nov.2000, but Rs.2000 note came into circulation in Oct.1987. The move was then justified as an attempt to contain the volume of banknote in circulation due to inflation.
- However this is the first time that Rs.2000 currency notes were introduced.

Objective of the study

- To understand the concept of demonetization.
- To know the impact of demonetization on society and economy

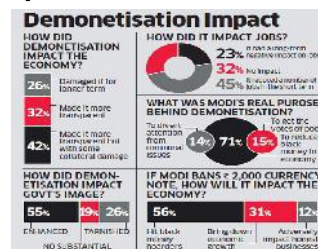
Review of Literature

Veenakumar K (2017), attempted "A study on people's impact on Demonetization". Researcher has four variables namely gender, age, annual income, occupation and he also found that variable age has a significant impact of demonetization. It is also a result that demonetization helps to destroy black money is the first rating given by the respondent and it is followed by corruption, terrorism etc. Tiwari and Khan investigated the effect of "Demonetization-Nov 2016" on controlling of black money in India. They concluded that demonetization was drastically affected the black money existence in Indian economy and was proven a courageous step to slash various illegal sources and activities in the country.

Iyengar, Iyengar and Aswani (2017), studied the impact of Indian stock market, primary focus on FMCG sector, banking sector and automobile sector. They found that decision of demonetization by the govt. did have some impact on Capital market through stock price movements.

Chopra (2017), analyzed the short term and medium term benefit of demonetization and its impact on growth on various sectors of an economy. Researcher observed that impact of demonetization on gross Value Added growth was modest.

Impact of Demonetization



<https://economictimes.indiatimes.com>

- **Impact on GDP:** GDP is a final value of goods and services in a particular period of time at a period reason. GDP is directly proportion to the government expenditure, govt. spending, consumer spending and investing and net export. After demonetization the circulation of currency becomes less so GDP will automatically less because spending will be less, consumption will be less, investment and net export will also go down. GDP growth rate of 8.01% in 2015-16 fell to 7.11% in 2016-17 after demonetization.
- **Impact on Agriculture:** Cash crisis due to demonetization, it became difficult for the farmers to purchase agricultural inputs and to a large extent the small and marginal farmers became jobless.
- **Long Term Impact:** Due to demonetization the demonetized currency need to be deposited in the banks which would enhance their liquidity and this will lead to lower down the base rate by banks and also lowering the lending rates.
- **Impact on Inflation:** Inflation would rise due to higher liquidity presence in the market. So in case of demonetization less liquidity or less cash availability which will bring down the inflation.
- **Impact on Small Scale Industries:** Business like textiles industry, restaurants and seasonal business are low capital enterprises and work on the basis of liquidity preferences. Demonetization gravely impacted their revenue collection and threatened their existence to an extent.

Conclusion

Demonetization is not a new concept in India, it has been done earlier also. Demonetization of Rs.500 and Rs.1000 notes was done on Nov8, 2016 by the government which impacted almost everywhere. This is because Rs. 500 and Rs.1000 notes were in wide circulation and used by about85 %of population. The government took this decision to eradicate counterfeit money, end corruption, and black money, disrupt terrorist activities etc.However, this move has also affected not just the daily lives of the people but also resulted in short term, slowdown of economy, reduced revenue and decreased GDP growth.

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CSR and Sustainable Business Strategies: Global Growth Phenomenon in View of Environmental Concerns

Dr. Kamlesh Pritwani*

Introduction

Sustainable development within business boundaries is expanding rapidly in several directions. Sustaining business through care of society and environment is admissible issue everywhere. Global agencies providing supportive hands for guiding businesses are- UN Global Network, International Corporate Governance Network, Institute of Social and Ethical Accountability, United Nations Framework Convention on Climate Change, United Nations Environment Programme, Kyoto Protocol, Millennium Ecosystem Assessment, Global Business Sustainability Initiative etc.

It is a great challenge to businesses how to calculate business efficiency in corporate responsibility areas. The unending process of globalization of market oriented economy has expanded business opportunities leadership. The challenges faced by businesses are increasing day by day. CSR may be utilized as an effective business tool to integrate their economic, social and environmental responsibilities for enhancing societal benefit simultaneously increasing wealth to business shareholders. Corporate sector must take strong steps in view of justified use of natural resources and maintaining ecological balance to minimise waste generation.

* Associate Professor, Department of ABST, Shri Govind Singh Gurjar Government College, Nasirabad, Ajmer, India.

~ The paper has been presented in "**International Conference on Modern Management Strategies, E-commerce and Global Economy-In Indian Context**" Organized by **Inspira Research Association (IRA)**, Jaipur & **LBS PG College**, Jaipur, Rajasthan, India. **02-03 February, 2018**.

Objectives

This research study is based on following specific objectives:

- To prepare businesses for facing the challenges of sustainable development agenda at global level.
- To move towards strategic CSR, especially caring to environmental concerns.

Review of Literature

Norine Kennedy, the U.S. Council on International Business rightly stated that CSR is not a static concept—it is a moving and evolving issue. The research study about the criticism of ‘profit maximization’ concept has been presented by Milton Friedman (1970). The theory of Friedman depicts contradictions between economic and ethical view of CSR. Baron (2001) explained his view about strategic CSR, which appear to be motivated by higher social objectives and on other side, motivated by profits. Stakeholder theory presented by Jennings and Zandbergen (1995) favors the environmental conservation by corporate sector resulting that Institutions play vital role in shaping the consensus within a firm regarding the establishment of an ‘ecologically sustainable’ organization.

‘Corporate Social Responsibility is not only concerned about funds and expertise companies choose to invest in communities to resolve social problems, it is about the integrity with which, a company governs itself, fulfill its mission, lives by its values, engages with its stakeholders, measures its impacts and reports on its activities.’ (UK government’s Department of Trade and Industry). While World Business Council for Sustainable Development (WBCSD) has defined CSR ethically in this way, ‘the continuing commitment of business to behave ethically and contribute to economic development while improving the quality of life of their workforce and their families as well as of the local community and society’.

Committee for Economic Development (CED) observed CSR as a business function executed by public consent and its main objective is to serve constructively the needs of society. The European Commission’s views for understanding CSR are more relevant that Corporate Social Responsibility is a concept for integrating social and environmental concerns in corporate operations and voluntary interaction with different stakeholders.

‘Corporate Social Responsibility is concerned with treating the stakeholders of the firm ethically or in a responsible manner’ [Michael Hopkins (2003)]. A research shown by Waldman (2004) indicates strategic leadership theory to CSR. The result is that some aspects of transformational leadership will be positively correlated with the propensity of firms to engage in CSR. Business is main element of the total environment, being influenced by it, while being a force in influencing it [Porter M.E. & Kramer M.R. (2006)]. Jonathan Doh and Terrence Guay (2006) studied about the roles that US and European non-governmental organizations have played in

influencing CSR policies in mainly three areas --the trade and regulation of genetically-modified organisms, pharmaceutical pricing and distribution policies and international environmental agreements such as the Kyoto Protocol Treaty.

Global Growth Phenomenon

The World Summit on Sustainable Development Work Program refers mainly to corporate responsibility in the following four areas:

- Sustainable patterns of consumption and production that increase corporate environmental accountability through actions
- Sustainable development to promote entire development and better implementation of intergovernmental initiatives, regulations and improvement in corporate practices in all countries
- Health and sustainable development, a relationship between health and environmental protection, diminution of environmental health threats, access to health care services, safer technologies for drinking water and waste management.
- Strengthening of institutional frameworks that encourage corporate responsibility and answerability and exchanging of best practices.

Corporations are the prevailed organizations today; hence, they have to help address social environmental issues that affect humankind. Globalization of the World entails the idea of corporate citizenship in globally established civil society and conveys in the need for clarity to enforce different regulations, to who should global company depicts their commitments and what would be responsibilities in civic sense.

According to Orts, corporations are citizens of a global society and therefore, fulfill duty to participate in societal activities. In a globalized marketplace, the underlying assumption is that organizations should behave with equal respect to people and environment. Individual governments such as the United Kingdom are performing lead roles in initiatives include investment, standards and industry. Developing countries are vulnerable to inconsistent and unequal implementation and enforcement due to inadequate budgets in place to fund CSR activities. Environmental organizations have taken a lead role in developing a number of international voluntary certification authorities in CSR areas.

Environmental Concerns

The ethically driven scenario of CSR preserves the basic human rights of society to conserve environment. Mandatory disclosure of information regulations in view of the toxic release inventory could also be used to enhance CSR. Different strategic Environmental contracts may associate to improve CSR in companies. In its 2009 report, the Global Environment Outlook of the United Nations Environmental Program stated that “the lack of reliable and consistent time-series data of

environmental concerns is a major barrier to increasing the effectiveness of policies and programs". Hence, all countries should undertake to evaluate their own environmental conservation programme and to incorporate social, economic and environmental information to inform decision-making processes. With the emergence of web oriented digital technologies, societal organizations and NGOs has better access to companies and more ability to make a difference. It is high time to take earlier steps to redefine this green era, companies should better gear up themselves and proactively address their positive impacts on the world by reducing carbon.

Societal and environmental prospects have also developed enormously over the years. These issues affect the performance of organization in a positive or negative way. Issues like climate change and industrial pollution weren't so obvious earlier, that has emerged in recent years. Non-governmental and activist organizations have also become much more active and visible.

Discussions

After studied this concurrent societal growth issue, it can be stated that businesses need to look out very carefully the codes of conduct and guidelines of the MDGs and the World Summit for Sustainable Development, to come forward to talk about what has to be done and how it is going to be delivered, and to continue to argue for the enabling frameworks for corporate responsibility at the international level. Corporate leaders need to transform into corporate responsibility leaders, who will move their efforts specifically for sustenance of business and for supporting community to improve quality of life.

Large Business houses are in capacity to impact the transformation process through their environmental initiatives. Simultaneously, society, shareholders and employees need to become more aware about their rights, what they are expecting from business leadership. There is growing prospect that operations of any organization should be economically, environmentally and socially responsible.

Limitations

The scope of corporate responsibility varies country by country, region by region, functional areas, interest group by interest group. It comprises environmental, social, ethical and health issues. Potentially, it is a very broad concept to cover and it is a challenge for the business community. This research comprises mainly environmental issues of CSR practices.

Concluding Remarks

Based on the need to fortify corporate reputation, improve corporate performance and market appealingness, corporate sector have come to reckon with corporate social responsibility as a prime resource for attaining their corporate objectives. CSR is vital for maintaining business sustainability. Corporate disclosure in

view of social and environmental information may enhance business reliability and goodwill. The results of this study indicate that dynamic capability has a positive impact on corporate competence in different CSR areas, which is a prime business requirement in today's competitive era. However, general associability does not appear to have any positive influence on an organization's competence in environmental management, which is a key 'social' competence in corporate sector. Understanding the economics of CSR is a main step out of the thinking of whether engaging in CSR, to generate profits for corporations and to provide research paths to understand how corporate can succeed on financial, environmental and social levels. After this research study, new concept of CSR is emerged that is 'corporate environmental social responsibility' (CESR). Formation of comprehensive corporate strategy, cordial relationship with stakeholders, production of ecofriendly products and handling environmental issues carefully will definitely move businesses towards inclusive growth. Further advanced level researches are suggested on the basis of evaluation of the social and environmental impact of CSR.

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