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on

Indian Economy: Contemporary Issue and Challenges

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Department of Economics

Parle Tilak Vidyalaya Association's

Mulund College of Commerce

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MULUND COLLEGE OF COMMERCE

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Guest Editors of Special Issue

About the Management

Parle Tilak Vidyalaya Association

A learned scholar, a great mathematician, philosopher, teacher and orator, Lokmanya Bal Gangadhar Tilak left for his heavenly abode on 1st August 1920. A group of eminent personalities and other residents of Parle made a commitment that they would continue the great work of Lokmanya Tilak . As the first step in this direction, they decided to start a school in Vile Parle. Thus on 9th June 1921, Parle Tilak Vidyalaya Associations Marathi Medium School began in One room with just 7 students. Eventually, Parle Tilak Vidyalaya (Marathi Medium) Primary and Secondary School was started in 1923.In June 2017 Parle Tilak Vidyalaya Association's English Medium School (SSC curriculam) was started at Andheri.

The local stalwarts from Vile Parle contributed generously, despite difficult times to construct the school buildings. The Students strength increased and the management soon realized the need for facilities for higher education beyond school level. This led to the establishment of Parle College of Science and Arts in 1959.

The management soon felt that a Science and Arts College was not enough. In order to meet the growing demand for Commerce , the Parle College of Commerce was started in 1960 which was later named "M.L.Dahanukar College of Commerce". The Parle Tilak Vidyalaya Association also made its presence felt in the central suburbs when it started " Mulund College of Commerce " in 1970. Also in 1970, in a nearby suburb Andheri . Parle TilakVidylaya Association opened another Marathi Medium school, named as " Paranjape Vidyalaya " both Primary and Secondary School. Very soon, that school also became a force to reckon with students featuring regularly in the merit lists.

About the College

PTVA's Mulund College of Commerce is proud to be a part of this rich educational legacy. Established in 1970, in a very short period of time, Mulund College of Commerce emerged as one of the most prestigious commerce colleges of suburban Mumbai. MCC has excelled in all aspects of in higher education. Our results at the Higher Secondary Certificate examination and the Final Year University examinations have always been excellent. It has been one of the most sought-after colleges, not only for excellence in academics but also in co-curricular and extra-curricular activities. Our students have performed exceedingly well in professional courses securing All India Ranks in such examinations. Our alumni hold prominent positions in the Banking and Financial sectors, in the Indian judicial system and in the sphere of media and entertainment. The college has produced eminent sportspersons of whom nine have been the recipients of the Shiv Chhatrapati Awards. Our students played at the National and represented India in competitions at International levels.

MCC embraced the Self Financing Courses when it was newly introduced in the last decade of the twentieth century. Today, MCC boasts of a very strong Self Financing section offering courses in Accounting and Finance, Banking and Insurance, Financial Markets, Management Studies, Mass Media, Computer Science and Information Technology.

About IARA

Indian Academicians and Researchers Association (IARA) is an educational and scientific research organization of Academicians, Research Scholars and practitioners responsible for sharing information about research activities, projects, conferences to its members. IARA offers an excellent opportunity for networking with other members and exchange knowledge. It also takes immense pride in its services offerings to undergraduate and graduate students. Students are provided opportunities to develop and clarify their research interests and skills as part of their preparation to become faculty members and researcher. Visit our website www.iaraedu.com for more details.

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IMPACT OF DEMONETIZATION ON INDIAN ECONOMY

Dr. Gavhane Jaishri R.
Assistant Professor, N. K. Varadkar arts & R. V. Belose, Commerce College, Dapoli

ABSTRACT
Demonetization of currency means discontinuity of the particular currency from circulation and replacing it with the new currency in the context of demonetization on November 2016 in India it is the banning of the 500 and 1000 denomination currency notes by the government the objective behind the demonetization policy are as follows, an attempt to make India corruption free ,to restrain Black Money, control inflation, stop fund flow to illegal activities ,make people accountable for every rupee of they possess and to regulate the tax evasion, make a less cash society and create a digital India. in 2016 steps initiated by government to implement Demonetization policy and its overall impact on Indian economy.

INTRODUCTION
On the evening of 8th November 2016, Prime Minister Announced the demonetization of the high value currency notes of Rs.500 and Rs. 1000 denomination these ceased to be legal tender from the midnight of the same day and announced the issuance of new Rs.500 and Rs.2000 banknotes of mahatma Gandhi new series in exchange for the old banknotes. People have given up to December 30, 2016 to exchange the notes held by them.

The Rs. 500 and Rs. 1000 notes are two biggest denominations in currency system of India and at that time these notes accounted for around 86% of the countries circulating cash. Due to ban on these high values currency notes the economy of India faced a major problem due to cash shortage in market. People were seeking to exchange their banknotes had to stand in the lengthy queues.

One of the key effect of Demonetization 2016 has been that more people have made digital payments part of their lives moving towards a cashless economy.

DEMONETIZATION
Demonetization is a process by which a series of currency has no longer use. demonetization is the combination of ‘De’ and ‘Monetization’ Monetization means increase in the flow of cash in the economy and Demonetization means calling of currency from the economy or we can say ban of the currency in economy in demonetization the circulation of currency become less, because in demonetization government has taking steps towards killing a currency.

Demonetization is a radical financial step in which a currency units status as a legal tender is declared as invalid this move is usually executed when old currency have to be replaced by new ones or whenever there is change of national currency process of removing a currency from general usage or circulation.

Causes of Demonetization

- Introduction of new currency
- Black marketing
- Currency storage
- Corruption & others
- Fake currency
- Terror money

HISTORY OF DEMONETIZATION
Although the history of demonetisation in India dates back to the time when various ruler ruled this country, the freshest and most significant instances of the demonetisation in India are:

1) On 12 th January 1946 ,Rs. 10000, Rs.5000 and Rs.1000 notes were declared invalid as legal tender .new notes of Rs. 10000,Rs. 5000,Rs.1000 came into economy in 1954.
2) On 16 january 1978 Morarji Desai (Leader of janta party) demonetization banknotes of Rs. 10000 ,Rs.5000 , Rs.1000 note that the finance minister at that time was H.M. Patel.
3) RBI introduced the new banknotes of Rs. 500 into economy in October 1987

4) RBI introduced the new banknote of Rs.1000 into economy in November 2000.

On 8 November 2016 the old banknotes of Rs.500 and Rs.1000 were barred from being legal tender and new notes of Rs. 500 and Rs.2000 were introduced.

History at Glance

Demonetization	Year of Introduction	Year of Demonetization
Rs.10000	1938	1946
	1954	1978
Rs.5000	1938	1946
	1954	1978
RS.1000	1938	1946
	1954	1978
	2000	2016
Rs.500	1987	2016

OBJECTIVES

1) To find out positive and negative Impact of demonetisation on Indian Economy

2) To find out future benefits of Demonetization for market & Society.

India has on the path of digital transactions at a much faster pace. Key points describing of demonetisation

Liquidity crunch (short term effect)

Liquidity shock means people are not able to get sufficient volume of popular denomination especially Rs.500 . this currency unit is the favourable denomination in daily life .it constituted to nearly 49% of the previous currency supply in terms of value .higher the time required to resupply Rs.500 notes higher will be the duration of the liquidity crunch.

Banks lending increases for small business

Bank finance to small business was going down in pre-demonetization period. There was a negative growth even in short period there was a negative growth even in short period .however September 29,2017 the RBI has reported a positive growth of 1.65%in lending to small business by the bank.

Economic growth Slowdown

Post demonetization growth of India Economy slowed down from 9.1% to 5.7% in less than one year. India risk its position of being the fastest growing largest economy reduced consumption ,income, investment etc may reduce India’s GDP growth.

Rate of Inflation goes down

Prices of commonly consumed commodities like, pulses, fruits, vegetables had gone down substantially post demonetization accordingly it brought down the rate of inflation during the months that followed demonetization

India Moves to cashless economy

One of the key effect of demonetization 2016 has been that more people have made digital payments part of their lives moving towards a cashless economy the details of growth of such digital transactions since January 2016 to august 2017 reflect that NEFT transactions that involved Rs.7086 increased to Rs.12500.cash is expensive as a store of value it gives negative return and is amenable to loss and theft. many households are forced to save in cash or other similar assets because they do not have convenient and reliable access to the modern financial system.

Impact on bank deposits and interest rate

Deposit in the short term may rise in the long term its effect will come down the savings with the banks. banks are actually liquid cash people stored it is difficult to assume that such ready cash once stored in their hands will be put into saving for long term. They saved this money into banks just to convert the old notes into new notes these are not voluntary savings aimed to get interest.

Impact on Black money

Only a small portion of black money is actually stored in the form of cash usually black income is kept in the form of physical assets like gold, land, buildings, etc. Hence the amount of black money countered by

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demonetization depend upon the amount of black money held in the form of cash it will be smaller than expected.

CONCLUSION

Demonetization policy of the Government has been termed as the greatest financial reform that aimed to curb the black money, corruption and counterfeit currency notes. In short run the very next day of announcing the demonetization the BSE sensex and NEFT 50 stock indices fell over 6% the sever cash shortages brought detrimental impact on the economy people trying to exchange their bank notes had to stand in lengthy queues causing many deaths due to inconvenience and rush.

Demonetization help the government to track the black money and the unaccounted cash now flow no more and the amount collected by means of tax can be better utilized for the public welfare and development schemes. Also curb of errorist activities as it has stopped the funding the terrorism which used to get a boost due to inflow of unaccounted cash and fake currency in large volume.the public sector banks which were reeling under deposit crunch and were running short of funds have suddenly swelled with lot of money which can be used for future finances and loans after keeping a certain amount of demonetization policy will be put to developmental activities in the country demonetization has drivan the country towards a cashless society the sudden announcement has made adverse impact on business and economy.

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INDIAN ECONOMY, CONTEMPORARY ISSUES AND CHALLENGES, RURAL AND URBAN DEVELOPMENT

Prin. Dr. Shrirang Mandale
S. K. Patil Sindhudurg Mahavidyalay, Malvan, Sindhudurg

I shall work for an India in which the poorest shall feel that it is their country is whose making they have an effective voice, an India in which these shall be no high class and low class of people, an India in which all communities shall live in perfect harmony

- Mahatma Gandhi

INTRODUCTION

Rural development is not merely the development of Rural areas, but rather it involves human development of varied nature including an overall development of Mental caliber of the rural people so as to transform them into a self-reliant an self sustaining community utilizing modern facilities available to any development community. Rural development is therefore, the development of rural areas in such a manner that each component of the rural life changes / transforms and proceeds in the desired direction with the other components as envisaged in the plan. Besides, rural development also encompasses structural changes in the socio-economic situation in the rural areas in order to bring about – human welfare, which is primary Goal of all the development activities.

The World Bank observed that, “Rural development is a strategy designed to improve and social life of a specific group of people the rural people. Again world Bank Publications defines Rural development as “improving the living standards of the masses of the law income population residing in rural areas making the process of rural development self-sustaining, Gr. Parathasarathy, – The critical elements in the rural development is improvement of living standards of the poor though opportunities for better utilization of their physical and human resources in the absence of this utilization of rural resources has no financial significance.

RURAL DEVELOPMENT ENCOMPASS

1) Improvement in levels of living including employment, education health and nutrition, housing and variety of social services.
2) Decreasing in quality in the distribution of rural incomes and in rural urban balances in incomes and income opportunities.
3) The capacity of the rural sector to sustain and accepted rate the pace of these improvement.

OBJECTIVES OF RURAL DEVELOPMENT

The main objectives of the Rural Development is improving the living standards of rural people by utilizing the easing available natural and human resources.

1) Development of agriculture and allied activities.
2) Development of village and cottage industries and handicrafts.
3) Development of social-economic infrastructure which includes setting up the rural banks. cooperatives, schools etc.
4) Development of community services and facilities i.e. drinking water, electricity rural roads, health services etc.
5) Development of human Resources Mobilization.

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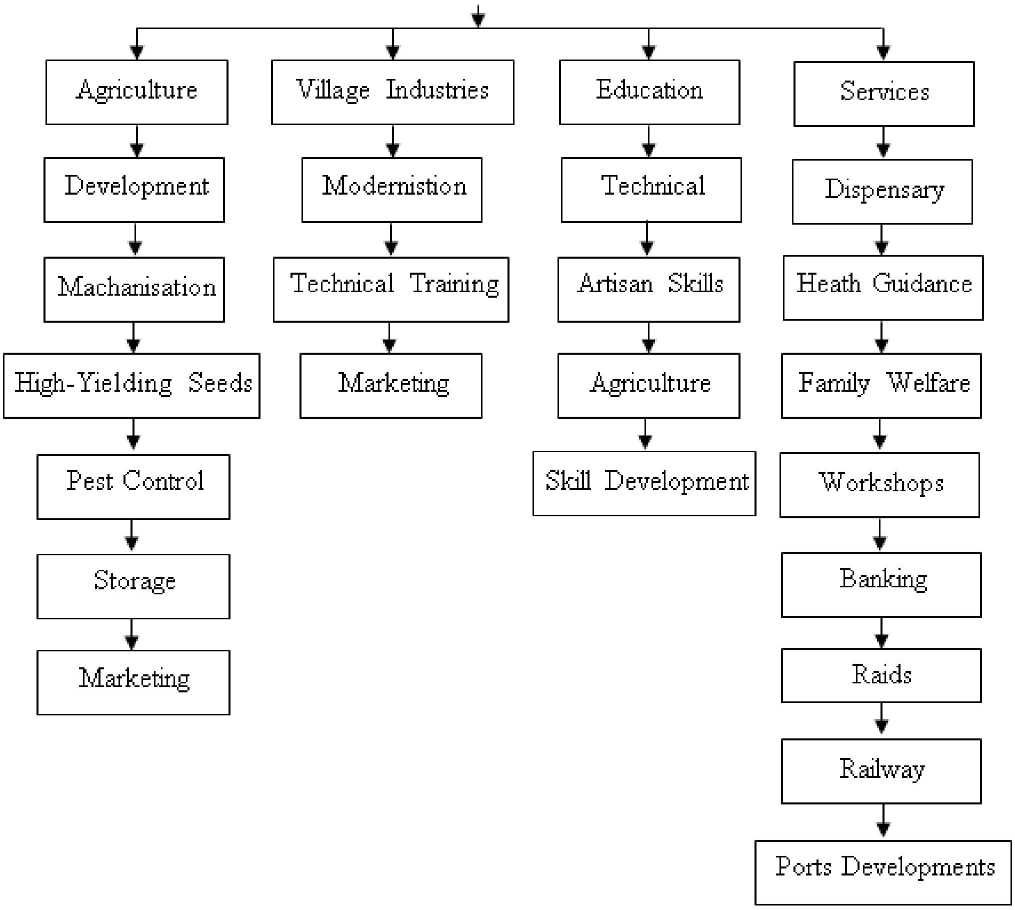
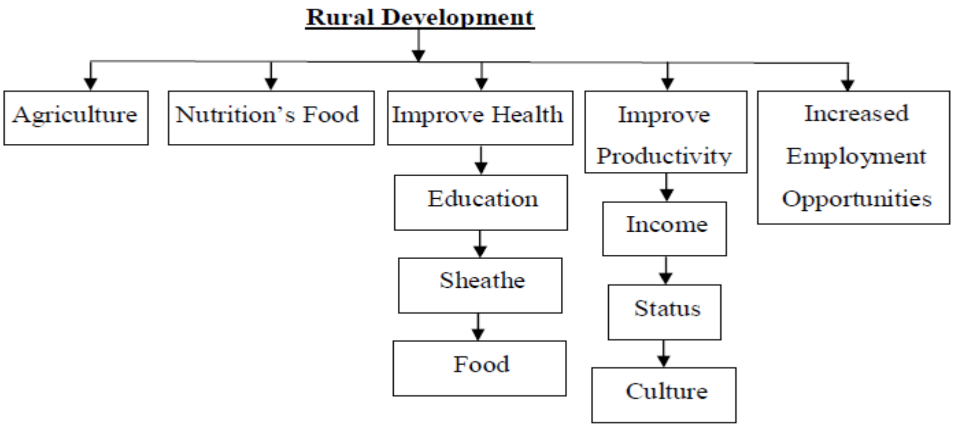
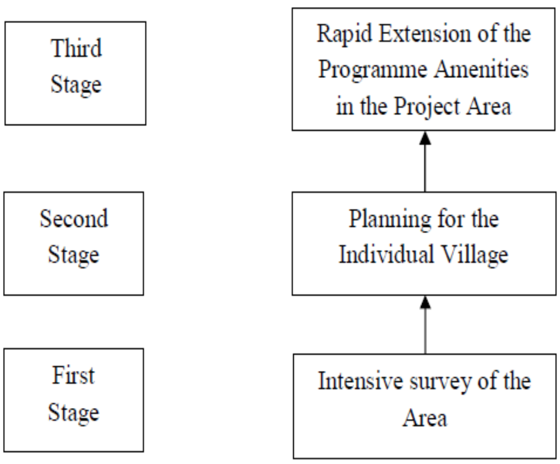


COMPONENTS RURAL DEVELOPMENT

Phases of Rural Development



Stages of Development



Rural Development Programme

1) The community Development Programme – (CDP) 1952
Development of villages through agriculture.

2) Intensive Agriculture Area Programme – (1 AAP) 1964
To Increase agriculture Production and induce the Farmers to apply improved techniques.

3) High Yielding Varity Programme (HYVP) 1965
To increase agriculture production and induce farmers to use high yielding variety seeds and apply improved techniques.

4) Lead Bank Scheme (LBS) 1969
Banking development through branch expansion and development banking through implementation of district credit plans, Block wise, scheme wise credit estimation being implemented by public sector banks.

5) Drought prone Area Programme (DPAP) 1970-71
To ensure that rural work taken up under the programme are of a lasting nature and to provide employment through construction work.

6) Backward Area Development 1971
Special scheme with central outright grant/subsidy for setting up industrial units in such areas.

Confessional finance scheme for the project in less developed areas.

7) Tribal Development projects 1972
Integrated development of tribal / tribe and the areas occupied by them.

8) Hill Area Development Project - 1973
To maximize agriculture production through multiple cropping H.Y.V. Horticulture etc.

9) Minimum Needs Programme - 1976
To Improve rural health water supply.

10) Antyodya 1977
To Provide employment opportunities to the poorest of the poor in rural areas.

11) Training for Rural Youth for self Employment 1979 (TRYSEM)
To assist Rural Youth in self employment.

12) National Rural Employment Guarantee Scheme NREGS-2005
Better live LaHood security Guaranteed 100 days employment.

13) Panchayat Raj – April 1997
24th April 1993 is a red-letter day in the history of Panchayati Raj in India as on this day the constitution (73rd amendment) Act 1992 came into force to provide constitutional status to the Panchayati Raj institutions.

14) Rural Housing
Govt. announced in 1998 a National Housing and Habitat policy which aims at Providing Housing for all and facility the construction of 20 lakh additional housing units (13 Lakh in Rural Areas and 7 Lakh in Urban Areas) annually with emphasis on extending benefits to the poor and the deprived.

PROBLEMS FACED FOR RURAL DEVELOPMENT

1) The Financial manpower and managerial resources devoted to the implementation of rural development.

2) Better implementation of Rural development programmes can be ensured only if those responsible for actual implementation are paid reasonably well appropriately trained and sufficiently motivated. But this has not been done as yet.

3) It is being increasingly observed that the objectives of one programme conflict with those of others and there is no institutional mechanism for reconciling them. Consequently many programmes utterly fail in fulfilling their objectives in addition they also affect other programme.

4) In many case instruments of rural development are not properly selected and their levels are not consistent with the objectives they seek to achieve. This is results in the wastage of valuable public resources and unnecessary delays in achieving the objectives.

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5) Honesty hard work helping others thrift and such other virtues indirectly help in economy development. In the Indian contest not much attention has been paid to this aspect of development.

6) Observance of rituals lack of rational decision in economic matters. Spending huge amount of money on marriage. Birth or death ceremonies, prevalence of the caste system and the joint family system in the rural and literally are some of the factors which arrest the rural development in India.

7) The political parties have a vital role to play in Rural Development. But unfortunately this role has not been effectively realized by any democratic political party so far. The political parties, today are guided more by party interests rather than by national interests.

URBAN DEVELOPMENT

Globally over 50% of the population lives in Urban ares today. By 2045 the worlds urban population will increase by 1.5 times to 6 billion. City leaders must move quickly to plan for growth and provide the basic services, infrastructure and fordable housing their expanding population needs. Nearly 30% of India's population lives in Urban agglomerations. The fast-paced urbanization in the country. Which is closely linked to the overall economic progress has led the cities to encounter some serious challenges on the socio-economic front such as unemployment as well as excess load on existing infrastructure in cities like housing sanitation transportation, health education utilities etc. In order to up grade the quality of life of people, especially the urban poor the Ministry of Housing and urban development has been activetly introducing new schemes and reinventing the existing schemes which deal with these specific issues.

MAJOR URBAN DEVELOPMENT SCHEMES IN INDIA

Smart cities Mission

Launched on June 25, 2015. the smart city Mission is a flagship scheme under the Ministry of Housing and Urban Affairs. To create smart cities by empowering them social, economically and technologically to act as support system in the neighborhood. Implemented 100 cities across India.

Focus

Basic amenities, education health services IT accessibility digitization e-governs, sustainable development safety security.

Housing for all by 2022

Launched on June 25, 2015 for providing 20 million affordable homes for the urban poor including slum dwellers by March 2022. The beneficiaries include Economically weaker section (EWS) Low-income groups (LIGs) and Middle Income Groups (MIGS). Implemented 305 cities and towns across nine states.

Swacch Bharat Mission

Launched on Oct. 2nd 2014. The Swatchh Bharat Mission is the govts. nation wide flagship programme with the objective of universal sanitation coverage in Urban areas with a budget allocation of 41765 crore for 2018-19. The over all estimated cost for the SBM is Rs. 62009 crore of which Rs. 14787 crore is the center's share.

Jawaharlal Nehru National Urban Renewal, Mission (JNNRUM)

Launched in 2015 JNNRUM was city modernization scheme with an investment of over 20 billion over seven year. I covers two components viz provision of basic – services for urban poor (BSUP) and an Integrated Housing and slum Development programme (THSDP) As many as 65 mission cities were identified under the scheme.

Atal Mission for Rejuvenation and Urban Transformation

Launched in 2015, the focus of the AMRUT scheme was on infrastructure creation that has a direct link to provision of better services to the citizens. Closely connected with SBM, the scheme included provision water supply facilities, sewerage network. Storm water drains urban transport and open and green spaces, across the selected 500 Indian cities. The allocated budget under the scheme is around 50,000 crore for the period 2016-17.

National Urban Livelihood Mission

Launched 24th Sept. 2013. To alleviate urban poverty ad homelessness. To implemented 790 cities across the country. The focus of the scheme is employment and housing.

Initiatives

Skill development, self employment opportunities, shelter with essential services for the urban poor.

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CONCLUSION

In India about 54% of the people are engaged in agricultural sector and are living in the villages. People of Rural areas confronted with many problems such as unemployment housing, illiteracy, medical facilities rapid population growth etc. Since independence of the country, there have been continuous efforts to improve economic condition of the rural areas. In spite of the various programmes launched by the Govt. to decreasing the ratio of the Rural and Urban development in India.

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RECENT TRENDS IN E-COMMERCE INDUSTRY IN INDIA

Prof. Jeevan Kailas Patil
Karmaveer Bhaurao Patil College, Thane

ABSTRACT

E-commerce stands for electronic commerce. The E-commerce has completely revolutionized the conventional concept of business. Ecommerce deals with selling and purchasing of goods and services through internet and computer networks. The E-Commerce market is rapidly growing in India as well as worldwide. There are many players who made a good start ups in E-Commerce. Success of an organization depends on the understanding of the market and types of features given. This paper gives an overview of emerging trends in E-commerce industry in India. There are various opportunities for retailers, wholesalers, producers and for people. In this paper I found that overall E-Commerce market has immense opportunity of growth and development in India.

Keywords- E-commerce, Wholesaler, Retailer

INTRODUCTION

E-Commerce stands for electronic commerce. Dealing in goods and services through the electronic media and internet is called as E-commerce. E-Commerce or E-business involves carrying on a business with the help of the internet and by using the information technology like Electronic Data Interchange (EDI). E-Commerce relates to the website of the vendor, who sells products or services directly to the customer from the portal using a digital shopping cart or digital shopping basket system and allows payment through credit card, debit card or electronic fund transfer payments. E-Commerce is the movement of business onto the World Wide Web (WWW). E-Commerce facilitates new types of information based business processes for reaching and interacting with customers. It can also reduce costs in managing orders and interacting with a wide range of suppliers and trading partners. For developing countries like India, E-Commerce offers considerable opportunities.

Today E-commerce in Indian society has become an integral part of everyday life. Accessibility to E-commerce platforms is not a privilege but rather a necessity for most people, particularly in the urban areas. Today, the number of internet users in India is close to 500 million. This penetration of internet coupled with the increasing confidence of the internet users to purchase on line leads to an enormous growth in the E-commerce space, with an increasing number of customers registering on E-commerce websites and purchasing products through the use of mobile phones. India is in a prime position for the growth and development of the E-commerce sector.

OBJECTIVES OF THE STUDY

1. To study the concept of E-commerce.

2. To analyze the present trends of E-commerce in India.

3. To study the prospects of E-commerce in India.

REVIEW OF LITERATURE

1. Dr. Anukrati Sharma (2013) the article entitled “A study on E-commerce and Online Shopping: Issues and Influences”. In this article an attempt is made to study the recent trends, influences, preferences of customers towards E-commerce and online shopping.

2. Abhijit Mitra (2013) the article entitled “E-Commerce in India-A review”. In this article an attempt is made to study the present status and facilitators of E-Commerce in India, analyze the present trends of E-Commerce in India and examine the barriers of E-Commerce in India

3. Nisha Chanana and Sangeeta Goele (2012) the article entitled “Future of E-commerce in India”. In this article an attempt is made to study the overview of the future of E-commerce in India and discusses the future growth segments in India’s of E-commerce.

TYPES OF E-COMMERCE

The major different types of E-commerce are as follows;

- **Business to Business (B2B):** Business to Business E-commerce refers to the full spectrum of E- commerce that can occur between two organizations. B2B E-commerce includes purchasing and procurement, supply management, inventory management, channel management, sales activities, payment management, and service and support. A few B2B pioneers are Chemdex (www.chemdex.com), Fastparts (www.fastparts.com) and Free Markets (www.freemarkets.com)

- **Business to Consumer (B2C):** Business to Consumer E-commerce refers to exchanges between Business and Consumer. Direct dealing between Business and Consumer has always existed, but with the Ecommerce such transactions have gained further momentum. Examples: Amazon.com, Yahoo.com and Schwab.com.
- **Consumer to Consumer (C2C):** Consumer to Consumers involves transactions between and among consumers. These exchanges may or may not include third party involvement. Traditionally consumers have had dealings with other consumers, but only few of those activities were in a commercial sense. Ecommerce has made it possible to bring together strangers and providing a platform for them to trade on.
- **Consumer to Business (C2B):** Consumer to Business is relatively a new model of commerce and is a reverse of the traditional commerce models. Here, consumers provide services or goods to businesses and create value for the business. Consumers can band together to form and present themselves as a buyer group to businesses in a consumer to business relationship.
- **Business to Business to Consumer (B2B2C):** A variant of the B2B2C model wherein there is an additional intermediary business to assist the first business transact with the end consumer. Here, it is poised to much better in a web based commerce with reduced costs of having an intermediary. Example: Flipkart is one of the most successful E-commerce portals which provide a platform for consumers to purchase a different variety of products like electronic goods, apparels, books and music CDs.

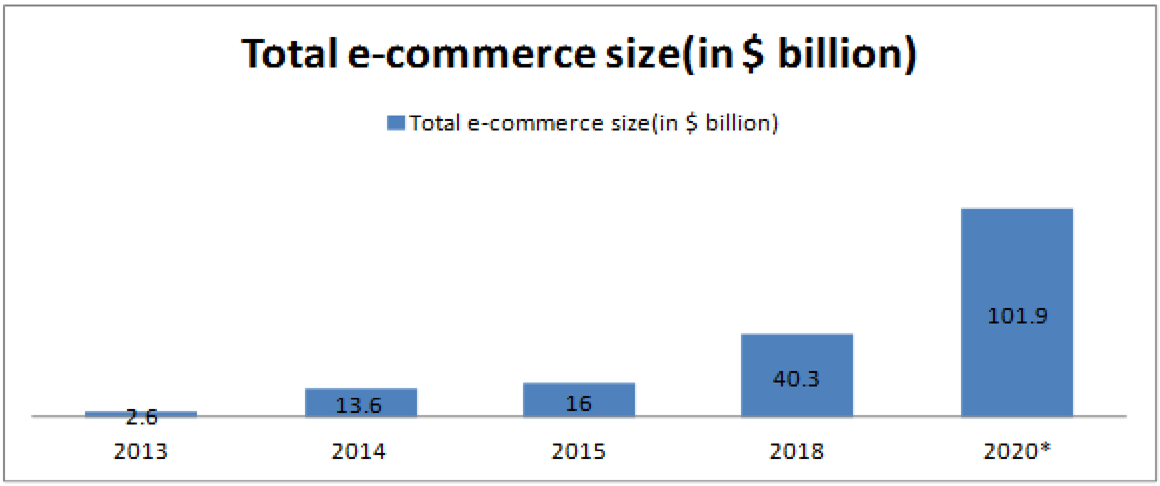
E-COMMERCE IN INDIA

As India is a developing country as well as second most populated country in Asia so these factors creates a great opportunity for E-Commerce market. Firstly, to make a shift of purchasing from traditional market to online market many companies penetrate the market by giving lot of discounts. And it is also believed that low cost PC's and the "Smartphone's" one of the key of success of E-Commerce market. One of the most important things is internet connection, the base of E-Commerce. And if we see and compare last year then we can conclude that internet users and availability, speed, services and competition between telecom operators is increasing very fast. These things fuel the E-Commerce market to grow and capture the market. The first E-Commerce site in India was rediff.com. The past two years have seen arise in the number of companies in enabling E-Commerce technologies and the internet in India. The web communities built around these portal sites with content have been effectively targeted to sell everything from as computer and its peripherals, electronics, wearable, clothing, sports utilities and everything we use in our daily life even grocery, bakery items, books, etc. and not only new goods of firm sell their goods here customer to customer buy and sell is also there and they are performing great job such as OLX and quicker and car trade.com etc

TRENDS IN E-COMMERCE INDUSTRY IN INDIA

- **Size of E-commerce industry in India**

The size of e-commerce industry in India is rapidly growing. Size of e-commerce industry in India was \$2.6 billion in 2013 which rose to \$13.6 billion in 2014,\$16 billion in 2015, \$40.3 billion in 2018 and it is estimated to increase to 101.9 billion in 2020.



Source: comscore and Euromonitor, Deloitte Analysis, Media Reports

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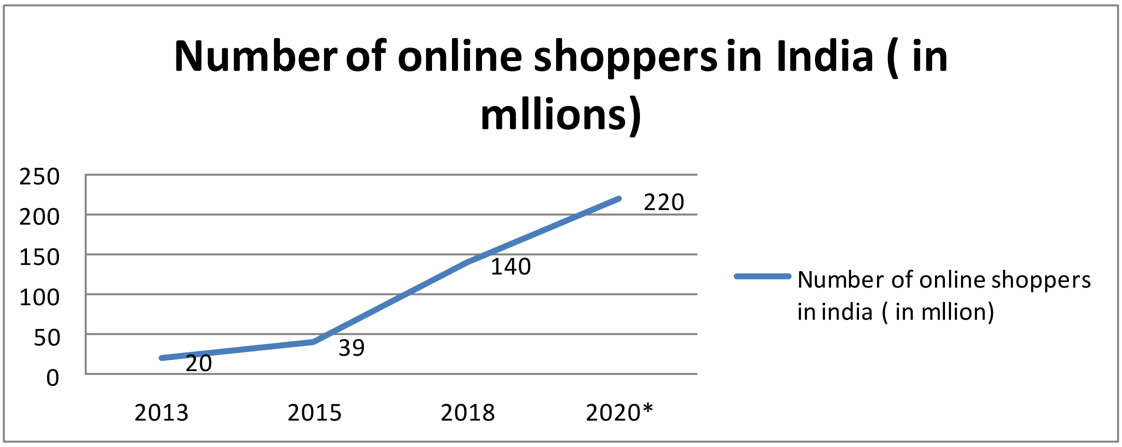
➢ **Number of online shoppers in India (in millions)**

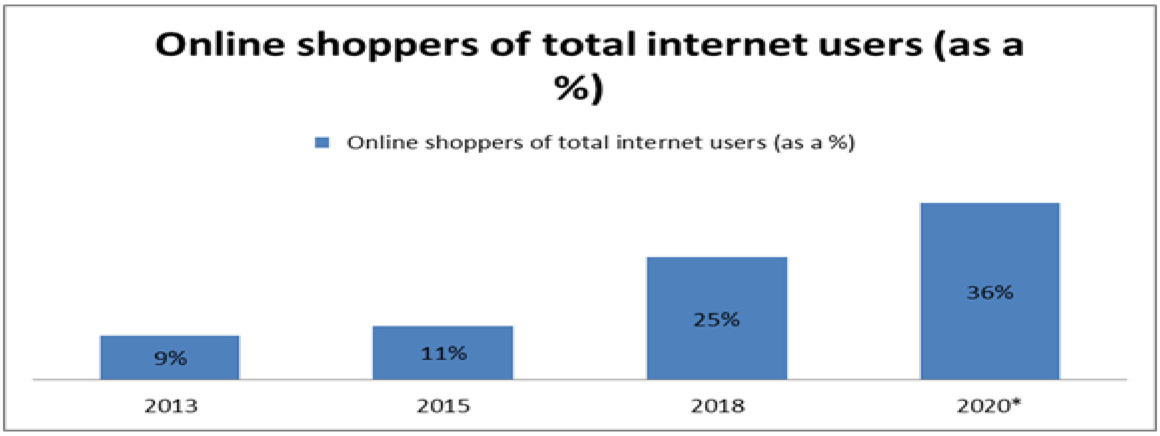
Number of online shoppers is rising in India. The number of online shoppers rose to 140 million in 2018 from 39 million in 2015 and the number is estimated to reach to 220 million in 2020. Rise of the middle-class consumers and changing shopping habits are adding to the online shopping demography. Increased access to global products and services at a click of a button, and delivery to even remote locations would further drive up this number.



Source: comscore and Euromonitor, Deloitte Analysis, Media Reports

➢ **Online shoppers of total internet users (as a %)**

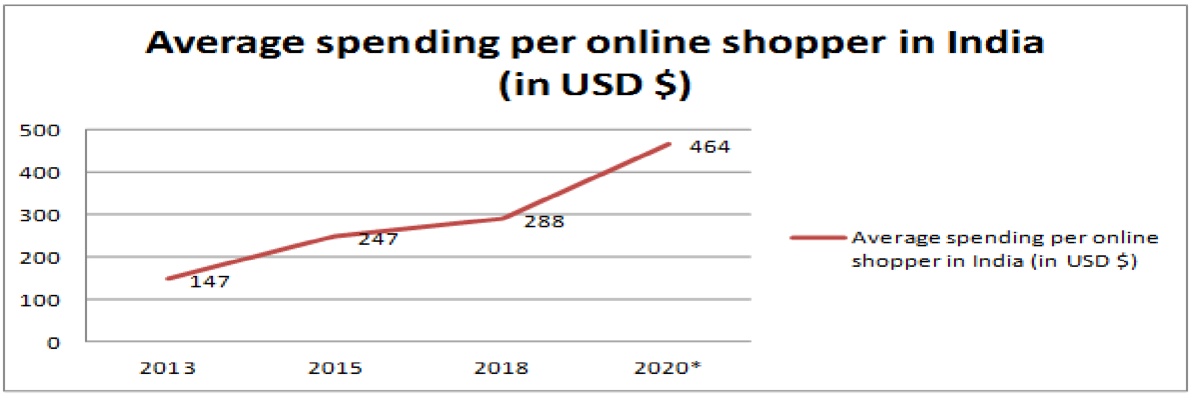
Online shopping is increasing its share in the total internet usage in India. Improved data connectivity in both urban and rural parts of India, will further boost this trend. Along with the increase in basket size, the average spend on online shopping is increasing, although not at the same rate



Source: comscore and Euromonitor, Deloitte Analysis, Media Reports

➢ **Average spending per online shopper in India (in USD)**

There is a upward trend in average spending per online shopper in India. Average spending has doubled from 2013 to 2018. It is estimated to rise to $464 till 2020.



Source: comscore and Euromonitor, Deloitte Analysis, Media Reports

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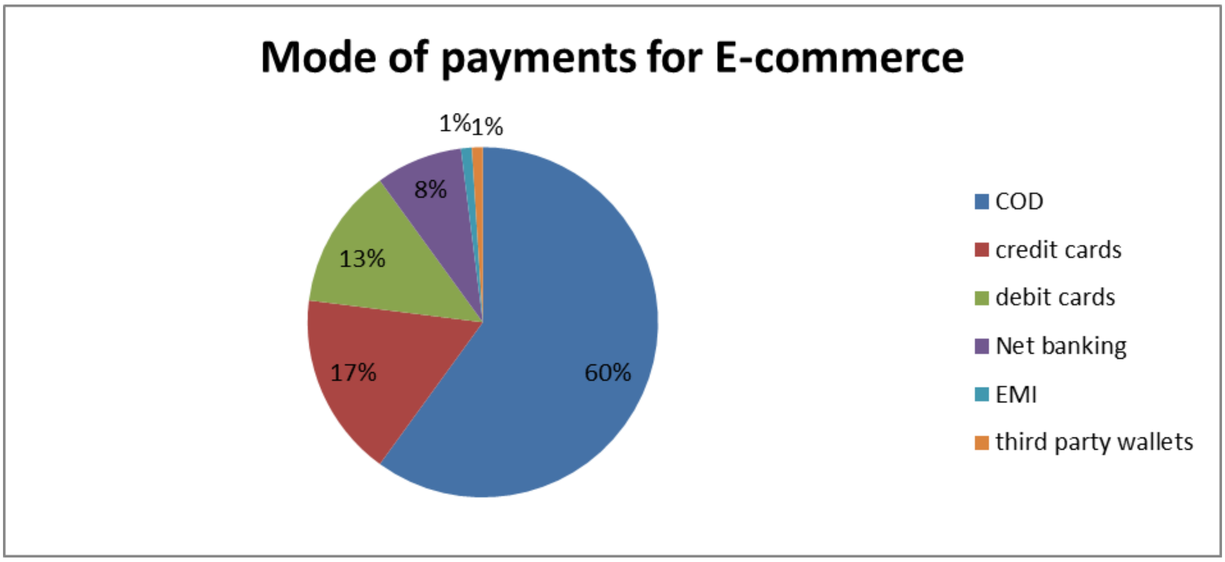
- **Mode of payments for E-commerce**

Despite of digitization wave in India, cash on delivery is the most used mode of payment for E-commerce in India. It accounts for 60% of total payments in E-commerce industry.



Source: comscore and Euromonitor, Deloitte Analysis, Media Reports

- **Online retailers going 'offline' and vice-versa**

Several e-Commerce companies are opening physical offline stores. Such 'Experience Centres' offer online buyers the touch-and-feel experience, thus offering an integrated shopping experience especially for products with high-price points. Companies such as FirstCry, Pepperfry, Flipkart etc. have opened physical stores to complement the online sales and experience. Similar option of click-and-collect is extended by Amazon in India by providing physical locations for customers to pick up the products at a time convenient to them. On the other hand, various offline retailers have started their online ventures or partnered with leading e-Commerce companies to attract customers at all touch points. For example, Future Group inked an exclusive deal with Amazon while Tata Group owned Croma, partnered with Snapdeal to sell private brands online.

- **e-commerce aggregators digitizing traditional offline businesses**

Besides the conventional services for utilities, fashion & lifestyle, electronics, etc. there is a new trend of emerging e-Commerce aggregators that are aiming to digitise several offline services and creating a convenient ecosystem for consumers. In areas such as truck booking, healthcare, real-estate to name a few which have been traditionally offline, there has been a rise of online aggregators.

Enumerated are some of these aggregators:

Emerging verticals	Leading Companies
Online Health	Portea.com, Healthkart.com
Online Laundry	Wassupondemand.com, DoorMint.in, LaundryWala.co.in
Online Entertainment	Netflix.com, ErosNow.com, Hooq.com, Alt balaji
Online Truck Booking	TruckSuvidha.com, TruckMandi.in, The Karrier. com, Fortigo.com

- **Mergers & Acquisitions (M&A)**

Like any high-growth, the e-Commerce industry has witnessed consolidation in the past 2-3 years. Consolidation has been taking place in the form of larger e-Commerce companies acquiring smaller companies to either diversify the offerings or to enhance their business operations.

According to a report by Grant Thronton, as much as US$2.1 billion worth of mergers and acquisitions inked in 2017 in booming Indian e-commerce industry.

Date	Merger/Acquisition	Buyer	Target	Cost
May 2014	Acquisition	Flipkart	Myntra	US$300 million
March 2015	Acquisition	Snapdeal	Unicomerce	Undisclosed
April 2015	Acquisition	Snapdeal	Freecharge	US$400 million

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April 2016	Acquisition	Flopkart	Phonepe	Undisclosed
June 2016	Acquisition	Flipkart	Jabong	US$70 million
July 2017	Acquisition	Axis bank	Freecharge	US$ 60 million
May 2018	Acquisition	Walmart	Flipkart	US$ 16 billion

➢ **Private Equity /Venture Capital (PE/VC) Funding**

In yet another record of sorts, the PE/VC investments reached an all-time high in 2015 at USD 20 Billion. The key sectors in which investments were seen were Information Technology with 666 deals of value USD 4.49 Billion, followed by Consumer Goods with 280 deals worth USD 4.69 Billion. The majority of these investments have been concentrated in e-tailing (70% of investment), followed by online classifieds (17%) and lastly online travel & taxi (9%). However, with growing importance and push from investors for profitability and early break-evens, the leading e-Commerce companies are aiming to cut down their burn rates by as high as 50%. This aggressive drive comes at a point when capital is becoming scarce for top venture-backed online retail companies. There is also a reduction in the dependence on discounts as a growth strategy.

CONCLUSION

Accessibility to E-commerce platform is not a privilege but rather a necessity for people, particularly peoples who are staying in urban areas. Due to fast adoption of internet enabled devices like Smartphone and Tablets, we have seen an unparalleled growth in E- commerce. The telecommunication technology has completely changed the way of our living, communication methods, shopping etc. It has a huge impact on how we communicate with friends and relatives how we travel, how we access the information and the way we buy or sell products and services. The growth of Ecommerce volumes in India is attracting the attention of players around the globe. E-commerce creates new opportunities for business it also creates new opportunities for education and academics. It appears that there is tremendous potential for providing E-business education.

The future of E-Commerce is difficult to predict. There are various segments which will grow in future like groceries, bakery, electronics, travel and tourism, clothing, kitchen wares and daily use products. As we talk earlier about the opportunity for retailers as well as wholesalers, distributors, manufacturers and people also. E-Commerce will also provide a lot of employment with services. Many big players are earning lot and selling many products but still there are lot of chances for improvement in E-Commerce market and have lot of potential to grow and develop.

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DIGITALIZATION IN INDIA

Dr. D. V. Hargile
S. K. Patil Sindhudurg Mahavidyalay, Malvan

➢ INTRODUCTION

Digital India was launched by the Prime Minister of India Narendra Modi on 1st July 2015 with an objective of connecting rural areas with high-speed Internet Networks and improving digital literacy. The vision of Digital India Programme is inclusive growth in areas of electronic service, products, manufacturing and job opportunities.

Digital economy refers to an economy that is based on digital computing technologies, although we increasingly perceive this as conducting business through markets based on the internet and the World Wide Web. The digital economy is also some times called the Internet Economy. New Economy or Web Economy.

The digital India programme is a flagship programme of the Government of India with a vision to transform India in to a digitally empowered society and knowledge economy.

➢ NEW DIGITAL SERVICES

Some of the facilities which will be provided through this initiative are Bharat net, digital locker, e-education, e-health, e-sign, e-shopping and national scholarship portal.

➢ OBJECTIVES

1) To study the Nine pillars of Digital India.
2) To study the Importance of Digital Economy.
3) To study the Limitations of financial planning.

➢ HYPOTHESIS

Digitalization is an Important system to change Indian Economy.

➢ METHODOLOGY

The Present research paper is a study of 'DIGITALIZATION IN INDIA' based on secondary data, collected from the published research paper secondary sources include Journals and websites.

➢ NINE PILLARS OF DIGITAL INDIA ARE

1) Broadband Highways.
2) Universal Access to Mobile.
3) Public Internet Access Programme.
4) E-Governance – Reforming government through technology.
5) E-Kranti Electronic delivery of services.
6) Information for all.
7) Electronics manufacturing Target NET zero imports.
8) Information Technology.
9) Jobs, opportunities.

➢ IMPORTANCE OF DIGITAL ECONOMY

The Important of Digital Economy is to significant competitiveness and productivity boosting opportunities related to access to digital products and service that help optimism process and production, reduce transaction costs, and transform supply chains. The New economy is the transition from a manufacturing based to a service-based economy.

1) The main areas that have experienced a positive impact and ensured the growth of the digital economy in India Include. Empowering citizens digitally.
2) Opportunity of every citizen to use digital infrastructure.
3) The introduction of digital payments which make it possible to bring the un banked on-board.

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4) The vision of Digital India Programme is inclusive growth in areas of electronic services, products, manufacturing and job opportunities.

5) Digital India is centered on three key areas – (1) Digital Infrastructure as a utility to every citizen, governance, (2) Services on demand and (3) Digital empowerment of citizens.

6) Digital economy refers to the full range of economic, social and cultural activities supported by the Internet and related information and communications technologies.

7) Digital payments, Make in India, start up India, Skill India are among the key drivers of the digital economy.

8) Digital economy has the potential to generate huge employment opportunity.

9) With a rapidly growing young people, online personal services are about to take a big jump.

➢ CONCLUSIONS

1) Digitization is a process of converting the diverse from of Information such as text, sound image of voice into digitalized format.

2) The digitization has a proven impact on economy and society by reducing unemployment, improving quality of life and boosting access to knowledge and other bablic services.

3) Digital economy has the power to change the lives of millions of people in India.

4) The digital economy could be an important system for change India’s role in global economy and become a powerhouse of digital innovation.

➢ REFERENCE

1) Internet.

2) General Studies – Indian Economy.

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A STUDY OF PERFORMANCE OF MICRO SMALL & MEDIUM ENTERPRISES IN MAHARASHTRA

Prof. Mihir Bhoir
St. Andrew's College of Arts, Science and Commerce, Bandra (W), Mumbai

ABSTRACT

The Micro, Small and Medium Enterprises (MSMEs) play a crucial role in the Indian economy, structure due to its significant contribution in terms of output, export and employment. This is true for both developed and developing countries. It is evident that a high proportion of a nation's business activities and generate more employment opportunities than the large corporations in recent years. The distinctive feature of MSMEs is less capital investment and high labour which create unpredictable importance for this sector. The MSME sector has become an inevitable sector of the Maharashtra states economy in creating employment for the large number of people over period of time. The study shows that the MSMEs sector during the period 2010-11 to 2018-19 has recorded a tremendous growth as it provides employment to over 57.51 lakhs and an investment of 1,60,016 crores in Maharashtra. It plays a complementary role for large industries as ancillary units and this sector contribute significantly in the inclusive industrial development of the country.

There are not many research efforts undertaken in Micro, Small and Medium scale industries in Maharashtra. Hence, the present paper aimed to understand the contribution of MSME in Indian economy in the recent scenario.

INTRODUCTION

Maharashtra has been a front-runner amongst the states of India in encouraging micro, small and medium enterprises (MSMEs), with the objective of generating employment at the base and creating a source of regular income and livelihood. Micro, Small and Medium Enterprises (MSMEs) acts as an instruments that helped to achieve economic growth and development to create employment as well as it is a tool for poverty reduction and enhance the rural development in the state. It encourages new ideas and increase the entrepreneurial skills. These are flexible enough for adapting rapidly changing demand in the market environment. MSMEs help in diversifying economic activity, and make significant contribution to industrial development and Maharashtra GSDP. Thus, the establishment and promotion policy, ease of doing business for MSMEs across Maharashtra has assumed strategic importance.

It contributes approximately 45 percent of the output to manufacturing sector and nearly 22.09 percent of the total exports of the country. There are varieties of products ranging from traditional to high-tech items, which are manufactured by the MSMEs in Maharashtra. According to the Make in India, Maharashtra happens to be the leading state with 9,86,696 units registered under the Udyog Aadhar Memorandum (UAM)

OBJECTIVES OF THE STUDY

1. To evaluate the performance of MSMEs in Maharashtra.
2. To assess the MSMEs growth in the state and its overall contribution.
3. To study the role of government to promote MSMEs in Maharashtra.

LITERATURE REVIEW

A number of research scholars have studied MSME industries across the country. Some of the important previous research literatures covering various dimensions of MSMEs are presented here.

Kumar et.al. (2009) analysed the growth and development of small scale since opening of the economy in 1991 and present scenario of MSMEs. The study found that MSMEs act as backbone of the Indian economy and have become engine of growth in India. There are some challenges faced by MSMEs: inadequate financing, marketing problem, problem of industrial sickness, technology up gradation which can be solved with adequate support of government in term of policy framework, incentives and other relevant aids.

Shastri, et al (2011). Analyzed the implications of globalization and domestic economic liberalization for small-scale industries and analyses its growth performance in terms of units, employment, output and exports. They concluded with policy recommendations to ensure the sustenance and competitive growth of small scale industries in India.

Vasu and Jayachandra, et al(2014) studied the growth and development of MSMES in India. They observed that this sector pays a significant role in term of balanced and inclusive growth. They also highlighted the prospects of this sector in India.

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B.S Kale, et al (2015) Observed that there is a continuous growth of number of MSMEs units. The growth of these sectors enhances employment, investment and exports of the state as well as in our country. The study revealed that growth rate of MSME's is very good and healthy sign towards progress and prosperity of Maharashtra. Therefore, top most priority should be given to this sector.

ANALYSIS AND INTERPRETATION

The study is based on secondary data. The sources of secondary data include annual report of MSMEs, Economic Survey of Maharashtra, DIC and Various papers and articles.

MSMED Act, 2006

The Micro, Small and Medium Enterprises Development (MSMED) Act has become operational from October 2006. Being a comprehensive legislation for the promotion, development, and enhancement of competitiveness of the MSME sector, a number of measures were provided in the Act for enhancing competitiveness of SMEs, and for enabling the enterprises to avail the benefits of global markets.

Under the Act, the enterprises have been categorized into those engaged in (i) **manufacturing,** and (ii) **providing / rendering of services**. Both categories have been further divided into micro, small and medium enterprises, based on their investment in plant and machinery (for manufacturing) or in equipment (in case of service enterprises) as shown in the below Table.

Manufacturing Enterprises: The Enterprises engaged in the manufacturing or production of goods pertaining to any industry specified in the first schedule to the industries (Development and Regulation Act 1951). The manufacturing enterprises are defined in the terms of investment in plant and machinery.

Table 1: Manufacturing Enterprises

Enterprises	**Investment in plant and machinery**
Micro Enterprises	Upto Rs. 25 Lakhs
Small Enterprises	From Rs. 25 Lakhs& Upto to Rs. 5 Crores
Medium Enterprises	From Rs. 5 Crores & Upto Rs. 10 Crores

Source: Micro, Small & Medium Enterprises Development Act, 2006.

B. Service Enterprises: The enterprises engaged in providing or rendering of services are defined in the terms of investment in equipment.

Table 2: Service Enterprises

Enterprises	**Investment in Equipments**
Micro Enterprises	Upto Rs. 10 Lakhs
Small Enterprises	From Rs. 10 Lakhs& Upto to Rs. 2 Crores
Medium Enterprises	From Rs. 2 Crores & Upto Rs. 5 Crores

Source: Micro, Small & Medium Enterprises Development Act, 2006.

A bill was introduced in the Parliament in May 2015 to revise investment limits upwards for the MSME sector in the near future. As per the suggested investment limits, in manufacturing, micro can go up to 50 lakhs, small up to 10 crores, and medium up to 50 crores. In respect of a service enterprise, micro can go up to 30 lakhs, small up to 5 crores, and medium up to 20 crores. The coverage is, thus, being enlarged with emphasis on adoption of advanced technology, technology upgradation, and technology transfer, and improvement in quality.

MSMES SCENARIO IN MAHARASHTRA

Maharashtra is an economically important state of India as it is the second largest state of the country in terms of population and geographical area. According to the Census 2011, the state has a population of 11.24 Cr. which is approximately 9.3% of the total population of India and has a huge urbanized population with 45.2% residing in urban areas.

Since September 2015, the MSMEs are being issued online a Udyog Aadhaar Number which is a twelve digit Unique Identification Number provided by the Ministry of Micro, Small and Medium Enterprises, Government of India. Once the enterprise gets registered, the entrepreneur will be eligible for all government benefits and schemes like low rate interest, easy loan, loan without guarantee, subsidies, etc. Government of Maharashtra has established Golden Maharashtra Development Council; plays a significant role here as a facilitator for the MSME sector with its close linkage with the State Government.

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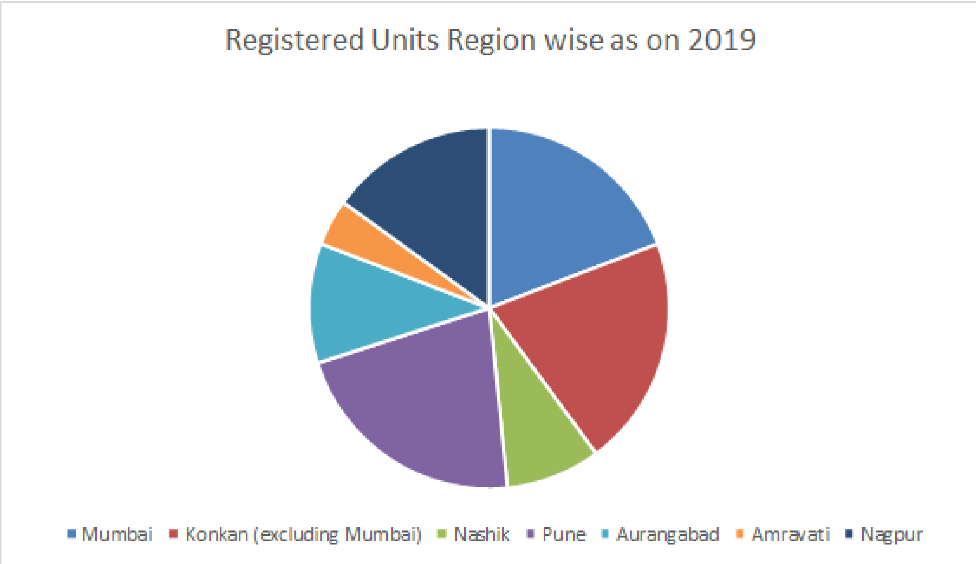
The investment of MSMEs in the State was 1,60,016 crore and employment generated was 57.51 lakh. Region-wise Udyog Aadhaar MSMEs is given in Table

Region	Udyog Aadhar MSMEs		Employment		Investment	
	Number	Share (Percent)	Number (Lakh)	Share (per cent)	Amount (` Crore)	Share (per cent)
Mumbai	1,89,684	19.2	13.07	22.7	24,904	15.6
Konkan (excluding Mumbai)	2,03,889	20.7	12.62	21.9	33,575	21.0
Nashik	83,692	8.5	4.82	8.3	17,951	11.2
Pune	2,14,315	21.7	14.99	26.1	47,814	29.9
Aurangabad	1,05,626	10.7	5.68	9.9	17,455	10.9
Amravati	41,018	4.2	1.70	3.0	5,176	3.2
Nagpur	1,48,472	15.0	4.63	8.1	13,141	8.2
Total	9,86,696	100.0	57.51	100.0	1,60,016	100.0

Source: Economic Survey of Maharashtra, 2019.



Since 2015 to March, 2019 number of MSMEs registered for Udyog Aadhaar were 9.86 lakh, of which 8.58 lakh were micro, 1.23 lakh were small and 0.05 lakh were medium enterprises.

CONCLUSION

The present study shows that

Overview

There is a continuous growth of registered number of MSMEs units. The growth of these sectors enhances employment, investment and exports of the state as well as in our country. Entrepreneurship Development is considered as a key factor to fight against unemployment, poverty and achieve overall socio economic growth in our state. Last but not the least, growth rate of MSME's is very good and healthy sign towards progress and prosperity of Maharashtra.

Women's

Around 80,662 units are managed by womens, & 100670 units are women-owned enterprises represent about 10 percent of all MSMEs in the country. It employs approximately 2,41,431 i.e 11.77 per cent women employees to become the fifth largest state to do so, Approximately 78 percent of women enterprises belong to the services sector.

Credit Facilitation

Maharashtra is amongst the mostly industrialised states, ranked no 1 in FY16, slipped to no 2 the next fiscal year and continued the trajectory, coming at no 4 in FY18 to 9th slot in FY19.

Region wise
Most of the registered MSME units are located in Pune, followed by Konkan region (excluding Mumbai) & Mumbai.

Government schemes
There are various government schemes to promote MSMEs in Maharashtra

- ***Udyami Mitra Portal* :** launched by SIDBI to improve accessibility of credit and handholding services to MSMEs.
- ***MSME Sambandh* :** To monitor the implementation of the public procurement from MSMEs by Central Public Sector Enterprises.
- ***MSME Samadhaan*** -MSME Delayed Payment Portal — will empower Micro and Small entrepreneurs across the country to directly register their cases relating to delayed payments by Central Ministries/Departments/CPSEs/State Governments.
- ***Digital MSME Scheme* :** It involves usage of Cloud Computing where MSMEs use the internet to access common as well as tailor-made IT infrastructure
- ***Prime Minister Employment Generation Programme*** : It is a credit linked subsidy program under Ministry of MSME.
- ***Revamped Scheme of Fund for Regeneration Of Traditional Industries (SFURTI)*** : organizes traditional industries and artisans into clusters and make them competitive by enhancing their marketability & equipping them with improved skills.
- ***A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE)*** : creates new jobs & reduce unemployment, promotes entrepreneurship culture, facilitates innovative business solution etc.
- ***National Manufacturing Competitiveness Programme (NMCP)*** : to develop global competitiveness among Indian MSMEs by improving their processes, designs, technology and market access.
- ***Micro & Small Enterprises Cluster Development Programme (MSE-CDP)*** - adopts cluster development approach for enhancing the productivity and competitiveness as well as capacity building of MSEs.
- ***Credit Linked Capital Subsidy Scheme (CLCSS***) is operational for upgradation of technology for MSMEs.

MISCELLANEOUS
A proposed Delhi-Mumbai Industrial Corridor (DMIC) is India's most ambitious infrastructure programme aiming to develop new industrial cities as ‘Smart Cities’ and converging next generation technologies across infrastructure sectors. It covers two industrial areas viz. *Shendra-Bidkin* and *Dighi* Port in the State. Aurangabad Industrial City (AURIC), a well-planned and greenfield smart industrial city is being developed across an area of 10,000 acres in the State as a part of DMIC.

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AN ASSESSMENT OF START-UP BUSINESS SKILLS AMONGST THE YOUTH OF MUMBAI CITY

Nikhil Dilip Karkhanis
Department of Accountancy, Mulund College of Commerce, Mulund, Mumbai

EXTRACT

As India is the second most populous country in the world it becomes imperative for our country to create young entrepreneurs to fulfil the demand and ensure sustainable development. India is now ranked second populous nation, it becomes imperative for our country to create young entrepreneurs to fulfil the demand and ensure sustainable development. Though a number of studies have been carried out in order to understand the start-up business, but little efforts have been made to study the skills competency required for the youth to start-up business. A structured questionnaire to a sample of 200 respondents was created by the researcher for collecting the response and for drawing the conclusion. To assess the business skills required for start-up business, the skills were divided into three categories- Technical Skills, Business Management Skill, Personal Entrepreneurship Skills and Market Skills. There is no shortage of entrepreneurial talent, however, complexity and confusions around the regulations and system have resulted a vacuum. A better and simplified framework will be much appreciated by youth of India. The youth is also looking for support – not just in terms of funding, international promotion, and knowledge accessibility but in terms of basic infrastructure. The participation of youth in start-ups would increase when policies remain stable and not change with every change in government.

(Keywords: Start-ups, Employment, Youth, Skill Index, Government Policy)

INTRODUCTION

The Government of India has provided the boost to the Start-up ecosystem, this will make India a country of job creators and not the job seekers. The 'Start-up India' initiative of the Government of India which was followed by the Start-up India Action to facilitate the development in the country. These initiatives will create a congenial atmosphere for the Start-up ecosystem, this will be achieve expedited growth through unique ideas, business structures. This scheme will help the government to generate employment; promote new idea, innovation and creativity of entrepreneur by providing them financial back up. India is now ranked second populous nation, it becomes imperative for our country to create young entrepreneurs to fulfil the demand and ensure sustainable development. The crisis of unemployment and poor economic growth can be resolved by entrepreneurship, self-employment and enterprise development. According to compass, start-up eco system India has introduced on world's 3rd rank in Global start-up Ecosystem 2018. These start-up's focused on IT enabled products and e-commerce, online payments, analytics and internet service based. However most of the start-ups have their banker & financiers located in Delhi, Bangalore and Mumbai. As per study initiated by NASSCOM, India has about 4400 start-ups that provide employment to approximately 85,000 individuals. Total financial support to start-ups till 2015 is around Rs. 650 crore.

START-UP ECOSYSTEM IN INDIA

- India has **the second biggest start-up ecosystem** across the globe; it is expected to grow at 10-12% on year-year basis.
- There are close to 20,000 start-ups in India; out of which 4,750 are technology related start-ups
- Around 1,400 fresh tech start-ups were started in the year 2016 itself; this means 3-4 start-ups are launched everyday.

GROWTH DRIVERS FOR START-UPS IN INDIA

The study conducted by Innoven Capital (which surveyed 140 start-ups); the main reasons which create a positive environment in India for Start-up are:

- ✓ Cost of doing business
- ✓ Proximity to customers/vendors
- ✓ Size of domestic market

It further identified that around 70 Lakh students graduates each year; 55% of the youth showed preference to launch start-ups over traditional avenues of jobs including with corporates. The median age of start-up founders is around thirty one years. India is at the second rank in terms of the most internet consumers in the world even more than China (at 4.62 crores) around eighty percent of these use mobile internet.

REVIEW OF LITERATURE

Amit Paradkar, John Knight, Paul Hansen, (2015) tested 12 start-up studies located in New Zealand which conclude in identifying entrepreneurship in the early stages of the development of a small independent economy.

Supradeep Dutta, Timothy B. Folta (2015) study contributed that there should be an active engagement of research department to evaluate the difference between angels and venture capitalists. The result showed that the early-stage activities of the Angel Group and date innovation rate speed provide a similar result, the previous research in Capitalist is just Venture Capitalist.

Al-Mubaraki & Busler (2015) This study focused on incubators programs in France, Spain, Netherland, Luxemburg and Portugal. Author discovered the strengths of each program through SWOT analysis in consideration of their missions and objectives with future possibilities and performance of individual program.

Craig E. Armstrong (2017) Entrepreneurial skills are the ability to assess whether entrepreneurial education is growing rapidly, a skill that requires students to develop business skills, whether there is a market for the service or product that they have created.

RESEARCH GAP

Though a number of studies have been carried out in order to understand the start-up business, but little efforts have been made to study the skills competency required for the youth to start-up business. Since there is an appreciable dearth of researches attempting to study skills competency required for the youth to start-up business altogether, this study was needed to explore this facet.

OBJECTIVES

To assess the Technical Skills in youth of Mumbai City.

To study Business Management Skill required for start-up in youth of Mumbai City.

To analyse the Personal Entrepreneurship Skills in youth.

To evaluate the Market Skills in youth of Mumbai City.

RESEARCH METHODOLOGY

The research design of the study includes the methods and techniques of data collection, sample selected for the study and the sampling method used for drawing inferences for the data to be collected.

SOURCES OF DATA

The sources of data collection methods are as follows:-

a) Primary data

Primary data was obtained through questionnaire. Questionnaire was framed in a manner so as to fulfil the objectives mentioned in the area of study by the researcher.

b) Secondary data

Secondary data was obtained through reputed books, journals, official websites and research articles.

A structured questionnaire to a sample of 200 respondents was created by the researcher for collecting the response and for drawing the conclusion.

To assess the business skills required for start-up business, the skills were divided into three categories- Technical Skills, Business Management Skill, Personal Entrepreneurship Skills and Market Skills.

RESULT AND ANALYSIS

Technical Skill Index among the Respondents

The level of technical skill among the respondents is measured with the assistance of an index called as Technical Skill Index (TSI). It is computed by

$$TSI = \frac{\sum_{i=1}^{n} STSV_i}{\sum_{i=1}^{n} MSTSV_i} \times 100$$

Whereas,

TSI - Technical Skill Index

STSV - Score on Technical Skill Variable

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MSTSV - Maximum Score on Technical Skill Variable

i = 1….n - Number of variables included in Technical Skill

The computed technical skill index of the respondents is restricted to less than 25 per cent, 25 to 50; 51 to 75 and above 75 per cent. The resulting distribution of respondents as per their Technical Skill Index is illustrated in Table 1.

Table 1: Technical Skill Index of the Respondents

Sl. No	Technical Skill Index (TSI) (in Percentage)	Age Group			Total
		18-20 years	21-22 years	23-25 years	
1.	Less than 25	-	-	-	-
2.	25 – 50	03 (10.3)	08 (13.6)	13 (11.6)	24 (12)
3.	51 – 75	17 (58.6)	39 (66.1)	77 (68.8)	133 (66.5)
4.	76 – 100	09 (31.1)	12 (20.3)	22 (19.6)	43 (21.5)
	Total	29 (100)	59 (100)	112 (100)	200 (100)

Source: Primary data : Figures in parenthesis shows the percentage

The significant Technical Skill Index among the respondents is 51 to 75 per cent which constitutes 66.5 per cent to the total. The most important Technical Skill Index among the respondents who belong to the age group of 18 to 20 years, 21 to 22 years and 23 to 25 years is 51 to 75 per cent which constitutes 58.6%, 66.1% and 68.8% to its total respectively. The analysis reveals that the level of technical skill among the majority (66.5 per cent) respondents is above the average level (51-75).

4.5.3 Business Management Skill Index among the Respondents

The level of business management skill among the respondents is measured with the help of an index called as Business Management Skill Index (BMSI). It is computed by

$$BMSI = \frac{\sum_{i=1}^{n} SBMSV_i}{\sum_{i=1}^{n} MSBMSV_i} \times 100$$

Whereas,

BMSI - Business Management Skill Index

SBMSV - Score on Business Management Skill Variable

MSBMSV - Maximum Score on Business Management Skill Variable

i = 1….n - Number of variables included in Business Management Skill

The computed business management skill index of the respondents is restricted to less than 25 per cent, 25 to 50; 51 to 75 and above 75 per cent. The resulting distribution of respondents on the basis of their Business Management Skill Index is illustrated in Table 2.

Table 2: Business Management Skill Index of the Respondents

Sl. No	Business Management Skill Index (BMSI) (in Percentage)	Age Group			Total
		18-20 years	21-22 years	23-25 years	
1.	Less than 25	-	-	-	-
2.	25 – 50	06 (20.7)	13 (22)	17 (15.2)	36 (18)
3.	51 – 75	18 (62.1)	39 (66.1)	81 (72.3)	138 (69)
4.	76 – 100	05 (17.2)	07 (11.9)	14 (12.5)	26 (13)
	Total	29 (100)	59 (100)	112 (100)	200 (100)

Source: Primary data : Figures in parenthesis shows the percentage

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The significant Business Management Skill Index among the respondents is 51 to 75 per cent which constitutes 69 per cent to the total. The most important Business Management Skill Index among the respondents who belong to the age group of 18 to 20 years, 21 to 22 years and 23 to 25 years is 51 to 75 per cent which constitutes 62.1%, 66.1% and 72.3% to its total respectively. The analysis reveals that the level of business management skill among the majority (69 per cent) respondents is above the average level (51-75).

4.5.4 Personal Entrepreneurial Skills Index among the youth

The level of personal entrepreneurial skill among the respondents is measured with the help of an index called as Personal Entrepreneurial Skill Index (PESI). It is computed by

$$\text{PESI} = \frac{\sum_{i=1}^{n} SESV_i}{\sum_{i=1}^{n} MSESV_i} \times 100$$

Whereas,

PESI - Personal Entrepreneurial Skill Index

SPESV - Score on Personal Entrepreneurial Skill Variable

MSPESV - Maximum Score on Personal Entrepreneurial Skill Variable

i = 1….n - Number of variables included in Personal Entrepreneurial Skill

The computed personal entrepreneurial skill index of the respondents is restricted to less than 25 per cent, 25 to 50; 51 to 75 and above 75 per cent. The resulting distribution of respondents on the basis of their Personal Entrepreneurial Skill Index is illustrated in Table 3.

Table 3: Personal Entrepreneurial Skill Index of the youth

Sl. No	Personal Entrepreneurial Skill Index (PESI) (in Percentage)	Age Group			Total
		18-20 years	21-22 years	23-25 years	
1.	Less than 25	-	-	-	-
2.	25 – 50	05 (17.2)	09 (15.3)	15 (13.4)	29 (14.5)
3.	51 – 75	20 (69)	42 (71.2)	80 (71.4)	142 (71)
4.	76 – 100	04 (13.8)	08 (13.5)	17 (15.2)	29 (14.5)
	Total	29 (100)	59 (100)	112 (100)	200 (100)

Source: Primary data : Figures in parenthesis shows the percentage

The significant Personal Entrepreneurial Skill Index among the respondents is 51 to 75 per cent which constitutes 65 per cent to the total. The most important Personal Entrepreneurial Skill Index among the respondents who belong to the age group of 18 to 20 years, 21 to 22 years and 23 to 25 years is 51 to 75 per cent which constitutes 69%, 71.2% and 71.4% to its total respectively. The analysis reveals that the level of personal entrepreneurial skill among the majority (71 per cent) respondents is above the average level (51-75).

Market Skill Index among the Respondents

The level of market skill among the respondents is measured with the help of an index called as Market Skill Index (MSI). It is computed by

$$\text{MSI} = \frac{\sum_{i=1}^{n} SMSV_i}{\sum_{i=1}^{n} MSMSV_i} \times 100$$

Whereas,

MSI - Market Skill Index

SMSV - Score on Market Skill Variable

MSMSV - Maximum Score on Market Skill Variable

i = 1….n - Number of variables included in Market Skill

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The computed market skill index of the respondents is restricted to less than 25 per cent, 25 to 50; 51 to 75 and above 75 per cent. The resulting distribution of respondents on the basis of their Market Skill Index is illustrated in Table 4.

Table 4 : Market Skill Index of the Respondents

Sl. No	Market Skill Index (MSI) (in Percentage)	Number of Respondents			Total
		18-20 years	21-22 years	23-25 years	
1.	Less than 25	-	-	-	-
2.	25 - 50	05 (17.2)	09 (15.3)	19 (17.0)	33 (16.5)
3.	51 - 75	19 (65.5)	40 (67.8)	81 (72.3)	140 (70)
4.	76 - 100	05 (17.2)	10 (16.9)	12 (10.7)	27 (13.5)
	Total	29 (100)	59 (100)	112 (100)	200 (100)

Source: Primary data : Figures in parenthesis shows the percentage

The significant Market Skill Index among the respondents is 51 to 75 per cent which constitutes 70 per cent to the total. The most important Market Skill Index among the respondents who belong to the age group of 18 to 20 years, 21 to 22 years and 23 to 25 years is 51 to 75 per cent which constitutes 65.5%, 67.8% and 72.3% to its total respectively. The analysis reveals that the level of market skill among the majority (70 per cent) respondents is above the average level (51-75).

Skills and Profile Variables of the Youth

In order to find out the relationship between skills of the youth namely team skills, technical skills, business management skills, personal entrepreneurial skills, emotional intelligence and marketing skills and profile of the youth, the null hypothesis is framed as, "There is no significant relationship between the profile variables of youth and their skills". The result is given in the Table 5.

Table 5 : Skills and Profile Variables of the Youth

Sl. No	Profile Variables	F Statistics					
		Team Skills	Technical Skills	Business Management Skills	Personal Entrepreneurial Skills	Emotional Intelligence	Marketing Skills
1.	Age	1.193	1.646	2.745*	1.336	1.889	1.174
2.	Marital Status	4.276*	2.293*	1.565	3.458*	2.280*	2.423*
3.	Educational Qualification	1.560	1.120	1.370	1.576	1.499	1.202
4.	Type of family	1.343	1.554	2.010	3.067*	1.717	1.190
5.	Occupation	1.210	1.491	1.222	1.479	1.519	1.083

Source: Primary data : *-Significant at five per cent level

It is understood from table 5 that there is a significant relationship between team skills and profile variables of youth namely marital status. Table further shows that there is a significant relationship between technical skills and profile variables of youth namely marital status. It is found from table that there is a significant relationship between business management skills and profile variables of youth namely age. It is identified from table that there is a significant relationship between personal entrepreneurial skills and profile variables of youth namely marital status and type of family. It is clear from table that there is a significant relationship between emotional intelligence and profile variables of youth namely marital status. It is further clear from table that there is a significant relationship between marketing skills and profile variables of youth namely marital status.

SUMMARY OF FINDINGS

✓ The significant Technical Skill Index among the respondents is 51 to 75 per cent which constitutes 66.5 per cent to the total. The most important Technical Skill Index among the respondents who belong to the age group of 18 to 20 years, 21 to 22 years and 23 to 25 years is 51 to 75 per cent which constitutes 58.6%, 66.1% and 68.8% to its total respectively. The analysis reveals that the level of technical skill among the majority (66.5 per cent) respondents is above the average level (51-75).

✓ The significant Business Management Skill Index among the respondents is 51 to 75 per cent which constitutes 69 per cent to the total. The most important Business Management Skill Index among the

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respondents who belong to the age group of 18 to 20 years, 21 to 22 years and 23 to 25 years is 51 to 75 per cent which constitutes 62.1%, 66.1% and 72.3% to its total respectively. The analysis reveals that the level of business management skill among the majority (69 per cent) respondents is above the average level (51-75).

- ✓ The significant Market Skill Index among the respondents is 51 to 75 per cent which constitutes 70 per cent to the total. The most important Market Skill Index among the respondents who belong to the age group of 18 to 20 years, 21 to 22 years and 23 to 25 years is 51 to 75 per cent which constitutes 65.5%, 67.8% and 72.3% to its total respectively. The analysis reveals that the level of market skill among the majority (70 per cent) respondents is above the average level (51-75).
- ✓ It is found that there is a significant relationship between technical skills and profile variables of youth namely marital status.
- ✓ It is found that there is a significant relationship between business management skills and profile variables of youth namely age.
- ✓ It is identified that there is a significant relationship between personal entrepreneurial skills and profile variables of youth namely marital status and type of family.
- ✓ It is noted that there is a significant relationship between marketing skills and profile variables of youth namely marital status.

CONCLUSION

Start-up entrepreneurship is significant as it provides a platform to unique innovations, new employment opportunities and competitiveness into the business system. There is no shortage of entrepreneurial talent, however, complexity and confusions around the regulations and system have resulted a vacuum. A better and simplified framework will be much appreciated by youth of India. The youth is also looking for support – not just in terms of funding, international promotion, and knowledge accessibility but in terms of basic infrastructure. The participation of youth in start-ups would increase when policies remain stable and not change with every change in government.

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IMPACT OF MAKE IN INDIA CAMPAIGN: A GLOBAL PERSPECTIVE

Dr. Vijay Bharti Jain
Assistant Professor, Gurukul College of Commerce Ghatkopar (E)

ABSTRACT

India is one of the world's fastest growing economies, the tenth largest in the world by nominal GDP and the third largest by purchasing power parity (PPP). India needs to identify the steps being taken to give more financial powers to states, increased investment on infrastructure, emphasis on manufacturing which enables to open the door for investment. This Make in India campaign guides the foreign investors, prompt response, assistance to foreign investors and provide relevant information and proactive approach. This paper covers overview of the Make in India campaign, sectors covered, Initiatives taken by companies, growth cycles, challenges, opportunities and foreign investment in Indian manufacturing. The present study is based on secondary data. The data has been extracted from the various sources like research articles, publications from Ministry of Commerce, Government of India, various bulletins of RBI and authenticated websites. The study found that, Make in India will bring a drastic change in the fields like automobiles, aviation, biotechnology, defense, media, thermal power, oil, gas and manufacturing sectors. Thus, we can conclude that, despite the fact that "Make in India" though came at a right time, its execution remains a big challenge.

Keywords: Make in India, Growth, Foreign Direct Investment, Opportunities and Challenges.

INTRODUCTION

Make in India is an international marketing campaigning slogan coined by the Prime Minister Narendra Modi on 25 products in India. He has launched this ambitious campaign with an objective to turn the country into a global manufacturing hub. To achieve a manufacturing led transformation, India would need to undertake a structured and planned approach in review manufacturing, gain global competitive advantage and gain global leadership.

In order to succeed in this campaign, it was important to be open to capital and expertise from all over the globe and implementation of GST will make India one market and strengthen overall programme. Doing business in India today is much more difficult than elsewhere, but the government wants to change this. Several pressing issues prompted the launch of this campaign. First and foremost is India needs to reboot its economy. After several years of gross national product growth averaging 7.7%, between 2002 and 2011, this pace slowed down to around 5% in 2013 and 2014. Secondly India needs more jobs for its young people. Recently, on an average 5 million new jobs have been created each year, but around 12 million people join the workforce each year.

India's labour force is expected to grow to 600 million by 2022. Job creation will fight poverty and help divert people from agriculture, which has a low capacity to sustain their livelihood. Thirdly, India's economic development model has been quite peculiar, offering privileges to skilled labour often employed by foreign companies. That is why today manufacturing in China makes up 34% of gross domestic product. The Chinese have positioned themselves as the workshop of the world, accounting for 22.4% of global manufacturing while India accounts for only 2%. India's manufacturing sector is less productive compared to its competitors and accounts for only 15% of its GDP. The government has set a target of 25% of GDP by 2022.

In order to make this initiative a great success, we need to be at par with the advanced world as far as usage of modern technology is concerned and we need to have more clarity, maturity and intensity on quality aspects of our products. India's youth population is both a strength and threat. In order to bring the huge chunk of unemployed youth power in to employment stream, India needs to create millions of jobs every year. The new government is aware of this fact and that is why the Make in India campaign is so earnestly launched. Most of the western countries are rapidly ageing, whereas India will continue to remain young for next 2-3 decades.

So the aging world will have to depend a lot on India. Therefore Make in India is not a short term programme, it will be an ongoing process.

The Indian manufacturing industry currently contributes just over 15% to the national GDP. The aim of this Make in India campaign is to grow this to 25%. In this process, the government expects to generate jobs, attract much foreign direct investment and transform India into a manufacturing hub. This campaign aids the investors by making India a pleasant experience and leads to overall development of the country. The major objectives of this campaign are to focus on 25 sectors of the economy for job creation and skill enhancement.

The initiative hopes to increase the GDP growth and tax revenue. The initiative also aims at high quality standards and minimizing the impact on the environment, attracts capital and technological investment in India.

The campaign was designed by the Wieden + Kennedy (W+K) group which had previously worked on the incredible India campaign and a campaign for the Indian air force.

The logo for Make in India campaign is an elegant lion, inspired by the India's national emblem Ashoka Chakra and designed to represent India's success in all spheres. The wheel denotes the peaceful progress and dynamism - a sign from India's enlightened past, pointing the way to a vibrant future. The prowling lion stands for strength, courage, tenacity and wisdom - values that are every bit as Indian today as they have ever been. The campaign was dedicated by the Prime Minister to the eminent patriot, philosopher and political personality Pandit Deen Dayal Upadhaya who had been born on the same date in 1916.

NEED FOR THE STUDY

India too needs to develop its infrastructure in order to militate its presence in the global picture and to match the rising demands and the living standards of its citizens. The most easy and important way to keep pace with the environment for a country is to develop its manufacturing sector. When more global and local players will invest in a country, it will boost the trade and economic growth, develop its infrastructure and generate more employment opportunities for its citizens. Hence the present study is on Impact of Make in India Campaign: A Global Perspective

OBJECTIVES OF THE STUDY

To study the overview of Make in India campaign.

To study the Make in India campaign main focus areas.

To study the initiatives taken by companies and various growth cycles of Make in India.

To study the effect of foreign direct investment in Indian manufacturing.

To study the major challenges, opportunities of Make in India initiative.

To offer useful suggestions in the light of findings.

RESEARCH METHODOLOGY

The present study is based on secondary data. The data has been extracted from various sources like research articles, publications from Ministry of Commerce, Government of India, various bulletins of RBI and authenticated websites.

REVIEW OF LITERATURE

K. Kalaivani (2015) the article entitled "A Study on the Impact of Make in India on HRM Practices - An overview". The study helps to understand the impact of make in India on the HRM practices followed in our country. The study also covers the synergy between the HRM practices and the job opportunities. The study found that, a significant positive and meaningful relationship between HRM practices and the make in India. The study also found that, HRM practices become the means whereby designing new culture requires that HRM professionals and ahead of the cultural change curve with innovative and exciting HRM practices.

Dr. K. V. Ramana (2015) the article entitled "Make in India Illusion or Possible Reality Project?" The paper covers issues of the make in India, sectors covered, worldwide and positive responses and some critics. The study also covers the challenges that the project and movement will face. The study found that, this campaign attracts foreign investments and boost the manufacturing sector of India has been ti med to perfection.

S. Soundhariya (2015) the article entitled "Make in India - Scheme for transforming India" The paper discusses about Make in India scheme, its opportunities, challenges, changes needed and some examples of different investors invested so far. The study found that, Make in India campaign surely makes India an investment destination and global hub for manufacturing and innovation.

Seema Sangwan (2015) the article entitled "Making Make in India realism: role of FDI". This study focuses on the changes in FDI rate after introduction of Make in India by Modi and growth due to increase in the FDI rate. The study found that, there is high correlation between industrial production and FDI inflows. The study also found that, the effect of FDI on economic development ranges from productivity increased to enable greater technology transfer.

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MAKE IN INDIA CAMPAIGN MAIN FOCUS AREAS

The focus of Make in India programme is on creating jobs and skill enhancement in 25 sectors. The following are the major areas:

Automobiles

Electronic System

Ports and Shipping

Automobiles Components

Food Processing

Railways,

Aviation

Entertainment

Roads and Highways

Biotechnology

Leather

Renewable Energy

Chemicals

Media and Entertainment

Space

Construction

Mining

Textiles and Garments

Defense Manufacturing

Oil and Gas

Thermal Power

Electrical Machinery

Pharmaceuticals

Tourism and Hospitality

Wellness

Information Technology (IT) and Business Process Manufacturing (BPM)

RECENT INITIATIVES TAKEN BY COMPANIES

In January, 2015 the Spice Group would start a mobile phone manufacturing unit in Uttar Pradesh with an capital investment of 500crore. A memorandum of understanding was signed between the Spice Group and the Government of Uttar Pradesh.

In January, 2015 HyunChil Hong the president and CEO of Samsung South West Asia under Micro Small and Medium Enterprises (MSME) 10 MSME Samsung Technical Schools will be established in India.

In February, 2015 Hitachi committed to the initiative of increasing its employees in India from 10,000 to 13,000 and tries to increase the revenue from India i.e. from 100 billion to 210 billion.

In February, 2015 Huawei opened a new research and development (R and D) campus in Bengaluru.

Invested 170 million to establish research and development centre.

In April, 2015 Air Bus Company will manufacture its products in India and invest 2 billion US dollars.

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In February Marine Products Export Development Authority interested in supplying shrimp eggs to shrimp farmers in India.

In May, 2015 Tata JLR (Jaguar Land Rover) moves its production of the Land Rover Defender to its Pune facility in India.

In 2016 Shiv Kumar Rungta president FTAPCCI stressed on key sectors like services mainly Information technology (IT), Mechanization of Agriculture sector for achieving increased productivity among others for the success of make in India.

FOUR PILLARS OF MAKE IN INDIA

Manufacturing in India is the main vision of the government and leads to national development. The initiative is built on four pillars which are as follows:

New Processes: The government is introducing several reforms to create possibilities for getting FDI and foster business partnerships. This reform is also aligned with parameters of World Bank's Ease of Doing Business index to improve India's ranking on it. Make in India recognizes ease of doing business as the single most important factor to promote entrepreneurship. A number of initiatives have already been undertaken to ease business environment.

New Infrastructure: The government intends to develop industrial corridors and build smart cities, create world class infrastructure with state of the art technology and high speed communication. Innovation and research activities are supported by a fast paced registration system and improved infrastructure for IPR registrations. Along with the development of infrastructure, the training for the skilled workforce for the sectors is also being implemented.

New Sectors: This campaign has identified 25 sectors to promote with the detailed information being shared through an interactive web portal. The government has allowed 100% FDI in Railway and removed restrictions in Construction. It has also increased the FDI to 100% in Defense and Pharmaceutical.

New Mindset: This initiative intends to change by bringing a paradigm shift in the way Government interacts with various industries. It will focus on acting as a partner in the economic development of the country along with development in corporate sector.

IX. MAJOR CHALLENGES OF MAKE IN INDIA

India needs funds to build industries, which in turn need infrastructure. This requires more finance which itself is a major challenge. India's banking systems are not in a position to lend many funds to industries, unless their balance sheet is cleared. If the government pumps more funds to bank, that leads to less investment in infrastructure.

India can start manufacturing in India, but they cannot create more jobs because robots may take over the manufacture worldwide and still stay competitive. Vivek Wadhawa, Standford University fellow who is at the forefront of alerting the world on the robotic threat, that new kind of industrial revolution won't require many humans. We are headed into a jobless future, just think of Google's self driving cars.

Many companies like Maruti, Nokia, Ford and Hyndai have had strikes and protests in India at their manufacturing plants in the past two years alone. India has labour laws and organized unions that can hinder smooth expansion. The Congress affiliated Indian National Trade Union Congress controlled more than 33 million workers. The BJP friendly Bharatiya Mazdoor Sangh (BMS) controlled 17 million workers.

Communist party run unions had 20 million workers.

India lagging behind in imparting skills training to workers. Dearth of vocational education facilities and lack of training facilities are the key challenges of India's industrial landscape.

Long term global competitiveness in industry required huge investments in research and development, but Indian companies have been slow to embrace research and development.

India has been very stringent in application of procedures and regulations. Creating healthy business environment will be possible only when the administrative machinery is efficient. A business friendly environment will only be created if India can signal easier approval of projects and set up hassle free clearance mechanism

India should be ready to tackle elements that adversely affect competitiveness of manufacturing. India should also be ready to give tax concessions to companies and set up unit in the country.

India should be more focused towards novelty and innovations in small and medium sized industries. The government has to chalk out plans to give special scope and privileges to these sectors.

India's Make in India campaign will be constantly compared with Chin's Make in China campaign. India should constantly keep up its strength so as to outpace china's supremacy in the manufacturing sector.

OPPORTUNITIES OF MAKE IN INDIA

Aiming to make in India as its export hub, home appliances manufacturer Bosch and Siemens today announced company's first manufacturing plant in the country.

The South East Asian region is expected to start operations by the second half of 2014.

Japan's largest consumer electronics exporter is now seriously evaluating to come and make in India opportunity.

The Make in India campaign seems to have come at perfect time. Many giant foreign companies have already expressed their interest in setting up manufacturing facility in India.

Switzerland based chocolate maker Barry Callebaut is looking at setting up a manufacturing unit in India as part of its global expansion plans to cash in on the 3,000crore domestic market. Barry Callebaunt currently has only commercial operations in the country.

The economic impact of manufacturing in India will go beyond direct employment. It will create jobs in the services sector and allied services.

Improving logistics infrastructure such as port-to- inland connectivity, cargo airports etc.

KPMG and CII recently completed a report which identified nine key action items to make in India conducive for large scale manufacturing.

FINDINGS OF THE STUDY

Make in India will bring a drastic change in the fields like automobiles, aviation, biotechnology, defense, media, thermal power, oil and gas and manufacturing sector.

The job opportunities are multiples and opened the doors without any limitations.

Through continuous foreign investments, the progress of the Indian economy can be made sustained.

The challenges and threats for the human resource sector will be refined in the sectors of the economy.

This initiative creates great awareness about the growing technology.

SUGGESTIONS

The extra impetus by the government on initiatives like skill development has been proposed to provide essential support to make in India to thrive.

We should manufacture goods in such a way that they carry zero defects and goods with zero effect that they should not have a negative impact on the environment.

Reforms like bringing more sectors under the automatic route, increasing the FDI cap and simplifying the procedural delays has to be initiated.

India should consciously work towards attracting greater FDI into Research and Development.

CONCULSION

Manufactured has emerged as one of the high growth sectors in India. The Make in India campaign helps to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India's ranking among the world's 10 largest manufacturing countries has improved by three places to sixth position in the coming years. The proposal of making in India will boost manufacturing the electronic manufacturing market in the country. This in turn will focus on electronic manufacturing and plans to set up electronic clusters across various towns and cities. The large investment in manufacturing will bring in more capacity creation in the country. The tax reliefs given to start ups and MSME's will boost sustainable employment and the quality of startups in the design led manufacturing sector. Make in India mission is one such long term initiative which will realize the dream of transforming India into manufacturing hub. Make in India campaign also focuses on producing products with zero defects and zero effects on environment. Come Make in India, Come Manufacture in India, Sell in any country of the world but manufacture here. We have got skill, talent, discipline and determination to do something.

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IMPACT OF INVESTMENT IN HUMAN CAPITAL ON ECONOMIC GROWTH IN KERALA

Kalpana K. S
Assistant Professor, Smt. Parmeshwaridevi Durgadutt Tibrewala Lion's Juhu College of Arts, Commerce & Science

ABSTRACT
This paper examines the importance of human capital in economic growth in Kerala state. Endogenous model focusses on the quality of population and accept it as the primary determinants of economic growth as either a direct increase or indirect activities of human capital like R&D activities. The present study is based on secondary data and the study period is 2012 to 2017.The secondary data is taken from RBI Handbook of statistics, MHRD Government of India, Economic Review 2016, Government of Kerala. In this study public expenditure on education and health has been used for human capital and NSDP value to represent economic growth. The study reveals a positive relationship between these variables.

Keywords: Human Capital, Economic Growth, Human Development Index.

INTRODUCTION
Economic growth depend on several factors such as natural resources, human resources labour is a productive factor used to improve economic growth through the production of goods and services. Investment in labour improves the human capital. The theory of human capital regards that individual is not only a factor of production but also a dynamic input to achieve faster economic growth. Romer (1990) regarded human capital as the source of economic efficiency. OECD defines human capital as the contribution of knowledge and skill made by an individual to a country's economy. The present study deals with the impact of human capital formation on economic growth in Kerala during 2012-2017.

DEFINITION
Human Capital is the attributes of a person that are productive in some economic context

Human capital is the stock of competencies, knowledge, social and personality attributes including creativity embodied in the ability to perform labour so as to produce economic value.

Economic growth is the increase in the goods and services produced by an economy, typically a nation, over a long period of time.

HUMAN CAPITAL AND ECONOMIC GROWTH: THEORETICAL ASPECT
The classical economic growth theories assumed technology is given, while it was Solow's model accepted the influence of technology in economic growth consider technology as an exogenous factor. Inclusion of human capital into economic growth model was started by Romer (1986). Contrary to neo-classical growth model Romer included technology as an endogenous factor in the growth model and later human capital into the model. Lucas (1988) included human capital into the model as qualification level of individual. The investment made on human capital are highly significant in terms of economic competition among countries. Endogenous growth models emphasis the technical progress resulting from the rate of investment, the size of capital and the stock of human capital. Romer model explains , new knowledge is the ultimate determinant of long run economic growth which is determined by investment in research and technology. This study taken human capital investment into two form of investment like public spending on education and health. Both the education and better health in the country facilitates the acceleration of economic growth.

MEASUREMENT OF HUMAN CAPITAL
Some economists attempted to measure the stock of human capital utilizing "school enrolment rates" as a proxy of human capital (Barro, 1991; Barro &Lee, 1993)

Romer (1990) suggested the ratio between skilled-adults and total adults to measure the stock of human capital in the national economy.

Cost-based approach is based on measuring the stock of human capital through summing costs invested for one's human capital.

Hansson (2008) shows that OECD measure on human capital is closely linked to international comparable statistics considering investment in human capital, quality adjustments, and result of education.

OBJECTIVES

- To analyses the role of human capital in economic growth in Kerala.
- To examines the impact of public expenditure on education and health on economic growth in Kerala.

METHODOLOGY

The study is based on secondary data and the study period is from 2012 to 2017. The secondary data is taken from RBI Hand Book of Statistics, MHRD Government of India, Economic Review, Government of Kerala. In this study public expenditure on education and health has been used for human capital and NSDP value to represent economic growth. The study reveals a positive relationship between these variables.

REVIEW OF LITERATURE

There are plenty of economic literature which attempted to link between public spending on education, health and economic growth.

Shahzad in his study ,the role human capital formation on economic growth in Pakistan reveals that both education and health sector should be given more notice to sustain economic growth. The study included Education Enrolment Index , health and physical capital as an independent variable which were the major component of economic growth. The study used least square multiple regression model which established a positive relation between enrolment in education and growth.

Ojha & Pradhan in their study used CGE Model to analyse the linkage between public expenditure on education and economic growth. The simulation result revealed that increase in investment in human capital help to reap the benefits in terms of economic growth and a better income distribution. They suggested that investment in physical capital be increased simultaneously with investment in human capital.

Barro& Lee , construct a new series for education based on educational attainments as the best proxy for component of human capital stock obtained at schools. For educational attainments they mean the percentage of population who has successfully completed a given level of schooling either secondary or tertiary. The study revealed that population attainment of skills and knowledge associated with a certain level of schooling is skewed. They also proposed alternative method of measuring educational attainments such as international test score.

ANALYSIS

Kerala stands the unique among the Indian states with consistently higher level human development comparable with many advanced countries. Kerala ranked first among the major states in India in HDI in different years. The significant source of social development of Kerala were the higher government spending on the related infrastructure in the compelling backdrop of the welfare state policies pursued in the state since in the late middle of the 19^{th} century and the huge remittance from the non resident Keralites from other parts of India and abroad especially from the Gulf, (Vijayamohan Pillai 2008),

Economic Growth of Kerala During 2011-12 and 2017-18

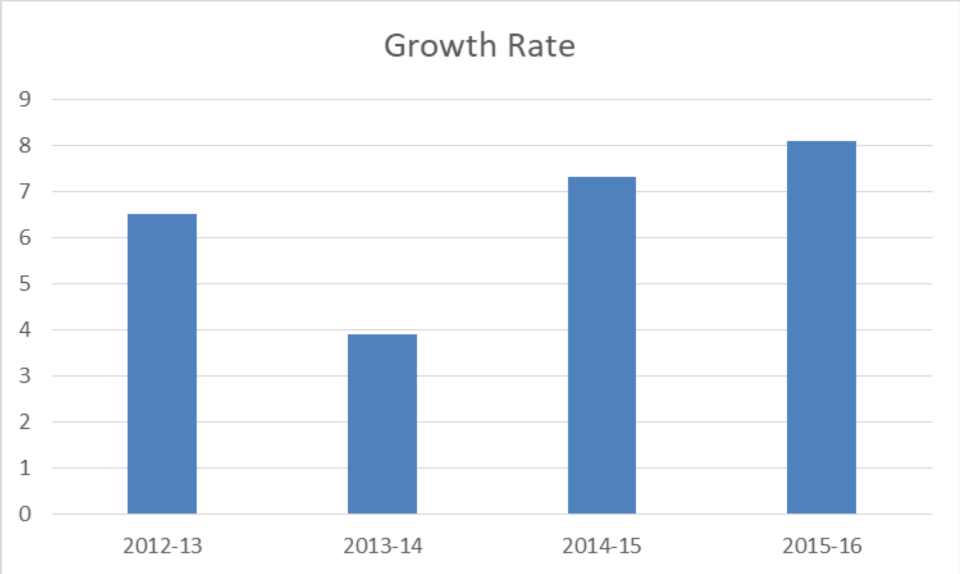
Kerala's Gross State Domestic Product (GSDP) surged at the compound annual growth rate of 11.18 % between 2005-06 and 2015-16. The growth was mainly driven by secondary and tertiary sectors. NSDP of the state grew at CAGR of 11.34% between 2005-06 and 2015-16.

Net State Domestic Product (Rs in Trillion)

Year	NSDP
2011-12	3.28
2012-13	3.71
2013-14	4.17
2014-15	4.61
2015-16	5.04
2016-17	5.58
2017-18	NA

Source: RBI Handbook of statistics on Indian States.

Growth Rate of GSDP in Kerala at constant price (2011-12) in percent



Source: Department of Economics and statistics.

While analysing the sectoral distribution , the contribution of primary, secondary and tertiary sector to the GSVA at constant price has increased to 11.3%, 25.6 % and 63.1% in 2016-17 from 11.6%, 26.2% and 62.2% in 2015-16 in the respective sectors. The analysis of Annual Sectoral Growth Rate GSDP shows the tertiary sector secured a highest growth rate. The growth rate in primary sector increased from negative rate of 11% in 2015-16 to positive rate of 5% in 2016-17.

GROWTH IN EDUCATION

Kerala unparallel achievement in human development mainly attributed to the state's public investment in health and education sector especially after independence. Education has always had a central role defining Kerala's performance in social development. The network of educational institution established during the early modern period . The social reform movement and government investment helped the state to establish a strong foundation in the field of education. The policy for ensuring the universal elementary education have effectively been implemented by the state since independence.

Public Expenditure on Education (Rs in Crores)

During the first year of 12th plan an amount of 590.24 crore had been earmarked for education sector. The outlay has increased significantly during the last five years .

Average Plan Outlay during 12th plan (Rs in Crore)

Year	General Education	Technical Education	Total
2012-13	489.15	101.05	590.24
2013-14	581.14	117.86	699.00
2014-15	704.78	143.22	848.00
2015-16	860.17	184.45	1044.62
2016-17	1095.38	235.41	1330.79

Source: Economic Review 2016, State Planning Board Kerala.

Among the tree sub sectors of school education, higher education and technical education the percentage share of higher education substantially increased over these five years. Whereas the outlay on technical education increased only marginally. General education got more than80 per cent of total allocation in these five years.

STUDENT ENROLMENTS IN EDUCATIONAL INSTITUTION

Kerala ranks the first in the country with literacy rate 93.91 per cent as per the 2011 census of India. Kerala hols the first place in the country in female literacy (92 per cent in 2011). Kerala's literacy rate in 1951 was 47.18 which doubled in 2011 due to the government various policies and programmes in education sector.

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Stage wise Enrolment of students (in Lakhs)

Year	School	HSE	UG	PG	Technical
2012-13	39.4	3.3	1.82	0.15	0.48
2013-14	38.4	3.5	1.88	0.25	0.52
2014-15	37.8	3.7	1.88	0.25	0.52
2015-16	37.6	3.7	2.27	0.30	0.58
2016-17	37.02	3.8	2.32	0.33	0.60
2017-18	36.8	3.8	2.59	0.36	0.57

Source: Economic Review 2011-2018, State Planning Board Kerala.

Enrolment of students in schools in the state has been declining in the recent years. However there is significant increase in enrolment in higher education .More enrolment in higher education indicates creation of more human capital in the economy. Girl student constitute 49.5 percent of the total student enrolled in school. Boys out numbered girls in all district except in Thiruvananthapuram. The gender gap in Kerala is very narrow compared to other states in India.

GROWTH IN HEALTH

Improvement in health status of people is one of the crucial area in social development of a community. Kerala has made a significant growth in health indices like infant mortality, Birth Rate, death rate Life expectancy. Health indicates of the state are considerably superior than the national figures. The government of Kerala has formulated short and medium term targets to be achieved by state in the health sector in keeping with Sustainable Development Goal framework.

Public Expenditure on Health during 12th plan (Rs in Lakhs)

Year	Total
2012-13	47000
2013-14	54100
2014-15	62940
2015-16	66537
2016-17	101311

Source: Economic Review 2011-2018, State Planning Board Kerala.

Health care expenditure is showing a steady increase in recent years. State per capita spending on health is Rs 1765. The current health expenditure both in terms of per capita expenditure and as a share of GSDP , in Kerala is higher than national average according to the first ever State Health Accounts (SHA). Increased public spending has resulted a decline in overall private spending on health between 2004-05 and 2014-15. In 2004-05 the government spending on health was 0.8 per cent of GSDP, which rose to 1.2 per cent in 2014-15. Health has a direct impact on economic growth because a healthier people can work strong and longer. Therefore a better health in a country will raise its level of income

HUMAN DEVELOPMENT INDEX OF KERALA

It is the intrinsic value rather than the instrumental value of having a long healthy life as well as of being educated and enlightened that defines Human Development.

Kerala HDI value

Year	HDI Value
1995	0.562
2000	0.610
2005	0.694
2010	0.732
2015	0.770

Source: hdi.globaldatalab.org

Human Development Index is itself representing human capital formation of the country. The existing governing mechanism or institution in a country can play a key role in emerging the economic growth and human development. Institution contributes significantly in economic growth by expanding the capabilities, human capital formation and by creating conducive environment which ensure proper functioning of economies. Kerala’s high HDI value indicates the affirmative role of government in social sector since independence.

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FINDINGS

- Economic Growth has been continuously increasing over the period of 2011-12 to 2017-18
- Throughout the study period growth rate of GSDP remained positive and increased from 6.5 per cent 7.4 per cent between 2012-13 and 2016-17.
- In case of public expenditure on education general education including higher education have been witnessing increasing over the study period.
- Increase in the enrolment of students has doubled in case of higher education especially in UG & PG level.
- Public expenditure on health is showing a steady increase from2012-13 to 2016-17.
- High level of HDI value indicates high quality human capital in Kerala.
- The analysis reveals that the Investment on Human capital has a positive impact on economic growth and economic development in Kerala.

The analysis reveals that when the public expenditure is more in education and health which will result the formation of human capital and ultimately lead to the economic growth of the economy. All human made capital creating new opportunities and possibility to produce harms rather than benefits. All type of human capital is a source of generating income in the economy. Human capital plays an important role in economic growth in accordance with the qualities of labour that a person who are strong, healthy, young and educated.

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A STUDY OF NON-PERFORMING ASSETS OF PUBLIC SECTOR BANKS IN INDIA

Prof. Pranali Karnik
Assistant Professor, Ramniranjan Jhunjhunwala College, Mumbai

ABSTRACT
The issue of Non-Performing Assets (NPAs) in the Indian banking sector has become the subject of much discussion and scrutiny. The NPAs growth has a direct impact on profitability of banks. NPAs suggest high probability of a large number of credit defaults that affect the profitability and net-worth of banks and also erode the value of the asset. NPAs affect the liquidity and profitability, in addition to posing threat on quality of asset and survival of banks. The Non- performing assets are one of the major concerns for public sector banks in India. However, there seems to be no unanimity in the proper policies to be followed in resolving this problem. The problem of NPAs is not only affecting the banks but also the whole economy. The Standing Committee on Finance report 2018 on the banking sector in India, states that banks' capacity to lend has been severely affected because of mounting NPAs. It is necessary to trim down NPAs to improve financial health in the banking system. In this context, we examine the recent rise of NPAs in the country, some of their underlying causes, and steps to be taken to resolve the issue.

INTRODUCTION
Asset quality was not a prime concern in Indian banking sector till 1991, but was mainly focused on performance objectives such as opening wide networks or branches, development of rural areas, priority sector lending, higher employment generation etc. Based on the performance of the loan, banks categorized it as, a standard asset (a loan where the borrower is making regular repayments), or a non-performing asset (NPA). NPAs are loans and advances where the borrower has stopped making interest or principal repayments for over 90 days.

While the primary function of banks is to lend funds as loans to various sectors such as agriculture, industry, personal loans, housing loans etc. but in recent times the banks have become very cautious in extending loans. The reason being mounting nonperforming assets (NPAs) and nowadays these are one of the major concerns for banks in India.

As of March 31, 2018, provisional estimates suggest that the total volume of gross NPAs in the economy stands at Rs 10.35 lakh crore. About 85% of these NPAs are from loans and advances of public sector banks.

Escalating NPAs require a bank to make higher provisions for losses in their books. The banks set aside more funds to pay for anticipated future losses; and this, along with several structural issues, leads to low profitability. Profitability of a bank is measured by its Return on Assets (RoA), which is the ratio of the bank's net profits to its net assets. Banks have witnessed a decline in their profitability in the last few years making them vulnerable to adverse economic shocks and consequently putting consumer deposits at risk.

REVIEW OF LITERATURE
Many published articles are available in the area of non-performing assets and a large number of researchers have studied the issue of NPA in banking industry.

'A study on Management of Non- Performing Assets in Priority Sector to Indian Bank and Public Sector Banks' was done by Selvarajan and Vadivalagan to have a comparison of the growth of Indian banks lending to priority sector and that of Public Sector Banks. Kumar (2013) had conducted a comparative study on 'NPA of Old Private Sector Banks and Foreign Banks' in which the problem of NPA in the Indian Banking Sector is highlighted.

Gupta (2012) in her study 'A Comparative Study of Non Performing Assets of SBI and Associates and other Public Sector Banks' had concluded that each bank should have its own independent credit rating agency.

Karunakar (2008) in his study 'Are Non- Performing Assets Gloomy or Greedy from Indian Perspective' has highlighted the problem of losses and lower profitability of Non- Performing Assets (NPA) and liability mismatch in banks and financial sector depend on foreseeing future developments.

OBJECTIVES OF THE STUDY
The research paper has following main objectives:

- To study the status of Non- Performing Assets of Public Sector Banks.

- To make appropriate suggestions to avoid future NPAs and to manage existing NPAs in banks.

SCOPE OF THE STUDY

The study has following scope:

- The study may suggest measures to avoid future NPAs.
- The study may help in the analysis of understanding the growth of NPAs.

SOURCES OF DATA

The data collected is mainly secondary in nature. Most of the data is collected from magazines, journals and books along with literature published by Reserve Bank of India.

Non- Performing Assets of the Public Sector Banks in the recent years and its causes

Long Term Debt Financing to Infrastructure and Core Industries

The Public Sector Banks, which have been used as vehicles to further the development agenda of the Government, had to achieve and maximize multiple objectives. The high growth phase prior to the Global Financial Crisis (2008) was aided by bank credit to a large extent, mostly by PSBs, leading to risk build ups in the balance sheet of the lenders. In particular, bank credit to infrastructure sector increased at an unprecedented rate. This exposed the PSBs to the travails of the infrastructure sector, which materialized significantly in the post-crisis years. Further, the tail end of the above high growth period in advances to infrastructure coincided with a period of slowdown in economic growth and tightening of environmental clearances.

Also, the transformation of major term lending institutions into universal banks/NBFCs led to commercial banks becoming the primary source of long-term debt financing to projects in infrastructure and core industries. An immediate consequence of these circumstances was that it led to a spurt in the level of ‘restructured standard assets’, i.e., assets which were restructured without being downgraded as non-performing assets (NPAs). Eventually, most of the restructured assets which were allowed to be classified as ‘standard’ became NPAs as the restructuring packages proved to be unviable. Inadequate credit assessment by banks and governance issues also played their due part in the risk build-up.

As documented, the increase in NPAs was significantly higher in PSBs as compared to their private and foreign counterparts. PSBs, probably to fulfill the additional social objective of their mandate, had taken higher exposure in some of the critical sectors of the economy such as mining, iron and steel, and infrastructure. NPA levels in these sectors shot up as all these sectors suffered external shocks leading to the respective stress – mining and energy was hit by the cancellation of allocation of coal blocks; iron and steel sector faced cost pressures due to dumping of cheaper steel from China; telecommunications sector underwent a disruption in the form of cancellation of 2G spectrum allotment; and the construction sector was marred by delays in obtaining necessary government approvals, in particular environmental clearances.

Debt Waivers

To add to these issues, shocks in the form of debt waivers also meant significant costs and affected the health of the banking sector as well as the credit culture. The frequent announcements of debt waivers in states like Maharashtra has lead to risk of impaired credit discipline and weak risk reward for the banks. This is also destroying the credit culture and is harming the interest of borrowers in the future.

Economic Slowdown

Some of the factors leading to the increased occurrence of NPAs are external, such as decreases in global commodity prices leading to slower exports. Some are more intrinsic to the Indian banking sector. A lot of the loans currently classified as NPAs originated in the mid-2000s, at a time when the economy was booming and business outlook was very positive. Large corporations were granted loans for projects based on extrapolation of their recent growth and performance. With loans being available more easily than before, corporations grew highly leveraged, implying that most financing was through external borrowings rather than internal promoter equity. But as economic growth stagnated following the global financial crisis of 2008, the repayment capability of these corporations decreased. When the project for which the loan was taken started underperforming, borrowers lost their capability of paying back the bank. The banks at this time took to the practice of ‘evergreening’, where fresh loans were given to some promoters to enable them to pay off their interest. This effectively pushed the recognition of these loans as non-performing to a later date, but did not address the root causes of their unprofitability.

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Frauds and Scams

Further, recently there have also been frauds of high magnitude that have contributed to rising NPAs. Although the size of frauds relative to the total volume of NPAs is relatively small, these frauds have been increasing, and there have been no instances of high profile fraudsters being penalized. The RBI's annual report paints a grim picture of the Indian economy's current state. The report says that despite government's efforts the amount involved in frauds has gone up by 73.8%. According to reports banks took an average of 22 months between the occurrence of the fraud and its detection. The RBI report states that among bank groups, PSBs which constitute the largest market share in bank lending, have accounted for the bulk of frauds reported in 2018-19. It was followed by private sector banks and foreign banks.

A view on Increase in Non -Performing Assets of Public Sector Banks

As per Reserve Bank of India (RBI) data on domestic operations, aggregate gross advances of PSBs have increased drastically. As per RBI inputs, the primary reasons for spurt in stressed assets have been observed to be, aggressive lending practices, wilful default/loan frauds/corruption in some cases, and economic slowdown. Asset Quality Review (AQR) initiated in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of Non-Performing Assets (NPAs). As a result of AQR and subsequent transparent recognition by banks, stressed accounts were reclassified as NPAs and expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were provided for. Primarily as a result of transparent recognition of stressed assets as NPAs, gross NPAs of PSBs, as per RBI data on domestic operations, rose from Rs. 2,67,065 crore as on 31.3.2015, to Rs. 8,45,475 crore as on 31.3.2018, and as a result of Government's 4R's strategy of recognition, resolution, recapitalisation and reforms, have since declined by Rs. 1,35,366 crore to Rs. 7,10,109 crore as on 31.3.2019.

Increase in Non- Performing Assets of Public Sector Banks (figures in Crores)

Bank	GNPA			% age increase between 31.3.2017 and 31.3.2019
	As on 30.6.2014	As on 31.3.2017	As on 31.3.2019	
Allahabad Bank	7,599	20,520	28,698	39.85%
Andhra Bank	6,827	17,670	28,974	63.97%
Bank of Baroda	10,641	34,935	40,388	15.61%
Bank of India	11,160	42,724	51,167	19.76%
Bank of Maharashtra	3,761	17,189	15,324	(-)10.85%
Canara Bank	7,905	31,801	36,165	13.72%
Central Bank of India	11,449	27,251	32,356	18.73%
Corporation Bank	5,470	17,045	20,724	21.58%
Dena Bank	3,169	12,619	12,768	1.18%
IDBI Bank Limited	10,762	38,223	-	-
Indian Bank	4,415	9,588	13,156	37.21%
Indian Overseas Bank	8,781	32,521	32,416	(-)0.33%
Oriental Bank of Commerce	5,983	22,859	21,717	(-)5.00%
Punjab and Sind Bank	3,010	6,298	8,606	36.65%
Punjab National Bank	19,335	53,121	76,724	44.43%
State Bank of India (SBI)	56,830	1,05,549	1,70,813	61.83%
State Bank of Bikaner and	2,331	10,677	Merged	Merged

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Jaipur			with SBI	with SBI
State Bank of Hyderabad	6,174	18,212		
State Bank of Mysore	2,490	9,915		
State Bank of Patiala	3,375	17,847		
State Bank of Travancore	3,282	8,817		
Bharatiya Mahila Bank Limited	0	55		
Syndicate Bank	4,742	15,662	22,348	42.70%
UCO Bank	5,982	21,699	29,233	34.72%
Union Bank of India	9,902	30,928	47,554	53.76%
United Bank of India	7,097	10,952	12,053	10.06%
Vijaya Bank	2,069	6,382	8,923	39.82%
Source: RBI (domestic operations)				

Note: IDBI Bank Limited was recategorised as a private sector bank by RBI with effect from 21.1.2019

As per the data, Andhra Bank has shown the highest percentage increase in NPAs of almost 63.97% from the year 2017 till the date. The clear reason for this being inefficiency in recovery of the loans. This is followed by State Bank of India which has shown the percentage increase in NPAs of almost 61.83% and Union Bank of India which showed the rise in NPA of 53.76% over the period of two years. As against this, Bank of Maharashtra, Indian Overseas Bank and Oriental Bank of Commerce showed narrowing of net loss and reduction in the bad loans over the years.

RECOMMENDATIONS FOR MANAGEMENT OF NPAS

NPAs impact the performance and profitability of banks. If the level of NPA is not controlled they will reduce the risk facing ability of banks which is the biggest threat today. Following steps can help in the better management of NPAs.

- RBI should revise existing credit appraisals and monitoring system.
- Banks should improved upon and strengthen the loan recovery methods.
- Credit appraisal and post loan monitoring are crucial steps which need to be done seriously by all the Public Sector Banks.
- There must be regular follow-up with the customers.
- Personal visits should be made after sanction and disbursal of credit and further close monitoring of the operations of accounts of borrowed units should be done periodically.
- Arbitrary negotiations should be avoided.
- Frequent discussions with the staff members are necessary.
- Assisting the borrowers in developing entrepreneurial skill will not only establish a good relation between the borrowers but also help the bankers to keep a track of their funds.
- RBI may initiate certain actions like publishing names of the defaulters to avoid such incidences in the future.

CONCLUSION

The non- performing assets have always created a big problem for the banks in India. It is just not only the problem for the banks but for the economy too. Non- Performing Assets have direct impact on profitability of the banks. Higher provisioning requirement on mounting NPAs adversely affect capital adequacy ratio and banks profitability. Although various steps have been taken by the government to reduce the NPA but still a lot needs to be done to curb the problem. The bank management has to speed up the recovery process especially in

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case of large borrowers. Mandatory lending to priority sector should also be reduced. Thus the problem of NPA needs lots of serious efforts to ensure a good growth of the banking sector in the future.

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PRIVATE BANKS IN INDIA

Dr. Dipak D. Shinde
HOD, Department of Economics, Sanskar Mandir's, Arts and Commerce College, Warje-Malwadi, Pune

1.1 INTRODUCTION

The private-sector banks are banks where greater parts of stake or equity is held by the private shareholders and not by government. Private sector banks are the banks that are controlled by the private lenders with the approval from the Reserve Bank of India (RBI). Their interest rates are slightly expensive as compared to Public sector banks.

Banking in India has been dominated by public sector banks since the 1969 when all major banks were nationalized by the Indian government. However, since liberalization, banking policy in 1990s, old and new private sector banks have re-emerged. They have grown faster and bigger over the two decades since liberalization using the latest technology, providing contemporary innovations and monetary tools and techniques. Private-sector banks have been functioning in India since the very beginning of the banking system. Initially, during 1921, the private banks like Bank of Bengal, Bank of Bombay and Bank of Madras were in service, which together formed Imperial Bank of India. Reserve Bank of India (RBI) came in picture in 1935 and became the centre of every other bank taking away all the responsibilities and functions of the Imperial Bank. Between 1969 and 1980, there was rapid increase in the number of branches of the private banks. In April 1980, they accounted for nearly 17.5 percent of bank branches in India. In 1980, after 6 more banks were nationalized, about 10 percent of the bank branches were those of private-sector banks. The share of the private bank branches stayed nearly same between 1980 and 2000. Then from the early 1990s, RBI's liberalization policy came in picture and with this the government gave licenses to a few private banks, which came to be known as new private-sector banks. There are two categories of the private-sector banks: "old" and "new". The old private-sector banks have been operating since a long time and may be referred to as those banks, which are in operation from before 1991 and all those banks that have commenced their business after 1991 are called as new private sector banks. Housing Development Finance Corporation (HDFC) was the first private bank in India to receive license from RBI.

1.2 RESERVE BANK OF INDIA'S NEW POLICY FOR PRIVATE BANKS

The Narasimham Committee-I, that advocated competition in the banking industry, made unequivocal recommendation to allow private and foreign banks into the industry. Acting on the recommendations of the committee, the RBI laid down guidelines for the establishment of the private sector banks in January 1993. The guidelines prescribed that the private banks should be established as public limited companies under the Indian Companies Act, 1956. In January 2001, Reserve Bank of India issued new rules for the licensing of new banks in the private sector. The salient features are as follows:

1. A new bank may be started with a capital of ` 200 crore. The net worth is to be raised to ` 300 crore in three years.
2. The promoter's minimum holding in the capital shall be 40 per cent with a lock-in-period of 5 years. Excess holding over 40 per cent will have to be diluted within a year.
3. Non-resident Indians can pick up 40 per cent equity share in the new bank. Any foreign bank or finance company may join as technical collaborators or as co-promoter, but their equity participation will be restricted to 20 per cent, which will be within the ceiling of 40 per cent allowed to Non-resident Indians.
4. Corporates have been allowed to invest up to meeting existing priority sector norms and prudential norms and also to open 25 % of their branches in rural and semi-urban areas. Preference will be given to promoters with expertise in financing priority areas and rural and agro-based industries.
5. Non-banking finance companies may convert themselves into banks if their net worth is ` 200 crore, capital adequacy ratio is 12%, non performing assets below 5% and possess triple A credit rating.

Accordingly, nine banks were set-up in private sector including some by development financial institutions. Prominent among them were ICICI Bank, GTB, HDFC and IDBI Bank. Another interesting development was merger of some banks. Bareily Corporation Ltd merged with Bank of Baroda in 1999, Times Bank merged with HDFC Bank in 1996, Bank of Madura Ltd. merged with ICICI Bank in 2001 and Nedungadi Bank Ltd merged with Punjab National Bank in 2003. The New Private Sector Banks started publishing balance sheets since 1995-96.

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1.3 FOREIGN INVESTMENT

The Government has been pursuing an open door policy and opened the floodgates for the inflow of foreign capital in the form of FOI, investments by foreign institutional investors and NRIs in the banking sector too. Foreign investments in private banks from all sources (FOI, FII, NRI), which was limited to 49 per cent of the capital but now raised to 74 percent facilitating setting up of subsidiaries of foreign banks and attracting investment in private sector banks. The new private sector banks are allowed to raise capital contribution from foreign institutional investors up to 20 per cent and from NRIs up to 40 percent of their share capital. Promoter‘s stake in Indian banks is currently limited to 49 per cent. While issuing licenses, the RBI has instructed those promoters of private banks who held a higher holding than the prescribed limit to divest their stake and bring it down to 49 percent. Indian promoters argue that such discrimination may make Indian private banks vulnerable to take-over by foreign banks. It is hoped that the limit to Indian promoters holding will be raised to 74 per cent as is done for FOI.

1.4 TYPES OF PRIVATE SECTOR BANKS

Broadly, there are four types of private banks in India.

(i) Old Generation Private Banks

The banks, which were not nationalized at the time of bank nationalization that took place during 1969 and 1980s are known to be the old private-sector banks. These were not nationalized because of their small size and regional focus. Most of the old private-sector banks are closely held by certain communities and their operations are mostly restricted to the areas in and around their place of origin. Their Board of Directors mainly consist of locally prominent personalities from trade and business circles. One of the positive points of these banks is that, they lean heavily on service and technology and as such, they are likely to attract more business in days to come with the restructuring of the industry round the corner. e.g. Bank of Rajasthan Ltd., City Union Bank Ltd., Dhanalakshmi Bank Ltd., Federal Bank Ltd., Karnataka Bank Ltd., etc.

(ii) New Generation Private-Sector Banks

The banks, which came in operation after 1991, with the introduction of economic reforms and financial sector reforms are called "new private-sector banks". Banking Regulation Act was then amended in 1993, which permitted the entry of new private-sector banks in the Indian banking sector. However, there were certain criteria set for the establishment of the new private-sector banks, some of those criteria being: The bank should have a minimum net worth of ` 200 crores.

(1) The promoters holding should be a minimum of 25% of the paid-up capital.

(2) Within 3 years of the starting of the operations, the bank should offer shares to public and their net worth must be increased to 300 crores. e.g. HDFC Bank Ltd., ICICI Bank Ltd. IndusInd Bank Ltd., Kotak Mahindra Bank Ltd., Axis Bank, Yes Bank Ltd., etc.

(iii) Foreign banks operating in India

In 2005, the Reserve Bank released the road map for presence of foreign banks in India laying out a two track and gradualist approach aimed at increasing the efficiency and stability of the banking sector in India. One track was the consolidation of the domestic banking system, both in private and public sectors, and the second track was the gradual enhancement of foreign banks in a synchronized manner. The road map was divided into two phases, the first phase spanning the period March 2005 – March 2009 and the second phase beginning after a review of the experience gained in the first phase. However, when the time came to review the experience gained in the first phase, global financial markets were in turmoil and there were uncertainties surrounding the financial strength of banks around the world. At that time, it was considered advisable to continue with the current policy and procedures governing the presence of foreign banks in India. Foreign banks present in India as representative offices often have correspondent banking relationships with domestic banks and provide a useful platform for foreign banks to access opportunities for foreign currency lending to Indian corporates and financial institutions.

(iv) Co-operative banks in India

Under 1904 Act, only primary credit societies were permitted to register and 1912 Co-operative Societies Act bridged for noncredit and federal organisations of primary co-operative credit societies. But the provisions of 1912 Act were inadequate to meet the requirements of those states where co-operative movement had made considerable progress. Hence, in this regard a new Act was passed viz. the Bombay Cooperative Societies Act, 1925 for serving the many sided development of the state. Later on, Madras, Bihar and Bengal passed their own Acts in 1932, 1935 and 1940 respectively.

India's co-operative banking structure consists of two main segments, viz., agricultural and non-agricultural credit. There are two separate structures in the case of agricultural credit - one for short and medium term credit and the other for long term credit. The co-operative credit structure for short and medium terms is a three-tier one with primary agricultural credit societies at the base level, the central co-operative bank at the district level and state co-operative bank at the apex level. Over and above these institutions, grain banks are actively functioning as primary societies in certain states. Though the organisation of central and state co-operative banks was mainly for the benefit of the agricultural credit sector, they serve nonagricultural societies too.

1.5 Financial Performance of Commercial Private Sector Banks in India

The performance of Old Private Banks (OPBs) and 8 New Private Banks (NPBs) was evaluated during the reform period. The 8 new private bank as has already been stated, came into existence after 1992-93 and the financial results of these banks were published from 1995-96. Hence, their performance analysis rebates to the period 2008-09 to 2012-13 showed in following table.

Table 2.1 : Financial Performance of Commercial Private Sector Banks in India (` in million)

Year	Number of Banks	Number of Offices	Employees	Capital and Reserve and Surplus	Deposits	Investments	Advances	Interest Income	Other income
2008-09	22	9288	193578	996686	7363776	3065312	5753276	850714	178602
2009-10	22	10516	188332	1199839	8228007	3541169	6324409	828064	204231
2010-11	21	12097	248284	1385664	10027588	4220576	7975440	967131	208734
2011-12	20	13970	269941	1592952	11745874	5259822	9664030	1345555	250480
2012-13	20	16001	-	1929461	13958355	6261063	11432486	1664864	297927

Source: https://www.rbi.org.in/Scripts/AnnualPublication

Following table shows that the key bank metrics of the selected banks in 2017.

Table 2.2: Bank Metrics (` in Billion)

Bank	Market Cap	Net Interest Income	Net Profit	Total Assets
HDFC	4254	693	146	7088
ICICI	1860	542	98	7718
Kotak	1812	177	34	2146
Axis	1239	445	37	6015
IndusInd	891	144	29	1401

Source: https://www.researchgate.net/publication

1.6 MODERN TRENDS IN PRIVATE SECTOR BANKS

Some of the key trends that will shape the future of Indian banking are:

(i) Focus on retail banking: Rapid accumulation of wealth in households and emergence of the billion consumers segment would drive growth in retail banking, both for high net worth individuals, as well as for the emerging middle class.

(ii) Increasing banking footprint: Banks will have to expand their networks extensively by setting up branches and ATMs. The industry will follow the model of low–cost branch network, involving smaller sized branches.

(iii) Lower margins: The sector would face downward pressure on margins in retail as well as corporate banking. Banks will invest in innovative technologies to improve efficiency and lower costs.

(iv)Financial inclusion: Financial inclusion, which requires banks to come up with innovative solutions to cater to low ticket–size customers, is a central item on the Government‘s agenda. The Ministry of Finance has mandated public sector banks to focus on financial inclusion. At the same time, private banks have also started focussing on this. The current business models are not economically viable, and new models such as the business correspondent approach will have to be radically different in terms of distribution, technology, HR practices and risk management.

(v)IT and Banking Sector: IT will play a critical role in the growth of the banking sector. The larger banks have successfully implemented the basic IT infrastructure required to run their operations, and the next tier is also moving towards greater IT adoption through increased outsourcing of its IT functions. Larger investments

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would be needed to upgrade existing systems and develop new ones to meet the growing and ever–changing business requirements.

(vi)Management: Banks are expected to spend on upgrading their IT systems to make their internal processes efficient and cost-effective. Future IT spends will include: Use of cloud computing to improve efficiency, reduced costs and scale up operations without incurring additional expenses on hardware, software and manpower–implementation of tools for better HR management, especially in PSU banks–Migration to paperless transactions and processing, such as cheque truncation system-increased investments in areas such as automated data flow, data storage as per KYC norms and document management, to ensure compliance with regulations.

(vii) Data Warehousing: To manage the growing volume of business transactions, banks would increasingly spend on data warehousing that can enable efficient decision making by providing a repository of historical data through systematic design. This would require a vast suite of applications, giving rise to multiple opportunities for IT providers.

(viii) E–Payments and Mobile Banking: For the next generation of tech–savvy customers, mobile is emerging as the preferred medium of conducting banking transactions. Private banks are developing capabilities to provide mobile banking services to their customers. Nationalized banks, too, are starting to adopt this technology. Going forward, banks will invest in development of systems and applications that will cater to the demand for such services from the new breed of technology–friendly customers, helping banks to build lasting client relationships.

(ix) Payment Systems: An increasing portfolio of products across delivery channels, coupled with newer methods of making payments, would require banks to invest in development of new payment systems to ensure protection of customer funds and internal security.

(x)ATM Outsourcing: Another major opportunity for IT providers lies in the ATM space. The rollout of ATMs is on the rise to cater to the population in tier 2 and tier 3 cities. There is an increasing trend towards outsourcing of ATM management, with many banks embracing total outsourcing models, which encompasses management of installation, ATM services as well as assets.

(xi)Regulations: One of the important drivers of IT spending by banks will be the guidelines put forth by RBI that pertain to the use of IT. RBI‘s guidelines for banks include greater use of technology with regard to upgrades in RRBs, KYC norms and the cheque truncation system.

1.7 ADVANTAGES OF PRIVATE SECTOR BANKS

The importance of private sector in Indian economy over the last 15 years has been tremendous. The opening up of Indian economy has led to free inflow of foreign direct investment (FDI) along with modern cutting edge technology, which increased the importance of private sector in Indian economy considerably.

- Increased quality of life
- Increased access to essential items
- Increased production opportunities
- Lowered prices of essential items
- Increased value of human capital
- Improved social life of the middle class Indian
- Decreased the percentage of people living below the poverty line in India
- Changed the age old perception of poor agriculture based country to a rising manufacturing based country
- Effected increased research and development activity and spending
- Effected better higher education facilities especially in technical fields
- Ensured fair competition amongst market players
- Dissolved the concept of monopoly and thus, neutralized market manipulation practices

1.8 CONCLUSIONS

The present study discusses about the private sector banks in India. The bank face the various problems/challenges like High transaction costs, IT revolution, timely technological upgradation, privacy &

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safety, global banking, financial inclusion. Most important challenge is employee' Retention. To retain the good employee is big question for human resource manager as banking industry has transformed rapidly in the last decades. If employee transfer form one banks to another it also decrease revenue. In the age of competition all new private sector banks has to face the challenge about employee's retention. Moreover, The biggest challenge for banking industry is to serve the mass and huge market of India. Similarly Banks are striving to combat the competition. The competition from various Banks and technological innovation has compelled the private banks to rethink their policies and strategies. Moreover, Apart from traditional banking services, Private Banks must adopt some product innovation so that they can compete.

Hence. all new private sector banks shifted their focus from service to customer and their needs. And also they have to work according to the current market trend. They have to cut their cost of their services and have to improve service standards. They have to furnish all latest techniques and modern facilities to their customer. Means technology up gradation is an inevitable aspect to face challenges in this modern age. With this respect private sector banks provide quick services to all customer as per need and to save the time factor.

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A STUDY ON DEVELOPMENT PROCESS OF SMART CITIES IN NAVI MUMBAI & KALYAN REGION AND ITS IMPACT ON STANDARD OF LIVING AND EMPLOYMENT PATTERN OF SURROUNDING POPULATION

Mahida Vijay K
I/C Principal, RAV's Laxmichand Golwala College of Commerce & Economics

ABSTRACT
The research is on smart cities which includes the area of Navi Mumbai and Kalyan region. The study revealed the main aim behind the development of smart cities and its impact on standard of living of the people and also related to employability issues arises related to smart cities.. The research first focused on the basic facilities like water supply and electricity and their adequacy, environment and its sustainability than change in employability pattern. The main goal of this research was to look after the improvement of the management of urban flows and their allowances for real time responses to challenges in terms of employabilities and competencies. The researcher found all this by arranging the questionnaire and surveying around the cities of Kalyan and Navi Mumbai.

Keywords: Smart cities, Environment, Sustainability Employabilities, Competencies

INTRODUCTION
- A **smart city** uses information and communication technologies (ICT) to enhance quality, performance and interactivity of urban services, to reduce costs and resource consumption and to improve contact between citizens and government.
- Sectors that have been developing smart city technology include government services, transport and traffic management, energy,health care, water and waste.
- Smart city applications are developed with the goal of improving the management of urban flows and allowing for real time responses to challenges.
- A smart city may therefore be more prepared to respond to challenges than one with a simple 'transactional' relationship with its citizens.
- Other terms that have been used for similar concepts include 'cyber Ville, 'digital city'', 'electronic communities', 'flexi city', 'information city', 'intelligent city', 'knowledge-based city, 'MESH city', 'telecity, 'teletopia'', 'Ubiquitous city', 'wired city'.
- Major technological, economic and environmental changes have generated interest in smart cities, including climate change, economic restructuring, the move to online retail and entertainment, ageing populations, and pressures on public finances.

Basic facilities
- In smart cities of kalyan and Navi Mumbai, the researcher first aimed to find the basic facilities of the citizens living in that area such as did they get proper supply of water, Electricity and Education.
- The cleanliness in the city.
- The development of environment.
- The traffic management and transport.

Standard of living
- The researcher aimed to know the standard of living of the citizens such as the advantage of schools and colleges.
- Hospitals and health care.
- Communication and ICT facilities.

Development
- The researcher aimed to understand the development of railway stations, bus stops and basic transport provided to the citizens.

OBJECTIVES OF THE STUDY
- To identify the development of smart cities.

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- To point out the development pattern of the smart city of Kalyan and Navi Mumbai.

SCOPE OF THE STUDY

- The study was conducted in the region of Navi Mumbai and kalyan.
- Only the people living there for over 5 years was chosen.
- The study focuses on the development of smart cities.

RESEARCH METHODOLOGY

- The survey has been conducted by using the primary method.
- The Main method was Survey method.
- The survey regarding the changes and experiences and opinions was conducted.
- The sample size was 10.
- The researcher visited to the places.
- Among all the responses all the responses were valid and usable.
- The sample size consisted of population between 25-60 years.
- After the survey the final list was prepared by using Pie chart by doing percentage in pie chart form.

LIMITATION OF THE STUDY

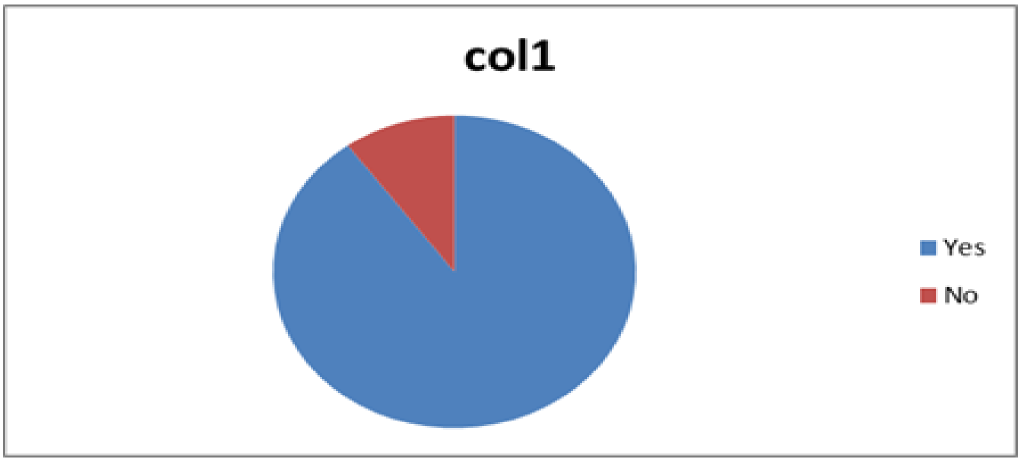
- Time being the major constraint.
- Sample size wasn't restricted but the time was limited.
- Only the people living for more than 5 years were opted for the survey.
- The researcher only studied the city of Kalyan and Navi Mumbai.
- As the survey of other smart cities wasn't possible because of the time limit

FINDINGS OF THE STUDY

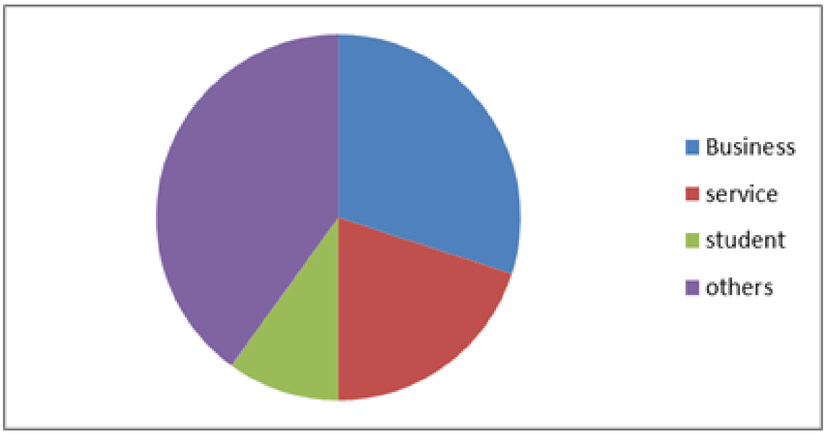
- The India smart cities challenge is a competition for municipal leaders and their partners to promote economic opportunity in India improve governance and produce better results for urban residents.
- To unearth the best possible plans from throughout India a range of 100 cities from every state will compete for funding in the first round
- The Indian smart cities challenge is a competition designed to inspire and support municipal officials as they develop smart proposals to improve residents lives .
- The smart cities mission aims to promote economic growth improve governance and produce better results for India's urban residents.

The researcher have been surveyed the citizens of Kalyan and Navi Mumbai. the following pie charts depict their experiences of their belonging city and the Facilities which are provided to them.

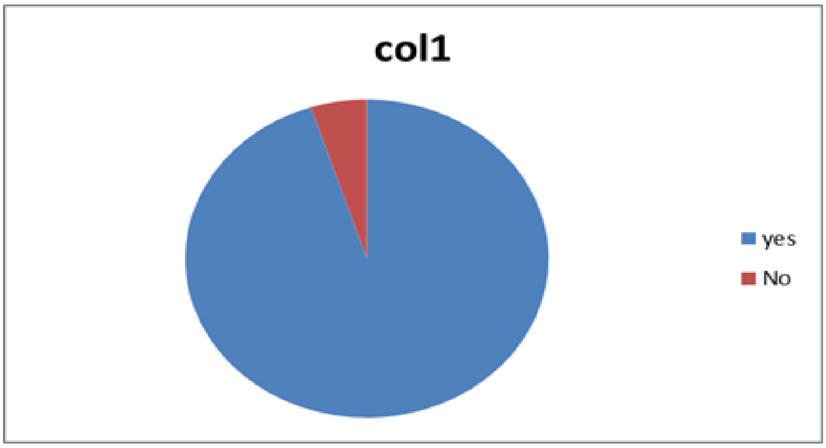
Proper Environment in terms of getting right Education and Employment Opportunities.



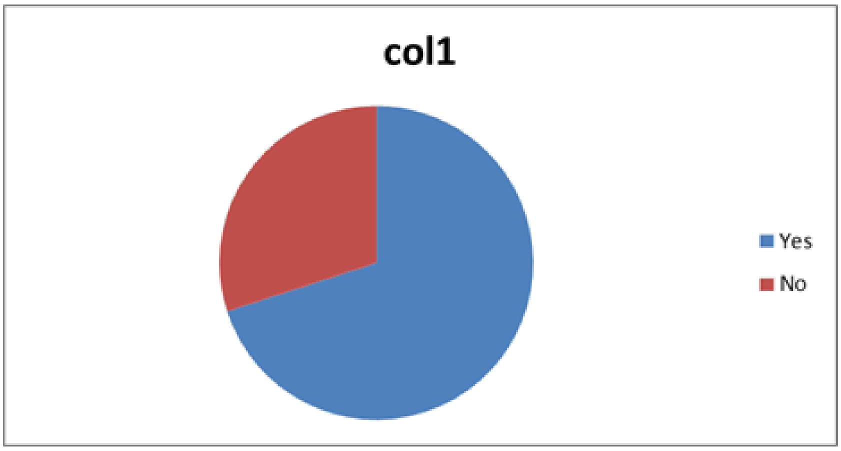
Occupation



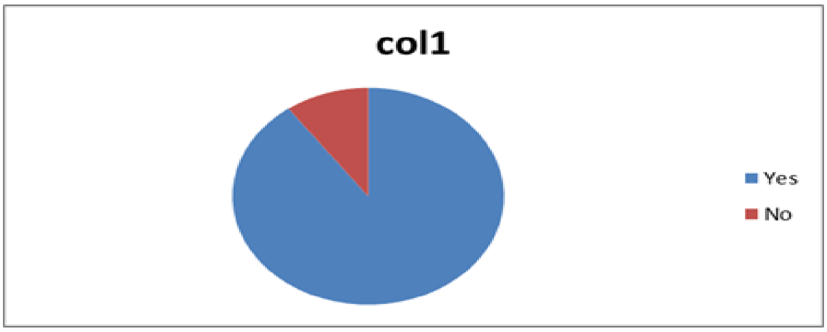
Adequate supply of electricity



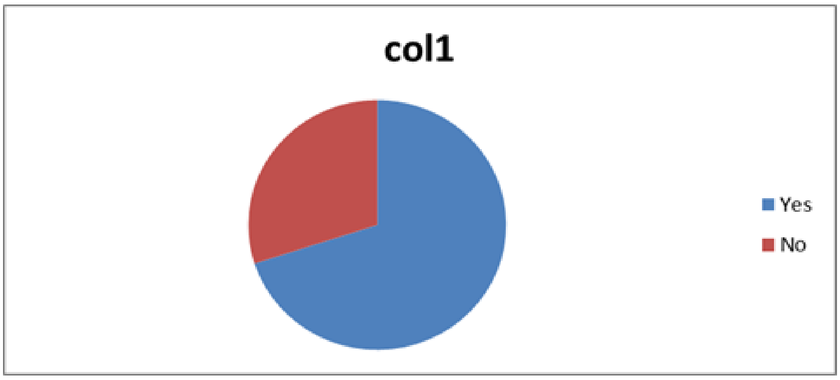
Adequate supply of water



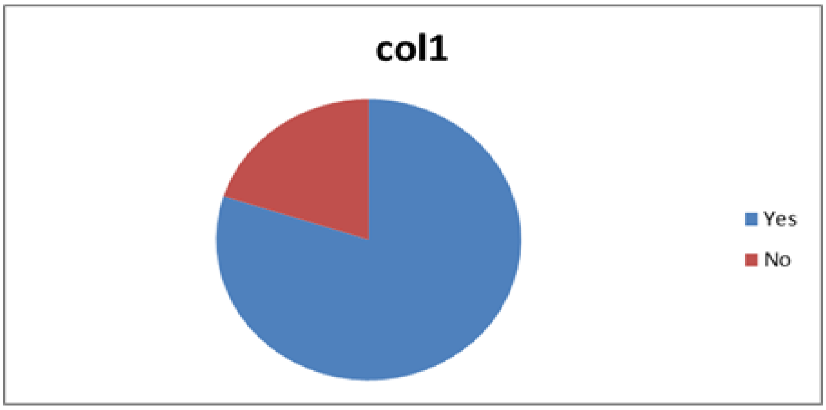
Better transportation and mobility



Proper maintenance of environment and sustainability



Proper sanitation facilities



CONCLUSION

- In this research paper the researcher had surveyed through the primary and Secondary method the development and facilities of smart cities.
- The city of kalyan and Navi Mumbai have been developing rapidly to make it a perfect city which can be called developed city or the smart city.
- The citizens of these cities have shared their experiences and difficulties what they have faced when the city wasn't developed.
- Some said that they faced the Problem of electricity supply.
- Some faced the problem of water supply.
- Some citizens said that they don't have the environment clean.
- Sanitation problems was also faced.
- The main difficulty was that they had the roadways under developed hence the problem of traffic was on a huge account.
- In all the citizens are now happy by staying in their cities from past many years and they had experienced a lot of changes in their respective city.
- Many projects like better transportation facilities, Malls, bus stops, roadways, healthcare facilities, Hospitals, Schools, and Colleges are now developed in these cities which had made their city a developed city.
- They have many projects coming in their respective city which will make their city a unforgettable Smart city

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AN INDIAN ECONOMY: CURRENT CHALLEGNES AND FUTURE OPPORTUNITY

Raju Ambhore[1] and Dr. Pandurang Kalyankar[2]
Research Students[1], Department of Economics, Laxmichand Golwala College of Commerce & Economics
Associate Professor[2], Department of Economics, Shri.Sant Savta Mali Gramin Mahavidyalaya, Phulambri
Aurangabad, Dr.B.A.M.University of Aurangabad

ABSTRACT
India is the world's fourth-largest economy. As India had rapid growth despite the Great Recession. From 2008 through 2014, it grew between 5% and 11%. That phenomenal growth rate has reduced poverty by 10% in the last decade. India has emerged as the fastest growing major economy in the world and is expected to be one of the top economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. This paper presents the current challenges and future opportunity in India economy.

Keywords: Current status, Challenges, Future Opportunity.

INTRODUCTION
India has a mixed economy. Half of India's workers depend on agriculture, the signature of a traditional economy. One-third of its workers are employed by the services industry, which contributes two-thirds of India's output. The productivity of this segment is made possible by India's shift toward a market economy.

Since 1991, the Indian economy has pursued free market liberalisation, greater openness in trade and increase investment in infrastructure. This helped the Indian economy to achieve a rapid rate of economic growth and economic development. However, the economy still faces various problems and challenges, such as corruption, lack of infrastructure, poverty in rural areas and poor tax collection rates and this paper highlights on the current challenges and futures opportunities.

REVIEW OF LITERATURE
Miss Ambhure H.**M**.: She has explained the service sectors importance in Indian economy. Now days what is the position of service sector in Indian economy. The service sectors are Banking and Finance, Industrial sectors, Information technology, Software these are the important to Indian economy and increasing of national income and higher standard of living in India.

Mishra R.S. has explained the economics of development the development included the developed, underdeveloped and developing countries characteristics. The problems of under developed nation details explained in their theories. The author has given more priority to natural resource, human development, population these things are very important to nation development. The level of per capita income is different in different under developed countries. The rate at which per capita income is increasing different from one underdeveloped country to another**.**

Finance Minister Nirmala Sitharaman: on Sunday unveiled a book on global finance, and said it suggests solutions for challenges that the world and Indian economy is currently facing.

Launching the book titled 'The Rise of Finance: Causes, Consequences and Cure', she said it will help "understand the current economic situation facing both the world and Indian economy".

Raghuram Govind Rajan was the Governor of the Reserve Bank India from September 5, 2013, to September 4, 2016. He raised interest rates and deregulated India's currency, the rupee, by easing banking regulations. He forced banks to write down bad loans. That freed up their capital to invest in healthy new ventures.

SCOPE OF THE STUDY
Though a study of challenges and future the opportunity of Indian economy is vast but this study take into account only the current challenges facing by Indian economy and how Indian economy has future opportunities to overcome this.

OBJECTIVES OF THE OBJECTIVES
Present study has following objectives.

1)To Study the present status of Indian economy.

2)To Study the current challenges in the Indian economy.

3)To Study future opportunities for the economy.

RESEARCH METHODOLOGY

The study assesses the current challenges and the future opportunities for Indian economy.

The Methodology means the way of study which includes different sources. The present study includes only the secondary data collected through books, journals, articles, Research papers, reports, UNDP Reports, world economic forum, government reports, Magzines.EPW.

LIMITATION OF THE STUDY

This study has some limitations, as described below. It is hoped that further studies will build on the methodologies presented here to provide more precise estimates. Firstly; the study does not account for all possible development pathways that India can choose to achieve its goals. This study has not assessed some opportunities as it is futures estimation and due to appropriate methodology.

CURRENTLY INDIAN ECONOMY IS FACING THESE CHALLENGES

1.) Poverty

According to planning commission of the govt. of India anybody who is not able to get 2400 kilo calories from food intake in rural area and 2100 Kcal. From food intake in urban area is termed as poor. This is called as poverty line in India. It is true that food is most essential for our existence we take food to get energy for our body so that we can perform certain activities. Energy is measured in term of kilo calories. In rural areas people do lot of hard work to earn their living. According to experts the minimum energy required by person for doing such work is 2400 K cal. in rural and 2100 K cal. urban area. To get this energy a person requires some amount of food in the form of cereals, pulses, vegetables etc. to by these food items the person must have some amount of money. This implies that if the person is not able to earn this money to buy the food needed in order to get the required energy to do work, then the person is said to be below poverty line or simply poor, the essential things such as clothing, shelter and essential goods etc. These goods also come under minimum requirement to buy all these items. One reason being unemployment among the population who are willing to work but there is no work for working persons. The economic growth rate is very slow due to there is no work then the suffering the labour class for their earning. The slow growth of industries, education and training are main reason for unemployment in India. Also our agriculture is already over burden with population and employment is seasonal.

There four main causes of poverty in India are as follows: It is said that “a country is poor because it is poor.” This idea has come down from Ragner Nurkse who pin pointed the problem of vicious circle of poverty, low level of saving reduce the scope for investment, low level of investment yields low income and thus, the circle of poverty goes on indefinitely, measures to poverty. The govt. has relied mainly on the approaches for reduction of poverty. The first entails pursuit of higher economic growth which will improve the level of living of all groups of people in the society

2. Unemployment

Despite rapid economic growth, unemployment is still an issue in both rural and urban areas. The fast rate of economic growth has left unskilled workers behind, and they have struggled to find work in growing industries. In 2017, the official unemployment rate was just below 5%. However, a report by the OECD found over 30% of people aged 15-29 in India is not in employment, education or training (NEETs). Live mint reported on March 6, 2017. With, little if any government welfare support for the unemployed, it leads to dire poverty.

3. Poor educational standards

Although India has benefited from a high % of English speakers, (important for call centre industry) there is still high levels of illiteracy amongst the population. It is worse in rural areas and amongst women. Over 50% of Indian women are illiterate. This limits economic development and a more skilled workforce.

4. Poor Infrastructure

Many Indians lack basic amenities lack access to running water. Indian public services are creaking under the strain of bureaucracy and inefficiency. Over 40% of Indian fruit rots before it reaches the market; this is one example of the supply constraints and inefficiency’s facing the Indian economy.

5. Inefficient agriculture

Agriculture produces 17.4% of economic output but, over 51% of the work force are employed in agriculture. This is the most inefficient sector of the economy and reform has proved slow.

6. Poor tax collection rates

According to the Economist, India has one of the poorest taxes to GDP rates in the whole world. India’s tax revenue as a % of GDP is just 12%. Compared to an EU average of 45%. This poor tax collection rate reflects

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widespread corruption, tax avoidance and complicated tax rates. In 2017, Narendra Modi has sought to improve tax collection rates and reduce complications through the introduction of a general sales tax (GST) which involves a single tax rate – rather than tax rates applied multiple times at different stages of production.

7. Business difficulties

According to the World Bank, the ease of doing business in India is poor. India ranks 130/190. Big issues for companies include

- Ease of enforcing contracts
- Dealing with construction contracts
- Paying taxes
- Trading across border

8. Inequality within regions

India's economic growth has benefitted some regions more than others. Technological hubs, such as Delhi and Mumbai have attracted higher-paying jobs. This has attracted an inflow of most mobile and skilled workers; this has created congestion in these super-cities but failed to address the poverty of rural areas, especially in the northeast

9. Corruption

The Corruption Perceptions Index (CPI) ranks 180 countries and territories by their perceived levels of public sector corruption among experts and businesspeople. It rendered India the 78th most corrupt country in the world in 2018.

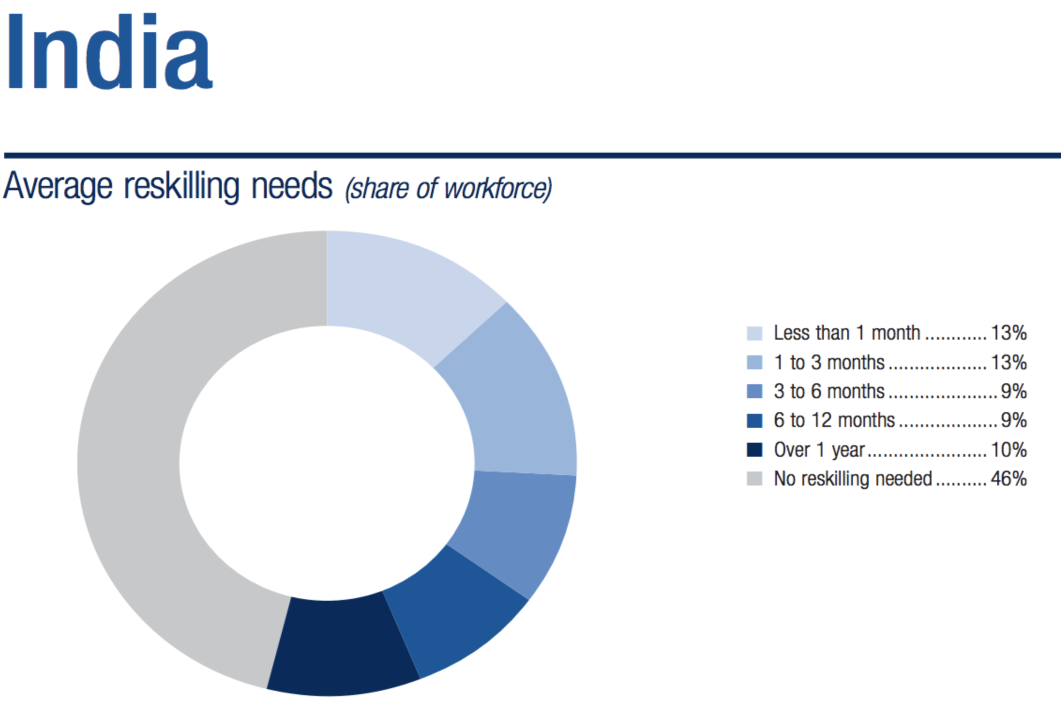
The CPI states that efforts to curb corruption in the Asia-Pacific are having little effect, and countries in the region are experiencing decreasing press freedoms and shrinking civil society. Transparency International found India to be one of the worst offenders.

Doing business in a corrupt country is difficult because there is little respect for the rule of law, there are competing government bureaucracies, and there are often unclear and unfair regulatory and taxation systems.

AN OPPORTUNITY FOR INDIA TO TACKLE THE FOLLOWING CHALLENGES

1**. Skill development and employment for the future workforce**

According to the World Economic Forum's report "The Future of Jobs 2018", more than half of Indian workers will require reskilling by 2022 to meet the talent demands of the future. They will each require an extra 100 days of learning, on average.icated more liberalization in civil aviation, telecom and insurance sector in the future.



There are four dimensions to the challenge of employment skills.

First, the education system focuses on gaining conceptual knowledge, rather than tangible skills which ensure employability.

Second, there are more jobs in the informal economy than in the formal economy (80% vs 20%).

Third, there are state-level and regional disparities within India in terms of employment opportunities.

Fourth, India has one of the lowest participation rates of working age women in the labour force - about 25%.

Therefore, to ensure the countries envisioned income growth, and hence consumption growth, massive efforts will be required to provide the right skills and gainful employment, with leadership needed from all stakeholders, including corporate, academia, not-for-profit organizations and government leaders.

2. Socioeconomic inclusion of rural India

By 2030, 40% of Indians will be urban residents. However, there will also be more than 5,000 small urban towns (50,000-100,000 persons each) and more than 50,000 developed rural towns (5,000-10,000 persons each) with similar income profiles, where aspirations are fast converging with those of urban India.

3. Healthy and sustainable future

As India marches forward, it faces new challenges in health and sustainable living, even as it has achieved key health targets such as polio eradication. Cities grappling with alarming rates of congestion and pollution, together with an unhealthy population, could significantly dampen the benefits of India’s demographic dividend and urban growth, and lead to a fast deterioration in the quality of life of its citizens.

Two key challenges must be solved to improve the quality of health and urban live ability for India’s citizens at the macro level. First, while improving overall access to and affordability of healthcare services; it will be crucial to address the advent of non-communicable diseases (NCDs), which currently account for 63% of all deaths in India. NCDs are on the rise, owing to unhealthy food and lifestyle choices, across both urban and rural areas, and across income segments.

Second, the impending crises in air and water pollution, waste management and urban congestion must be urgently solved. As an illustration of the magnitude of just one dimension of the air-water-waste-congestion challenge, nine of the world's 10 most air-polluted cities are in India, including its capital New Delhi.

CONCLUSION AND SUGGESTIONS

As the country enters a new era of growth, and the fasted country of the world now is the time for all Indians to come together as one and address the most pressing societal challenges facing the country today: skilling and job creation, the socioeconomic inclusion of rural India, and the building of a healthy and sustainable future for every citizen. Collaborative efforts, especially public-private partnerships to address these challenges, can unlock the full potential of a young, progressive and dynamic nation, and establish India as a model for the world’s fast-growing economy.

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A STUDY OF GST AND ITS IMPACT ON PUBLIC FINANCE WITH SPECIAL REFERENCE TO PUBLIC FINANCE

Mamta Shukla
Assistant Professor, Gurukul College of Commerce

ABSTRACT
Goods And Service Tax (Gst) Is A Comprehensive Tax On Manufacture, Sale And Consumption Of Goods And Service At A National Level. Goods And Service Tax (Gst) Is The Biggest Tax Reforms In India After The Independence Of India. Goods And Service Tax (Gst) Will Boost The Indian Economy By Hike Of Gdp. Before Implementation Of Gst In India There Are Lots Of Indirect Taxes Such As Value Added Tax (Vat), Service Tax, Sales Tax, Octroi, Luxury Tax Etc. But Now All These Indirect Taxes Have Come Under An Umbrella. Now In India After The Implementation Of Gst Only One Tax, Monitored By The Central Government. At Present Different Tax Rates Are Applied To Goods And Services. Under Gst, There Would Be Only One Tax Rate For Both Goods And Services. Gst Is Expected To Create Business Friendly Environment. It Will Also Improve The Government Fiscal Health And Come Down The Inflation. In This Paper A Study On The Concept Of Goods And Service Tax And Impact On Indian Economy.

The Introduction Of The Gst Would Be A Significant Step In The Field Of Indirect Tax Reforms In India. By Subsuming A Large Number Of Central And State Taxes Into A Single Tax, It Would Mitigate Cascading Or Double Taxation In A Major Way And Pave The Way For A Common National Market. From The Consumer's Point Of View, The Biggest Advantage Would Be In Terms Of A Reduction In The Overall Tax Burden On Goods, Which Is Currently Estimated At 25 Per Cent- 30 Per Cent. Introduction Of The Gst Is Also Expected To Make Indian Products Competitive In Domestic And International Markets. Studies Show That This Would Instantly Spur Economic Growth. Because Of Its Transparent Character, It Is Expected That The Gst Would Be Easier To Administer.

Keywords: Goods And Service Tax (Gst), Tax, Indirect Tax, Fiscal Health, Inflation

INTRODUCTION OF THE STUDY

Tax policy plays an important role on the economy through their impact on efficiency and equity. A good system should keep in view issues of income distribution and at the same time tax revenues supports government expenditure on public service and infrastructure development. GST stands for Goods and Service Tax. The GST is likely to change the whole scenario of current Indirect tax system. It is considered the biggest tax reforms since 1947. Before passed the GST, India had a complicated indirect taxes system which is imposed by union and state separately. GST will uniform all the indirect tax under a canopy and create a smooth national market. GST will change the market dynamics and it will quite interesting to see how the business enterprise and companies will attend to the new tax rule. GST would be a comprehensive indirect tax on manufacturer consumption and sale of goods and service throughout the India to replace taxes levied by central government and state government. GST would be levied and collected at each stage of sale or purchase of goods and services. GST is applied on goods and services at the place where actual consumption happens. GST was first introduced by Franch in 1954 and now it is followed by 160 countries. Most of the countries followed unified GST and some of the countries follow a dual GST system where tax is imposed by central and states both. When the central govt. imposed tax then it is called Central GST (CGST) and imposed by state govt. it is called state GST (SGST). In India we also follow dual system of GST which is including CGST and SGST.

With India adopting the goods and services tax (GST), historical trends in revenue collections have ceased to be relevant to forecast future revenues, according to a National Institute of Public Finance and Policy (NIPFP) study, 'Fiscal Implications of Introduction of Goods and Services Tax in India' by Sacchidananda Mukherjee and R Kavita Rao. The study, commissioned by the 15th Finance Commission, uses data from three sources that are not comparable to estimate GST revenues.

Of the total GST collections, a lion's share goes to states. Reportedly, actual transfers of the Centre's gross tax collections are about 36% (below the 14th Finance Commission's mandate to devolve 42%) since the divisible pool of taxes excludes surcharges and cesses. So, a fall in the Centre's tax collections, even without a decline in the states' own tax collections, could hurt state finances. There are concerns over delays in the Centre's compensation to states due to the transition to GST.

OBJECTIVES

1. To study the concept of Goods and Services Tax (GST) and impact on Public Finance.
2. To understand working of GST in India.
3. To know the advantages and challenges of GST with reference to Public Finance.

REVIEW OF LITERATURE

Pallavikapila (2018): In her study she mentioned that GST is implemented by the government of India since 1st April, 2017. Its introduction by the Indian constitution Act, 2016 was considered to be one of the most crucial steps in the field of Indirect tax reform structure of India. GST was defined as a comprehensive consumption based tax levied upon manufacturer, sale and consumption of goods as well as service which helped in transforming the country into one unified common market.

A. Yadav (2017): In her study she mentioned that the main idea of GST is to replace existing taxes like Vat, excise duty, Service tax and sales tax. It will be levied on manufacturer and consumption of goods and service.

K. Ajoy Kumar (2017): In this paper made an attempt to explain the level of impact of this GST on the growth of the economy and benefits for the business and government and for the consumer.

A. Dash (2017): Mentioned that Goods and Service Tax popularly known as GST a single tax on the supply of goods and service, right from the manufacture to the consumer.

Dr. Yogesh K. C. Agrawal (2017): The research paper is regarding impact of GST on Indian economy with the introduction of GST there is a confusion among the common people about GST.

Joyprakash (2014): In his research study mention that GST is expected to give more relief to industry, trade, agriculture and consumer. Thus GST offers us the best option to broaden our tax base and we should not miss this opportunity to introduce it.

RESEARCH METHODOLOGY

The study focused on comprehensive study of secondary data collected from various books, National and International journals, government reports published from various website which focused on various aspects of Goods and Service tax and Public Finance GST and Public Finance The 15th Finance Commission submitted its report for the coming fiscal to President Ram Nath Kovind recently. What it has recommended on the distribution of tax proceeds between the Centre and states should be known in the Budget session. Has it suggested reduced transfers to states from the Centre’s divisible pool of taxes - below the 42% recommended by the 14th Finance Commission - or maintained status quo for 2020-21? Its recommendations, in any case, will impact the way budgeting is done.

Goods and Service Tax (GST) is an equal of all the composite of indirect taxes. GST will include all the indirect taxes of central government and state government into a unified tax. It will be collected on both goods and services at all the stages of value addition. It has dual model including Central Goods and Service Tax (CGST) and State Goods and Service Tax (SGST). CGST will involves central indirect taxes like central Excise Duty, Central Sales tax, service tax, special additional duty on customs whereas indirect tax of state govt. like state VAT purchase tax, luxury tax, Octroi, tax on lottery and gambling will be replaced by SGST. Integrated goods and Service tax (IGST) which is also called interstate goods and Service tax is also a component of GST.

It is not an additional tax but it is a system to examine the interstate transactions of goods and service and to further assure that the tax should be received by the importer state as GST is a destination based tax. On the other hand GST does not include basic customs duty, cess on basic customs duty, entertainment tax levied by Panchayat, Municipality, regional or District Council, Alcohol for human consumption, Tobacco and tobacco products, Crude, Diesel, Petrol, Natural Gas, Air turbine fuel.

Positive effect of implementation of GST on Public Finance

- GST is a single taxation system that will reduce the number of indirect taxes. From now a single taxation term would cover of all of these indirect taxes.
- It includes all indirect taxes under a single roof at the central and state level which reduce the burden from the state and central government.
- By improving the cost competition of goods and service GST has freed the manufacturing sector from cascading effect (i.e., Tax on tax) of taxes.

- A business friendly environment has been created by increasing tax-GDP ratio and inflation rate would come down.
- GST would introduce corruption free taxation system.
- Manufacturing cost will be reduced, hence prices of consumer goods likely to come down.
- A unified tax regime will lead to less corruption which will indirectly effect the common people.
- In the long run GST will add to the government revenue thus providing a boost to the Indian economy and Public Finance.

Negative impacts of GST on Public Finance

1. The Real estate market was affected badly by the introduction of GST.
2. Most of the dealers don't pay central excise tax by simply giving the VAT. But all of those dealers would now be forced to pay GST.
3. The short term impact of GST is expected to be negative for broader economy.
4. GST is mystifying term where double tax is changed in the name of single tax.
5. For consumer GST will be a mixed vegetable ingredients bag as some goods become cheaper while others will be expensive.
6. Service like Telecom, Banking, and Airline etc will become expensive.
7. For imposing of GST online shopping will be more expensive.
8. If seller increases his profit margin the prices of goods can also see a rising trend.
9. The final consumer will bear only the GST changed by the last dealer in the supply. Chain and it helps uniformity of tax rates across the states in India.
10. Only the center may levy and collect GST on supplies in the course of interstate trade of companies.

FINDINGS OF THE STUDY

Findings of the study with reference to

A. Impacts of GST on various sectors are as follows.

B. Challenges to Public Finance because of implementation of GST

A. Impacts of GST on various sectors are as follows.

Pharma: GST is expected to benefit the pharma and health care industries. It will help the industries by sorting out the taxation structure. It will create a level playing field for generic drug makers, boost medical tourism and simplify the tax structure.

FMCG: The Indian FMCG sector is the fastest growing sector in the Indian economy. After implementation of GST this sector expected to be much lower of GST rate which will result in reduction of price of consumer goods.

Real Estate: The real estate sector is one of the important sectors in Indian economy. These sectors play an important role in employment in India. The implementation of GST on real estate will effect partially as the sale or transfer of immovable property is not including in GST.

Telecommunication: In this telecom sector price are expected to come down after GST. Manufacturer will save in cost. Handset manufacturer will find it easier to sell their equipment as GST.

Agriculture sector: The agriculture sector is the largest contributing sector the overall India's GDP. It covers around 16% of Indian GDP. GST may provide India with its first national market. (One nation one tax) for the agricultural goods. The GST on agriculture sector will have a positive impact as all the taxes will be subsumed under a single rate of tax.

Service Sector: Service sector of India consist of 60% GDP. The GST rate for service is 18% which is higher than previous rate of tax that is 15%. So there will be increased cost of service like Banking, Telecom, and Insurance etc.

Textiles: The Indian textile Industry contributes 10% of total annual exports. They provide employment to a large no of skilled and non-skilled workers in the country. It is expected that the tax rate in GST would be higher of before imposed rate of tax because cotton and wool fiber which are exempted from tax would come under tax in GST. On the other side manufacturing cost may be reduced due to subsume of various taxes like Octroi, entry tax, luxury tax etc. There are few drawbacks also but GST will support the Industry in long run.

B. Challenges to Public Finance because of implementation of GST

The GST is a very good type of rule. However for the successful implementation of the same, there are few challenges which have to face to implement GST in India.

1. It is required that all the states should implement the GST.

2. The GST rules should be more refined and free from uncertainty.

3. The GST is a destination based tax. It should be clearly identifiable as to whom the Goods are going.

4. More awareness about GST and its advantages have to be made.

5. GST is a long term strategy and a positive impact shall be seen in the long run only. So it will take some time for the people to understand its implication.

CONCLUSION

The Goods and Service Tax (GST) rules will replace of multiple Indirect taxes with a single tax. Study of the National Council of applied economics research GST will boost India's Gross Domestic Product (GDP). GST will provide an efficient way to mobile revenue and reduce the fiscal deficit. All sectors of economy viz., Big, medium, small scales units, importers, Exporters, traders, professionals and consumers shall be directly affected by GST. GST will also help the taxation burden which will be divided equitably between manufacturing and services through a lower tax rate by increasing the tax based and minimize exemptions. GST is likely to improve tax collection and boost India's economic development and leads to growth of Public Finance in India.

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A STUDY ON THE CONSUMER AWARENESS AND PREFERENCE OF ORGANIC PRODUCTS WITH SPECIAL REFERENCE TO ORGANIC GREEN TEA

Prof. Shilpi Jawake[1] and Prof. Shweta Dubey[2]
[1]Mulund College of College, Mulund (W), Mumbai
[2] Sheth N. K. T. T. College of Commerce and Sheth J. T. T. College of Arts, Thane

ABSTRACT

As human development indicator (HDI) shows the population and life expectancy has increased in recent years. Accordingly demand for food products has also increased. To meet demand, many compromises are done on the end of ecological balance and in favor of higher production. The green revolution took last place on production of food supplies with an aim to increase the production of food grains. At the same time consumers realized the value of the ecologically balanced production. This study highlights the importance and awareness of organic food products amongst a health conscious consumer. The aim of the study is to understand the presence of organic food products in the Indian diaspora and help uncover the potential of this market. The study is carried out with special preference to organic green tea as it is a product which is used by all segments of society and can act as a real indicator of the market scenario. The hypothesis of the research states that although there is an increase in the organic green tea segment, there are still many who are skeptical about the use of the product. In addition to studying the awareness of the segment, this study also highlights the steps undertaken by the government in increasing the trust of the consumers towards this segment. It also emphasizes the holistic approach of the government towards this segment by introducing measures for the farmers, the organizations and the consumers. This study also focuses on how organic products are playing a major role in creating a sustainable environment by creating a non-toxic method of farming. It also helps in creating a proper balance among the different strata of society by reducing the gap between urban and rural class. The research is both primary and secondary in nature and proves that although the organic sector in India is currently at a miniscule level but with proper efforts from all the players it can become a booming sector in the coming future.

Keywords: organic food, green tea, consumer behavior,

1. INTRODUCTION

In this era of technology, sustainability is the key of life where everything is available on a click, consumers are realizing the value of eco-friendly products where the resources are used consciously for production. Organic food products is one of main comeback in recent years as we are now moving backwards to the traditional method of farming integrating it with the modern machinery and tools. Foods which are produced using non-toxic methods i.e. No use of pesticides, insecticides, man-made manure, etc. Which do not harm the environment and help maintain the health of the people consuming it. The current food market can be divided into various categories which include organic and inorganic products.

There are many players who are claiming to provide organic food products. Organic food market is growing in recent years due to consumer awareness and preference. Consumer buying behaviour is shifting as consumers are more health conscious and keeping their health as top priority. The range of health benefits of organic food products range to a vast degree. So what does organic food mean?

Organic food is produced through organic farming. Organic farming is produced with an aim to produce high quality and healthy foods without any use of artificial chemical products.

The production of organic products in India in the year 2017-18 was around 1.70 million tonnes. The production consisted of many food products like oilseeds, sugarcane, cereals & millets, cotton, pulses, medicinal plants, tea, fruits, etc.

Benefits of organic food market

The organic food market is receiving a lot of boost from Indian government. India joined various other countries to become the nation providing certifications for the sale of organic products. Therefore, the market will have the players with the seal of trust from the government and thus authenticity of the products would be established. The government is also taking efforts to promote organic sector in the country by offering schemes and assistance to the organizations to develop the segment and the farmers to increase organic farming. The government is taking efforts on a 360 degree level as it is making the consumers aware of the organic products and imbibing a level of trust amongst them by promoting them and also providing certificates which are of similar nature as an ISO certification.

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1. Organic green tea and market players

India is the second largest producer of tea in the world after China and as of 2011, the largest consumer of the beverage using nearly 30 percent of the world's tea output. Despite this, the country also exports the most tea globally behind China and Sri Lanka. The organic tea sector is a very miniscule and insignificant to be measured compared to conventional tea market.

The choice of product organic green tea results from it being cost effective i.e. very less proportional of consumers' disposable income. In India organic green tea gained more popularity as it is the nation with the second largest production of tea in the world after china. Also, a major part of India's population are tea lovers. In recent years, organic green tea has replaced caffeine tea which is not good for health and can be addictive in nature if consumed heavily. The major players of organic green tea in India are as follows:

Typhoo

Girnar

Lipton

Organic India

Just Organik

RESEARCH METHODOLOGY

- **Objectives of the study**

1. To evaluate the awareness and the preference of organic food products.

2. To determine significant factors leading to preference of organic food products.

- **Scope**

1. The research will help the marketers to understand the importance of organic food segment

2. The research will make the consumers aware of the organic food products

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3. Make the business organizations understands their responsibility towards a sustainable environment and also become eco-friendly in the process.

4. Help the organizations create a unique position in the market thereby creating a unique brand equity.

- **Data collection methods**

Primary data collection:

Method: Questionnaire survey

Sample size: 100

Sample area: Thane city

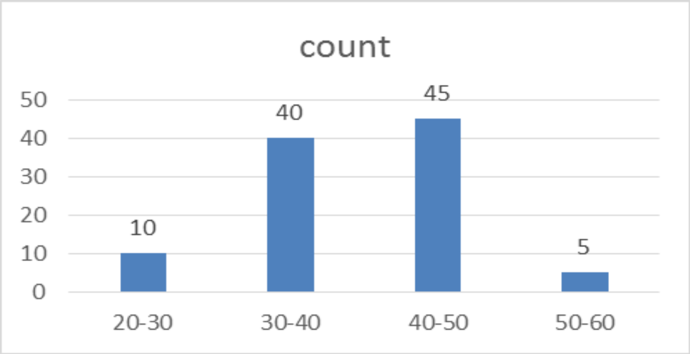
Sampling technique: Convenient sampling

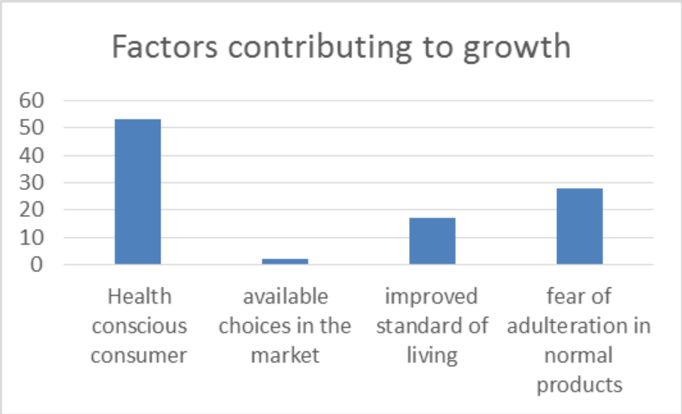
Secondary data collection

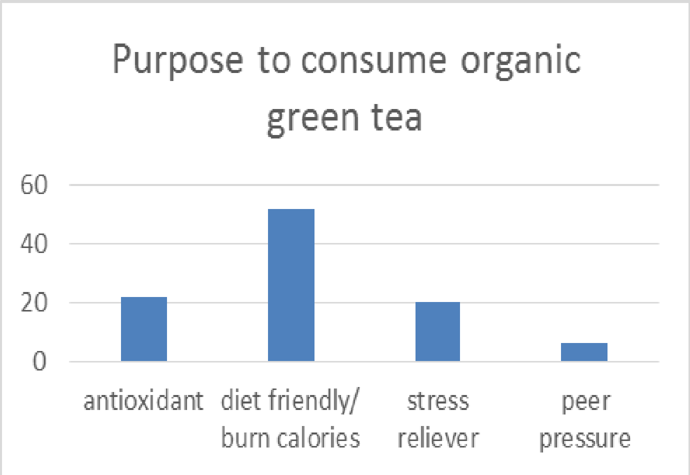
Sources: white papers, newspaper articles, blogs, journals, research paper.

2. FINDINGS AND ANALYSIS

Age group: bifurcation of gender







- From the survey conducted, we find that the entire population is aware of the organic green tea market.

- It was also found that green tea is majorly consumed by females (72%). Almost 70% of the population have confirmed to have consumed organic green tea. Although people are aware of organic green tea market and that it has some effect on your wellbeing, not everyone uses it daily.
- Yet it was found that majorly everyone believes that organic green tea adds nutritive value to your system followed by intrinsic cleansing and finally it being a diet friendly option for them.
- As seen in the figure above, major population is of the opinion that health conscious consumer is the top reason for growth in the organic green tea market followed by the fear of adulteration in available products, improved standard of living.
- The research conducted proves that public assumes organic green tea has many health benefits as compared to inorganic tea. But in spite of this, 45% of consumers have it once in a while, whereas 25% have rarely had it while only 10% have it daily, and the remaining have never had it yet.
- As stated earlier, the major purpose of having organic green tea id that it is diet friendly and helpful in burning calories, followed by it being an antioxidant, and helps in tress relieving, whereas a certain population have had it due to peer pressure.
- Almost 70% of the population is aware of the various flavours of organic green tea.
- Majority of the population believes organic green tea is useful in reducing stress levels, followed by reducing weight, increased stamina.

3. CONCLUSION

India has potential to grow many kinds of organic products. The production of organic products do not make the negative impact of environment & society. Organic products produced with the help of organic fertilizer and it helps to preserve the reproductive quality of soil. The government of India has initiated several programs for boosting the growth and production of organic products. It is the key of sustainable ecological and social environment. Government has taken the initiative by starting accreditation programmes for organization to provide quality certificate, standard to maintain and to promote and help to develop organic products. This research studies about awareness of consumers of organic green tea. The research also tries to analyze the consumer behaviour towards this segment and its budgeting. The overall research tries to identify and analyze the reasons behind the growth the organic product segment with reference to the use and increase of green tea consumption in India. Organic green tea is considered as a parameter to judge the organic product market due to its usability in all segments of society. The research thus helps to understand the organic green tea market and by extension organic products' market. This research can therefore be helpful to the business organizations and consumers alike in helping create a sustainable environment with a proper balance of production, health and ecology for everyone to exist. The organics business could emerge as a win-win for consumers, farmers, as well as the industry.

4. SUGGESTIONS

In several parts of the country, the inherited tradition of organic farming is an added advantage. This holds promise for the organic producers to tap the market which is growing steadily in the domestic and export market. As per the available statistics, India's rank in terms of world's organic agricultural land was 9th and in terms of total number of producers was 1st as per 2018 data (source: FIBL & IFOAM year book 2018). The organic foods market projected to hit ₹ 10,000 crores by 2020, according to an Associated Chambers of Commerce and Industry of India (Assocham) report.

The term 'organic' attracts premium pricing and therefore, it needs to be cashed upon. The business organizations need to take a leaf out of Typhoo and start bringing up variations of herbal organic products to retain existing customers and acquire new customers.

The overall segment is currently in a nascent stage but with proper packaging and positioning, organic food market can increase by many folds. Business organizations have to realize this fact and work on developing product profile for organic segment that can help them to create a better profile in the market and increase their brand value by creating brand proposition.

It would also act as a one way out of the agrarian crisis, supported by consumers.

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AGRICULTURE DEVELOPMENT THROUGH E-GOVERNANCE IN INDIA

Amit Babaso Patil
Assistant Professor, Warana Mahavidyalaya, Aitawade Khurd

ABSTRACT

The paper discusses the steps towards digitalization of Indian agriculture sector. The generation and application of agricultural knowledge is increasingly important, especially for small and marginal farmers, who need relevant information in order to improve, sustain and diversify their farm enterprises. So that Indian government has taken Large number of initiative were taken in agriculture like Bele,,Seednet, Agmarknet, Lifelines India, e-choupal, Choupal Sagar, Gyandoot, n-louge etc. Its impact is also far and wide like Increase in Employment Opportunities, Improvement in standard of Living of farmers, Reduction in Agricultural production Risk and Uncertainty etc.

INTRODUCTION

Agriculture in India is the pivotal sector for ensuring food and nutritional security, sustainable development and for alleviation of poverty. Today, India ranks second worldwide in farm output. The economic contribution of agriculture to India's GDP is steadily declining with the country's broad-based economic growth. Still, agriculture is demographically the broadest economic sector and plays a significant role in the overall socio-economic fabric of India.India is a country of villages and to improve and sustain the overall prosperity, growth and development in the global competitive regime, Government has introduced National E-governance plan (NeGp) that seeks to lay the foundation with various projects, starting from the grass-root levels, and provide impetus for long-term e-governance within the country. In this direction rural e-Governance applications implemented in the recent few years have been demonstrating the importance of Information and Communication Technologies (ICT) in the concerned areas of rural and agriculture development. Indeed, some of the schemes introduced in rural India have improved the government services immensely. ICT in Agriculture is extension Initiative inIndiathe following ICT measures are adopted for agriculture extension: aAQUA, Kissan Kerala, TNAU AGRITECH Portal, AGRISNET, DACNET, e-krishi, ASHA, Indian Development Gateway (InDG Portal), Rice Knowledge Management Portal (RKMP), Agropedia, AGMARKNET, ITC-e-Choupal, EID ParryIndiagriline, Indiancommodities.com, MahindraKisan Mitra, IFFCO Agri-Portal, Agrowatch Portal, iKissan, Village Knowledge Centres (VKCs) -M.S. Swaminathan Research Foundation (MSSRF), Village Resource Centres (VRCs) –Indian Space Research Organisation (ISRO), Community Information Centres (CICs), Common Service Centres (CSCs), Farmers Call Centre (Kissan Call Centre), Lifelines India, IFFCO Kisan Sanchar Limited (IKSL), Fisher Friend, Reuters Market Light (RML), Mobile Advisory Services by Krishi Vigyan Kendras (KVKs) of Indian Council of Agricultural Research (ICAR), e-Arik, e-Sagu, Digital Green, Knowledge Share Centres and Information Village Research Project in Pondicherry, etc. are some of the important projects that have been providing excellent services and saving time and money of farmers as well as of government and are contributing their might to the socio-economicdevelopment of rural India. In this context, this paper presents an impact of these technologies [digitalization], the rural ICT projects and the relevant issues associated with the use of ICT for rural e-Governance applications, and suggest that the Public Private Partnership (PPP) approach could be more effective to achieve sustainable agricultural development.

Steps towards Digitalization in Agriculture

Cisco and BT have established Life lines India. It is a telephone-based help line that provides advice and guidance to rural farming communities. Majority of the rural population is illiterate and therefore a voice based program is highly useful to the farmers. Large number of farmers call on their helpline for problem relating to cattle or pest infestation to their crop etc. and are getting benefitted by it. There is one instance of a farmer whose cow was giving very less and poor quality of milk. He called on these help lines and followed their instructions meticulously and with few days found improvement in the quality and quantity of milk given by the cow.

- The program, which launched in November 2006, can point to many solid achievements:
- Participating farmers have increased profits from 25 to 150 percent due to a consistent improvement in crop quality and productivity.
- The FAQ database now contains more than 125,000 entries.
- The program has expanded to encompass more than 100,000 farmers in nearly 5,000 villages.

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- Call volume has risen from 1,100 per month at launch to more than 200 calls daily.

The program has expanded beyond agriculture and now supports teachers with advice on curriculum, pedagogy, policy and administration. In Dhar district of Madhya Pradesh government has launched Gyandoot (messanger of knowledge) Project. In this project a reliable intranet connects villages throughout the district. Access is through numerous cyber-kiosks run by local entrepreneurs. A wide range of services is offered: mandi [market] information, landholder records, Hindi email, forms and news on employment, matrimonial, education and health. This project won the prestigious Stockholm Challenge Award for the year 2000.

M.S. Swaminathan Research Foundation of Chennai and International Development Research Centre [IDRC] of Canada have initiated a project similar to Gyandoot project named, The Information Village Research Project (IVRP). in Chennai. About 8 villages around Pondicherry form the test bed for the project. For the villages covered under the project, Villianur, Pillayarkuppam, Kizhur, Embalam, Veerampattinam, Thirukanchipet, Pooranamkuppam and Kalitheerthalkuppam, information technology is no longer a dream of the 21st century It has redefined their lives. It provides information on fisheries, agriculture, buses, healthcare, jobs etc. online. Best of all the project uses 60% of solar energy and is totally wireless.

According to an India Today report “Every morning, Madurai, a fisherman, prays for his safety and a good catch. These days the ritual stretches half an hour more. Before setting out to sea, Madurai sits before a computer terminal gathering information on the sea-like wave height, turbulence and fish density. So do hundreds of other fishermen in Veerampattinam, a coastal village 15 km off Pondicherry city”.

In this project the village information centre (VIC) receives information by voice mail and dispenses it through a public-address system. Farmers receive advice on rotation of crops, fertilizers and pesticides. They no longer travel up to 20 km away to know the market price of their crop. Erratic power supply does not bother these villages as 60 per cent of the project work is by solar power. Motorola has donated two-way radio dispatch equipment to connect the villages so that they are not handicapped by the lack of telephones in the villages.

ITC has launched its new innovative rural mall “Choupal Sagar”. It stocks wide range of products from consumer durables to the grocery items. It also provides training facilities to farmers for new techniques of farming, E-kiosk for market intelligence and requisition of farm inputs, warehouse for the storage of farm products, information center for online information on weather condition and community prices.

An organization called n-louge focused on providing commercial telephone and internet connection to every village. It decided to provide an Internet Kiosk with a computer, an Internet connection, a printer and some accessories like web cam in each village. It was a hub of rural connectivity, as well as education and training, health care, agricultural consultancy and e governance.

Following most advanced agricultural e-technologies employed in India today

1. Irrigate via smart phone Mobile technology is playing a big role in monitoring and controlling crop irrigation systems. With the right equipment a farmer can control his irrigation systems from a phone or computer instead of driving to each field. Moisture sensors in the ground are able to communicate information about the level of moisture present at certain depths in the soil. This increased flexibility allows for more precise control of water and other inputs like fertilizer that are applied by irrigation pivots. Farmers can also combine this with other tech like VRT mentioned earlier to control the rate of water applied.

2 sensing how your crop is feeling this is taking variable rate technology to the next level. Instead of making a prescription fertilizer map for a field before you go out to apply it, crop sensors tell application equipment how much to apply in real time. Optical sensors are able to see how much fertilizer a plant may need based on the amount of light reflected back to the sensor. I haven’t seen one of these systems in operation yet, but I’m keeping a close eye on them. It’s fairly new and pretty expensive, but I see huge potential here. Crop sensors are going to help farmers apply fertilizer in a very effective manner, maximizing uptake and reducing potential leaching and runoff into ground water.

3 Field documentation Because of onboard monitors and GPS the ability to document yields, application rates, and tillage practices is becoming easier and more precise every year. In fact farmers are getting to the point where they have so much good data on hand that it can be overwhelming to figure out what to do with all of it. And of course, every farmer’s favorite form of documentation is the yield map. It sums up a year’s worth of planning and hard work on a piece of colorful paper. As harvesting equipment’s rolls through the field it calculates yield and moisture as it goes tying it in with GPS coordinates. When finished a map of the field is printed. These maps are often called heat maps. I liken then to weather radar maps.

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Each color on the map relates to a certain yield range. Now the farmer can see what varieties had the best, worst, or most consistent yield over varying conditions. Maps like this can tell a farmer how well a field's drainage system is working.

4 Your tractor is calling Telematics is being touted as the next big thing in agriculture. This technology allows equipment to talk to farmers, equipment dealers, and even other equipment. Imagine you have a problem in the field and have to stop working. With telematics your dealer can access the onboard diagnostic system of your tractor. Depending on the problem they might be able to fix your equipment right from dealer. No waiting on a mechanic to drive out to wherever you might be. You're back to work, and the dealer saved a trip too. Farmers will be able to keep track of what field equipment is in, fuel consumption, operating hours, and much more. Personally I've noticed on our farm as we become more technologically advanced our downtime is often caused by electrical, software, or hardware problems as opposed to mechanical. Tractors can even communicate between themselves. The best example is a combine and a grain cart. Grain carts pull up next to harvesting equipment so the harvester can unload on the move without stopping to unload. Telematics can tell the grain cart operator when a combine is filling up with grain. Even better if one cart is chasing two combines.

5 Your cow is calling too and it's not saying "Moo!" Collars developed for livestock are helping producers keep track of their herds. Sensors in the collar send information to a rancher's smartphone giving the rancher a heads up on where a cow might be, or maybe she's in some sort of distress, or maybe just in the mood for some mating. I suppose you could say it's kind of like telematics for cows. RFID tags are also a handy device for livestock management. The information kept on a tag helps producers keep track of individual animals, speeding up and making record keeping more precise. I recently read about RFID tags placed in to hay as it is baled. Data such as moisture and weight can be stored in the tag to be scanned later.

6 There's an app for that Mobile tech is big in agriculture and it's getting bigger all the time. Farmers and ranchers are using all the social media sites for all types of reasons. Some are using apps like foursquare to keep tabs on employees. You might even catch me on a twitter chat tweeting away right from the tractor cab. The tractor is driving itself and my hands are free so why not? Apps can control irrigation and grain storage systems. Want to load grain into a truck without getting out of the cab? Load out Technologies has you covered. I can't tell you how many times the flashlight app on my phone comes in handy. Even the camera can be put to work on the farm. If you think you might forget how something goes back together after you take it apart take a picture of it assembled. On my phone I have apps that show me soil type via GPS, agricultural news and markets, insect pests, calculations for mixing herbicide solutions, and one that tracks growing degree days. GDDs are an index based on temperature that gives a grower an idea of how mature a crop may be. If you plan on visiting the National Farm Machinery Show in Louisville, you won't have to carry around a map all day that shows vendors booths and event schedules. There's an app for that too.

7 Swath control and variable rate technology Building on GPS technology are swath control and Variable Rate Technology VRT. This is where guidance really begins to show a return on investment. Swath control is just what it sounds like. The farmer is controlling the size of the swath a given piece of equipment takes through the field. The savings come from using fewer inputs like seed, fertilizer, herbicides, etc. Since the size and shapes of fields are irregular you are bound to overlap to some extent in every application. Thanks to GPS mapping the equipment in the field already knows where it has been. Swath control shuts off sections of the applicator as it enters the overlap area, saving the farmer from applying twice the inputs on the same piece of ground. VRT works in a similar fashion. Based on production history and soil tests a farmer can build a prescription GPS map for an input. By knowing what areas of a field are most and least productive the application rate of an input like fertilizer can be tailored to increase or decrease automatically at the appropriate time. This is a big benefit for farms. Instead of applying a set rate of fertilizer over the entire field (many times a high rate to help those low producing areas) an operator can now apply a rate most effective for a particular section of ground

8 Kisaan sMs Portal

The Indian farmers are not much aware of the latest technologies developed for the improvement of agricultural products. It is a fact that there are different methods of extension system of information and technology in India but to reach rural India is always a difficult task because of remoteness of the places and the level of consciousness. In order to solve this problem in 2013 an SMS Portal for Farmers was created by the Department of Agriculture & Cooperation, Government of India for dissemination of relevant information, giving topical and seasonal advisories and providing services through SMSs in language of the state. It is an integrated

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Farmers' Portal and has been hosted as a Beta site and Farmers' Portal is the most important part of it. This Portal has been developed completely in-house by DAC

The main features of the Kisaan SMS Portal include:

1. The farmers can register to this portal by calling Kisaan Call Centre or through the web portal. The registration is free of cost. They can register their queries, about the weather report, soil type, prospects and problems of market and so on by using this SMS portal.
2. The relevant information will be provided to farmers in their own or regional languages.
3. The SMSs will get transmitted only to the farmers within the territorial jurisdiction of an officer, scientist or experts for the crop or agricultural practice that such a farmer might have opted for.
4. The farmers will get the information, services and even some advisories through this portal. The content may include information about the schemes, advisories from the experts, markets.
5. The officers can send SMS to the farmers belonging to the entire area of their jurisdiction or a part of it.
6. This Portal will also integrate existing farmer database of the farmers.

STRENGTHS

There are many advantages of this portal. If the farmers are aware of this portal they can be benefited in different ways which are as follows:

1. Crop advisory will lead to the adoption of more appropriate technologies suited to local condition. The farmers can choose the relevant techniques and technologies that they desire.
2. Information on schemes and programs of Government of India can help every farmer to reap benefit out of these schemes thus widening the footprint of these schemes.
3. Weather always plays a crucial role so far as agriculture is concerned. On the onset of any adverse weather condition, advice can be provided to the farmers on effective resource to be adopted.
4. Outbreak of the disease/pests can be controlled as advisories can be provided immediately to the farmers in and around the area of initial report of the disease/pest. Early treatment may minimize the damage.
5. Selection of suitable and better variety/breed
6. By the farmer based on the information/ advisory can provided to him/her.
7. Soil test results in his mobile will help in selecting the right fertilizer and the dosage.
8. This Portal is Cost effective. The farmers can get all the information through SMS after registering their details on the toll free number.
9. Timely market information will give better bargaining power to the farmer.
10. Weather forecast can help the farmer in planning farm operation effectively

SUGGESTIONS

In order to improve the activities and to make this ICT very effective one the following measures can be adopted:

1. Farmers should be made aware of this e-governance.
2. There should be a close link with the Panchayati Raj Institutions.
3. The banking facilities should be included in this portal.
4. There should be at least one facilitation centre in each village.
5. There should be the provision of checking the fraud SMSs.

CONCLUSION

ICTs are changing all the spheres of human lives and agriculture cannot be an exception. ICTs now may act as an agent for changing agrarian and farmers' life by improving access of information and sharing knowledge. That e-governance policies like Kisaan SMS Portal can improve the productivity of the agriculture by adopting different measures. This ICT tool can change the ideas, activities and knowledge of the farmers. Farmers can adopt appropriate measures at the time of need.It is a key sector for generating employment opportunity. Indian

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agriculture sector contributes 14 per cent of GDP, provides food to one Billion People, sustains 65 per cent of the population and contributes about 11 per cent of the export earnings. Indian agriculture contributes to 8 percent global agriculture gross domestic product to support 18 per cent of world population on only 9 per cent of world's arable land and 2.3 of geographical area. This sector also influences essential ecosystem services such as water and carbon sequestration. Milestones in agricultural development in India includes: Green Revolution, Evergreen Revolution, Blue Revolution, White Revolution, Yellow Revolution, Bio-technology Revolution, ICT Revolution and so on.

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IMPLICATIONS OF METRO CAR SHED PROJECT AT ARREY FOREST WITH REFERENCE TO ENVIRONMENTAL PROTECTION LAWS

Dr. Anand Mahadeo Kasle
G.J Advani Law College, Mumbai

ABSTRACT

The research within METSRO CAR SHED project implications is directed towards various aspects of a sustainable society, with particular focus on the optimization and protection of community resources and infrastructure. The researcher within the area is mainly concerned with environmental aspect and its implications as well as legal framework of environmental laws. A common denominator is all aspects of optimization and risk management about metro car shed project. The researcher gone through the research problem that there is battle between development and environment, the present generation how far paying attention towards the environmental aspects depending upon the benefit of future generations. The researcher assessed the various environmental related laws like environmental protection act, air act, water act, forest act, wildlife protection act. Right to development centralised in one part of India and other parts of India deprived from right to development and therefore, there was tremendous pressure on infrastructure and especially in city of Mumbai, central ,western and harbour line is inadequate to solve the problem of commuters so metro railway is one of the solution for transportation problem but metro car shed is proposed to build In aarey forest is creating another problem for wildlife and biodiversity and rights of indigenous people.

Keywords- *Metro railway, car shed, development, environment, wildlife, forest*

1.INTRODUCTION

Mumbai's Aarey Colony has been in the news for all the erroneous reasons, be it is the decision of the Bombay High Court disallowing petitions to declare Mumbai's Aarey Colony a protected forest or the felling of trees within hours of a high court decision or the inclosing of criminal charges against those defending the tree felling. Although the Supreme Court reserved the authorities on October 7,2019 from cutting any more trees in Aarey Colony, it was already too late. The Mumbai Metro Rail Corporation informed the court that it had already cut 2,141 of the 2,185 trees recognized for felling. Meanwhile, the 29 arrested citizen protesters were free on bail, but here again the damage had already been done, with grave criminal charges filed against them under four sections of the Indian Penal Code.

Aarey Colony, spread over 1,287 hectares of land, is home to around 450,000 trees, a number of endangered species and 27 tribal hamlets. Over the past five decades, local and state authorities have surreptitiously parcelled out hundreds of hectares of Aarey Colony to various profitable and development projects. The Mumbai Metro car shed project, which was assigned 33 hectares of land, is only the latest of these. Opinion in the city has been divided over questions of the financial practicability and environmental cost of addressing the transportation needs of the city. But another area of thoughtful apprehension is the undemocratic and ambiguous methods employed to accelerate the adjacent of metro rail projects**.**

Despite public indignation and the availability of alternative locations, the authorities have cut through all opposition to denotify 165 ha. of Aarey land, which is now available for 'commercial' use from being a 'No Development Zone'. The government has intensely argued in open court that Aarey is not a forest, without presenting supporting documents and records in the public domain about the land status. The BMC Trees Authority expert members weren't given enough time to examine all the details in the inventory list and there were many discrepancies in the tree inventory data collected at the project site in 2012, 2014 and 2017.

The enthusiasm with which the felling started within hours of the Bombay High Court's October 4 order stands in sharp contrast to the authorities' lack of enthusiasm about implementing several previous orders, including one from the same high court, to provide basic amenities to thousands of Warli tribals-a Particularly Vulnerable Tribal Group (PVTG)-living in Aarey Colony since 1861. Even constitutional provisions to protect PVTGs from discrimination and subjugation have been marginalized and this has been possible because the land status of Aarey is so imprecise. Environment campaigners, too, are mainly focused on Aarey's lush vegetation; no great concern for the rights of thousands of helpless Aarey Colony tribals has been obvious in public discussions or courtrooms.

Meanwhile, Mumbai Metro Corp. has brushed aside the environmental concerns of citizens as a indulgent imaginary, claiming that the project will, in fact, have a significant positive impact, reducing CO_2 emissions by 261,000 tonnes/ year. While this may sound like a promising step towards India's Intended Nationally

Determined Contributions in the Paris Agreement, given the absence of any approved methodologies for such estimates and the lack of authentic baseline data, Mumbai Metro's statements amount to little more than grandstanding. The Maharashtra government, too, has been tom-tomming the probable environmental gains from the metro project, but its own record in implementing environmental laws in the state has been very disappointing. The sheer number of environmental cases from Maharashtra in the Western Bench of the NGT (National Green Tribunal) are evidence to this. Perhaps the government should pay more attention to the Preamble to the Paris Agreement, which calls for all States to "respect, promote and consider their respective obligations on human rights". Instead, threats and violence against protesters have only increased in the past week following the protest in Aarey.

Mumbai is the financial capital of India. Day to day Mumbai's population increasing extremely and it is substantial compression on central and western railway and many of the commuters dying in train travelling. Government of Maharashtra with collaboration of other bodies, MMRDA started the project of Metro railway throughout Mumbai in different phases. However, Metro Railway required car shed for their daily repairs and maintence.

The place fixed that Aarey forest which is biodiversity rich. Environmentalist opposing it, even there was approval from court proceedings.

2. REVIEW OF LITERATURE

Since the adoption of The Kyoto Protocol in December 1997 which was entered into force on 16 February 2005, that developing countries are principally responsible for the current high level of GHG emission into the atmosphere due to industrial activities. This protocol commits the developed countries to reduce 5 percent pollution against 1990 level over the five years' period 2008-12. The need for a well-developed legal mechanism is to conserve resources, protect the environment and ensures the health and well-being of the people in India was felt. Keeping the pace with international laws, the Ministry of Environment and Forest enacted Environmental Protection Act in 1986. Over the years, the Government of India has framed several policies and broadcasted number of Acts, Rules and Notifications aimed at management and protection of the environment. During last three decades a widespread linkage of environmental legislation has developed and currently it has a justly complex body of environmental legislation aimed at ensuring that the development process meets the overall objective of promoting sustainability in the long run. The available legal Acts and Legislation referred during the study are:

The Water (Prevention and Control of Pollution) Act, 1974 (Amendment 1988), The Water (Prevention and Control of Pollution) Cess Act 1977, (Amendment 2003), The Water (Prevention and Control of Pollution) Cess Rules, 1978, 1991, The Air (Prevention and Control of Pollution) Act 1981 (Amended 1987), Noise Pollution (Regulation and Control) Rules, 2000 (Amendment 2002, 2006), Municipal Solid Waste Rules, 2000, The Environment (Protection) Act, 1986, amended 1991. The Environment (Protection) Rules, 1986.

The Indian Forest Act, 1927, Forest (Conservation) Act, 1980, amended 1988. Forest (Conservation) Rules, 2003. The Wild Life (Protection) Act 1972, Amendment, 2002, The Metro Railway (Amendment) Act 2009, Metro Railway (Construction of Works) Act, 1978, Delhi Metro Railway (Operation and Maintenance) Act, 2002. The Ancient Monuments and Archaeological sites and Remains (Amendment and Validation Act),2010

The Environmental Impact Assessment is conducted as per "Guidelines for Environmental and Social considerations". These guidelines are formulated based on the World Bank Operation Policy. The Environmental Impact Assessment covers the anticipated on-site activities as well as the conveyance of the generated waste to the waste disposal sites. The use of water resources and also the discharge of polluted water (sewerage) are primarily regulated by the Water (Prevention and Control of Pollution) Act, 1974 amended in 1988. The Water Cess Act, 1977 amended in 1992 and 2003, including Rules 1978 and 1991 provides for levy and collection of Cess on water consumed with a view to generate resources for prevention and control of water pollution. The Act assigns functions and powers to the Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCBs) for prevention and control of water pollution. The Environment (Protection) Act 1986 amended in 1991 and Rules also lays down specific standards for quality of water effluents to be discharged into different type of water bodies (sewers, surface water bodies). Additionally, the water supplied to users for drinking shall also imitate to the National Drinking Water Standard, summarizes the general standards for discharge effluent in Inland Surface Water Bodies. To ascertain and categorize the existing water quality, the results of the examination of water quality need to be compared with the water quality standards.

Off late, with speedy reduction of groundwater resources in numerous areas of the country, efforts have been originated to control the use of groundwater resources. The focus of such acts and rules is to deliver for

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instruments that would lead to replacement of groundwater reserves through techniques like rain water harvesting. The Central Ground Water Board, (CGWB) the statutory authority set up by the Central Government has also restricted the drilling of tube wells and bore wells in certain water scarce areas in the country.

Air Quality the Air (Prevention and Control of Pollution) Act, 1981 and amended in 1987 including Rules 1982 and 1983 was enacted to prevent, control and reduce air pollution. According to Section 21 of the Act, no person shall establish or operate any activity, which can cause air pollution without obtaining Consent to Establish (CTE) as per the Air Act. The Act also lays down National Ambient Air Quality Standards for pollutants like PM2.5, PM10, Sulphur dioxide, Oxides of Nitrogen, Carbon monoxide, Lead, Ozone, Ammonia, Benzene and Benzo pyrene with the intent of managing air quality for different category of areas (residential, industrial and sensitive). Ambient Air Quality Standards have been notified by the CPCB vide Gazette the Notification dated 16 November 2009, Noise Quality the Extended Producer Responsibility (EPR) also specifies source emission standards determined on the basis of the impact of pollutants on human health, vegetation and property for activities, which can pollute the air. The SPCBs, on a case to case basis, can also make the emission standards more stringent on the considerations of the carrying capacity of a specific air shed and the existing pollution levels of ambient air quality. With the objective of regulating ambient noise quality in the environment, the Central Government has notified the Noise Pollution (Regulation and Control) Rules, 2000 amended in 2002 and 2006 under the EPA. The noise standards for different category of areas are based on the weighted equivalent noise level. The EPR also lays down equipment noise standards for DG sets, Air conditioners and Construction Equipment, which would be in use for the project. Ambient Noise level standards have been notified by the MoEF vide Gazette Notification dated 26th December 1989 and also in the Schedule III of the Environmental (Protection) Rules 1986. It is based on the 'A' weighted equivalent noise level. solid Waste Management Project construction and operation generates solid waste at site. The MMRC would be responsible for collection and handling of solid waste as per the provisions of the Municipal Solid Waste Rules, 2000. The Hazardous Waste (Management and Handling) Rules, 2000 require facilities to classify wastes into categories, manage them as per the prescribed guidelines and obtain prior authorization from the SPCB for handling, treatment, storage and disposal of Hazardous Wastes.

3. OBJECTIVES

1. Balancing the gap between environment and development.
2. Assessing the various environmental related laws.
3. Judicial pronouncement with reference to sustainable development.
4. International perspective for development project and environment.
5. Right to development centralised in one part of India which is harmful for national integrity.

4. RESEARCH PROBLEM/ STATEMENT OF PROBLEM

The developmental project always benefited to the present population but the environmental disaster may be losing for future generation.

However, Metro car shed project damaging the environmental biodiversity in such a way that the future generation will face tremendous difficulty to cope up the situations like climate change, ozone layer depletion, greenhouse gases and acid rain etc.

5. RESEARCH QUESTION

How to balance between developmental project and environmental protection?

6. HYPOTHESIS

Developmental projects have their peculiar pros and cons. But rejecting the development projects may lead to the another disastrous effects that related to the other developmental project like sardar sarover project turned the benefits to the people who deprived from right to water, at the same time rehabilitation of project affected peoples are still pending.

7. RESEARCH METHODOLOGY

Mixed research methodology adopted for this research project.

8. RESULT AND DISCUSSION

Since India began to embark on a policy of economic liberation in the early 1990s, Mumbai has seen a huge growth in the number of private and personal automobiles, such as cars, jeeps, motor cycles and scooters. Public transport such as taxis, buses and auto rickshaws.

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On the basis of a survey of stakeholders in Mumbai city about metro car shed project, the researcher used structured questionnaire in English, Marathi and Hindi in order to draw a representative picture of the implication of metro car shed project. In the survey, the researcher collected Information on a number of factor: the social characteristics of indigenous people who are staying nearby the metro car shed project, the environmental impact over the vicinity, opinions of the expert environmentalist, government officials, general public.

The main regression result is reported is negative about metro car shed through indigenous local people and environmentalist. However, the result especially in general public about metro car shed project is quite positive with reference to need of metro railway to combat with the transport problem which is day by day becoming more and more serious in the life of general public in the city of Mumbai.

9. CONCLUSION

There is no doubt that, at a time when Delhi's urban transport problems were getting more and more complex, the bold decision to have a metro in the city has made a big metamorphosis. There are various landmarks which the Delhi Metro has been able to achieve: Phase I was completed ahead of time; work was completed within estimated completion costs; the unit cost of construction remained one of the lowest; it is the first metro to get ISO 14001 certification for Environmental Management System and the first metro to earn carbon credit. The Delhi Metro Rail Corporation's success is accredited to a pioneering company structure, a exceptional work culture, and organizational values reflected in a lean but effective organization, promptness, skilled capability, a rapid decision-making process, and the adequate allocation of powers.

Likewise, Delhi Metro came as a boon to millions of people in Delhi. Deities were in real need of a good transport system. Their wish came true, when Delhi Metro was launched. Delhi Metro is very aptly called, "the lifeline of Delhi". It connects the major areas of Delhi. Delhi Metro changed the picture of New Delhi. It was a new advancement in the history of Delhi. The transport system of Delhi got a boost. With the advent of Delhi Metro, several commuting problems came to an end. Factor analysis gave 9 factors travelling convenience, facilities for commuters, safety measures for commuters, ease of travel, automated services, extended availability, connectivity, friendly staff, frequency and significant difference was observed between travelling convenience and automated services for age and no difference was observed for gender. Delhi Metro has added an extra charm to the historical city of Delhi. One can now commute with ease from one place to other. Delhi has got a great gift in form of the Metro Railway system. It does not take much time to go from one place to another. The ever increasing pollution problem too has been reduced to a greater extent, with the advent of Delhi Metro. One can now avoid the road traffic and reach your desired destination on time, Delhi Metro has added a new direction to the transport system. Delhi Metro has hi-tech cabins which are airy

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SLOWBALIZATION OF INDIAN ECONOMY AND IT's WAY OUT

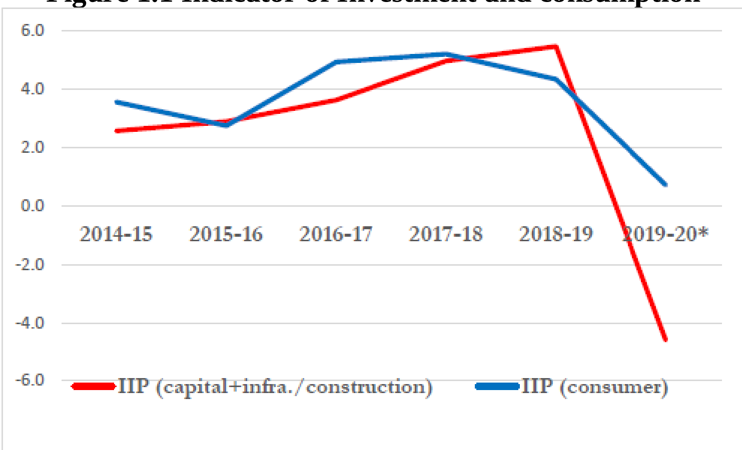
Neha Kailash Satoliya
Assistant Professor, Department of Business Economics, KET'S V.G. Vaze Kelkar College of Arts, Science and Commerce

ABSTRACT
This paper concentrates on cyclical and structural factors, including finance being peculiar element. Immediately after Global Financial crisis (GFC), investment and export growth, two root operator of economic growth reduced sharply. In the mid-2000s, investment boom of India was affected due to Twin Balance Sheet crisis, including infrastructure companies and banks. Despite, inopportune demonetization and GST distress Indian economy kept growing. It enjoyed income gain by non- bank financial companies, government spending including and reduction in international oil prices- resulting in explosion of credit. With the explosion of credit unfeasible real estate was financed. In 2019, this swollen bubble burst and cause in fall in consumption causing destruction of economic growth. Due to this, a Four Balance sheet challenge- real estate companies and NBFCs, infrastructure companies and the original two sectors is stuck in a contrary interest growth dynamic. Growth is depressed due to aversion of risk, which lead to hike in interest rate and generates more risk aversion. Today, high priority is improving economic productivity in agricultural sector. Formerly, Data Big bank is required to regain faith and implement suitable policy designs.

1. SLOWBALIZATION

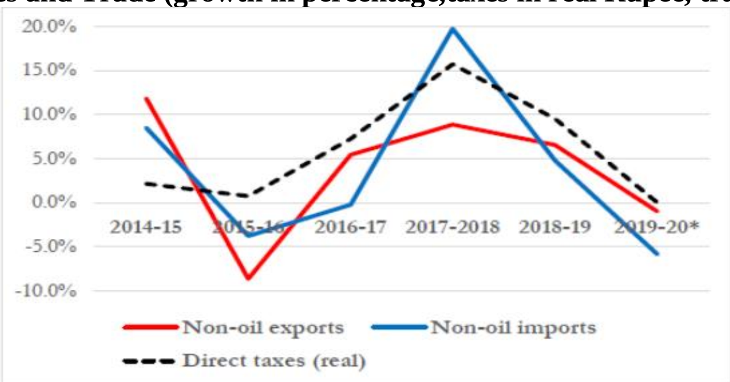
Indian economy is slowing down. The official figures are alarming with merely growth rate of 4.5 percent in the second quarter of fiscal year 2019. The dis-aggregated data is highly painful. Contraction in Investment good's and consumer good's production is the indicator of reduction (Figure 1.1) in export, import government revenues, which are approaching negative (Figure 1.2 also see Sandefur and Duggan, 2019).

Figure 1.1 Indicator of Investment and consumption



Source: MOSPI.

Figure 1.2 Taxes and Trade (growth in percentage,taxes in real Rupee, trade in Dollar $)



Sources: RBI for exports, Ministry of Commerce for imports, and Ministry of Finance for taxes.

The given indicators indicate that the economy's sickness is critical. Figure 2.1 resembles that the ongoing economic slowdown is similar to the slowdown seen in 1991 than the 2000-2002.

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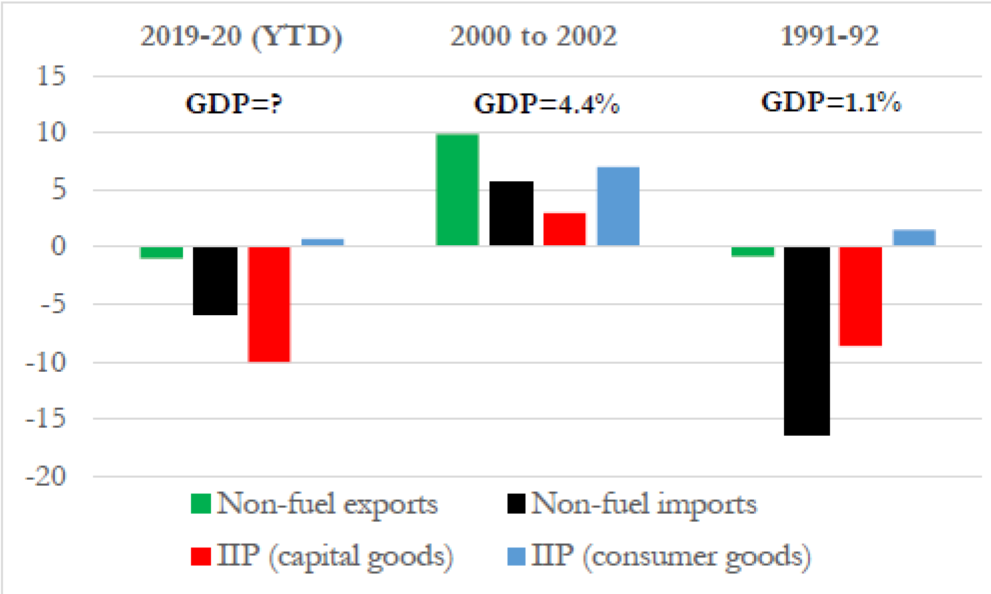
Figure 2.1: Slowdowns- Present and Previous



Sources: WDI and MOSPI

Till recent time as per official figures Indian economy was not only in excellent health with growth rate of around 7 percent. But also not facing with the 3F problem said by Harish Damodar. Which is Food harvest haven't fail. World fuel price haven't risen. The fisc has not spiraled out of control. Then, what is the reason of sudden fall of an economy? Hence, Indian economy's situation is Puzzling.

The government and RBI is working vibrantly to revive the economy's health. They are continuously introducing new policies which also includes huge tax cut to boost investment, privatizing four major Public Sector Undertakings (PSUs). In 2019, with an objective of strengthening lending, the RBI cut the interest rate by 135 basic points. Despite this step investment is trapped. Therefore, Indian economy's condition is frustrating as well. Thought various remedies provided, they are not effective. However, Such an economic situation is not acceptable as well. This paper endeavors to contribute for the solution.

India is facing a the Twin Balance sheet crisis, this crisis is arrived in two waves. The first wave is waves consist of infrastructure companies and banks, arose later Global Financial crisis (GFC). When the economy of the world was decelerating, in mid 2000s, the infrastructure projects which had began during the boom of investment in India turned dry. Failure to identify these problems competently, has put exports and investment, the two driving force of the economy at a stack. Despite that economy was growing at a decent rate, behind the series of provisional expedients. In the beginning a large windfall from the sudden decrease in international oil prices and later credit boom of NBFC with vast but hidden boost. The end of the credit boom began in 2018 has led to the Ongoing Deadlock. Then all the dominant engine of growth including consumption, reduced causing economic growth to decelerate. The weakening of growth has led to a Four Balance Sheet Challenge. In such circumstances uniform solution to the problems are not present. Due to the breakage of the transmission mechanism monetary policy cannot be regained. Since financial system have distress in a absorbing the huge bond issues. Therefore, fiscal policy cannot be adopted. To overcome present vicious cycle and the deceleration of the economy, there is a need to identify the present Four balance sheet problem. Without identifying Four Balance sheet problem Indian Economy will not grow at a sustain rate. Though this argument as made in the economic survey 2017, it seems to by more appropriate for today's economic situation.

II. WHICH SLOWDOWN IS IT: CYCLICAL OR STRUCTURAL ?

Here, the reason for other explanations being disquieting is explained. On one side are the structuralists who attribute the problem to structural constraints such as labor and land restrictions and governance (Rajan, 2019; Sharma, 2019) or income inequality (Roy, 2019; Mukherjee 2019). Then there are the cyclicalists, who focus on more recent developments, attributing the slowdown to a slump in aggregate demand, explained by problems in agriculture (Kotwal and Sen, 2019; Damodaran, 2019; Ghosh 2019; Dev and Goyal, 2019); demonetization and GST (Banerjee, 2019; S.Subramaniam, 2019); monetary tightness (Balakrishnan, 2019); or policy and political uncertainty (Singh 2019; Basu 2019).

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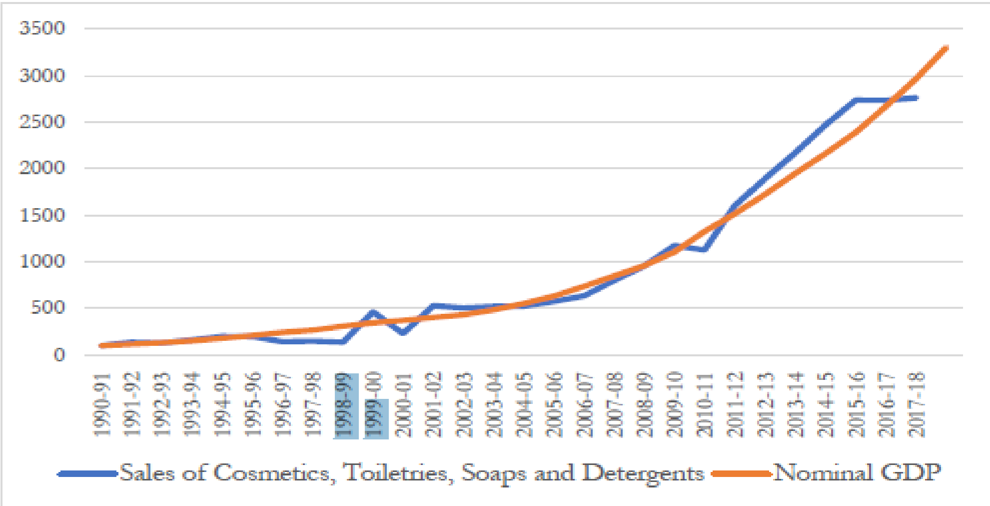
Beginning with Structuralist approach. The given interpretation concentrates on the long-standing structure of the Indian economy, on the characteristics like labour laws. It has been same in the last few decades. Hence, this theory is not only insufficient in explaining the reason for the deterioration of the Indian economy but also unable to provide the reason for the Indian economy's boom in the mid - 2000s. This explanation indicates that the constraints which were not binding before, has abruptly been binding.

Roy's (2019) income inequality hypothesis is that ever since 1991 the economy has been carried along by a consumption boom, as the beneficiaries of reform have spent their new-found earnings on accumulating goods and obtaining services.Since the beneficiaries have been small group, this growth mechanism has perpetually unavoidable

In post- 1991 era, income inequalities has increased, is highlighted from this theory. However this theory counter the witnesses. To initiate, exports and investment has been the moderate driving force of the Indian economy since 1991. Liberalisation has contributed significantly to improve the minimal level of the population by enlarging the consumer's reach to avail various types of marketed products like cosmetics and toiletries leading to sharp and continuous boom in the sale of fast - moving consumption good (Figure 3.1).

Figure 3.1: FMCG sales and Nominal GDP (Index, 1990-91=100)

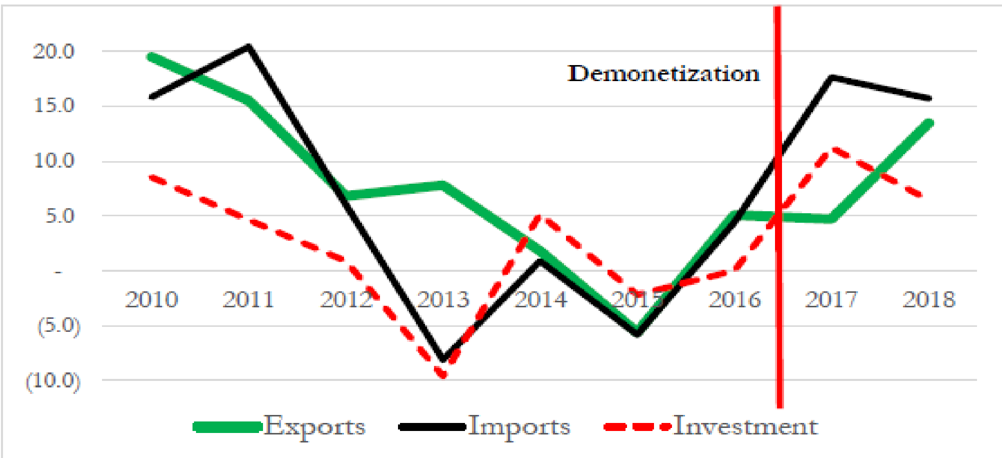


Sources: CSO and CMIE.

Declaring "demand" as the root cause for the sluggish performance of the economy doesn't solve the puzzle. Aggregate demand has declined due to fall deceleration of the production.

Figure 3.2 indicates that after implementation of the GST and Demonetization also the economic growth is continuing. Growth rate of 2017-18 indicates that something else has triggered the deterioration of rural, informal agricultural sector including of the whole economy. Few have argued that decline in the budget deficit of the centre is the cause of falling demand. But the realism is contradictory which is government deficit has shoot up.

Figure 3.2: Cyclical Indicators (growth rates)



Source: CSO, National Income Accounts

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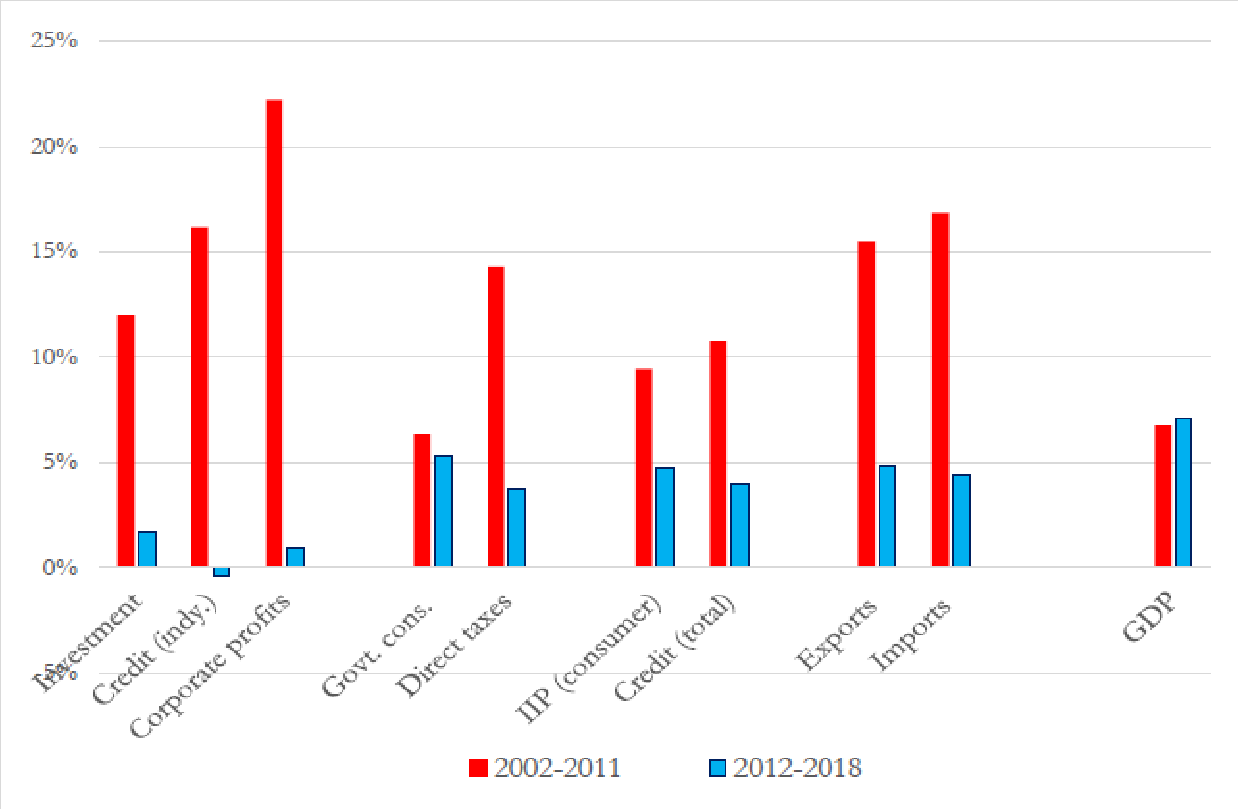
Merely concentration on the current development is the major issue associated with the cyclicalists. Consequently, they lose the larger picture especially the root element of the demand has been impairing for around decennary.

III. Growth Engines and emergence of the structural problems

Figure 4 demonstrates the prominent demand indicators in the pre- and post crisis periods. It is depicted that India has not redeemed from the Global Financial Crisis. Exports and investment has been the driving force of growth during 2002-11 resulting in stimulation of consumption and imports. However, after 2011, this decline is almost by double digits with the weakening of investment's average growth and real exports and imports by 12% and more.

Earlier global, cyclical and structural factors drift the economy. But now these factors are pulling the economy down.

Figure 4: Collapse in the Engines of Growth, post-GFC



Source: Subramanian, 2019

In the beginning of 2000s:

Economy of India commenced to ado, followed by recession due to:

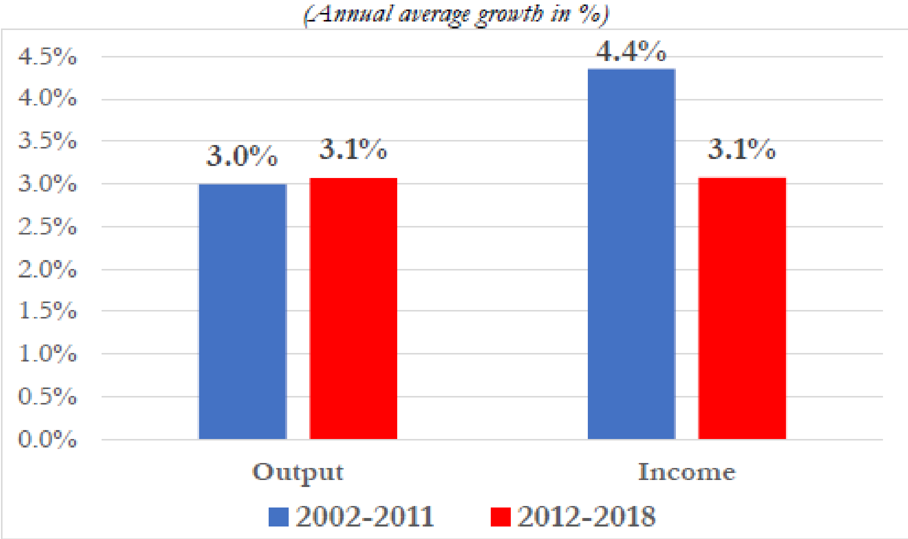
- Due to expansion of the world economy at a fast pace in the last 40 years, upswing was evident.

Occurrence of this convinced firms and consumers, time to receive rewards from the post- 1991 payoff had appear. Now India can be the next China with the 10 percent growth rate per annum for coming decades.

Since independence India began to grow at fastest rate with boom of export, global demand mounted. This coalescence proved to be fruitful. With the rise in the confidence within 4 years investment in infrastructure escalated by 11 percentage points. This led to phenomenon amplification of the credit, alone in 2007-08 capital inflows outshine by 9 percentage of GDP. With the underpinning of global and structural factors, after few years boom collapsed

- The Indian export a rate which was 15 percentage tremble down to 5 percentage after Global Financial Crisis, 2008. Subverting
- Prices of global commodity also collapsed subverting incomes of farm. Figure 4.1 demonstrates that during 2012-2018 real agricultural income growth decreased by 1.3 percentage points.

Figure 4.1. Real Agricultural Output and Income
(Annual average growth in %)



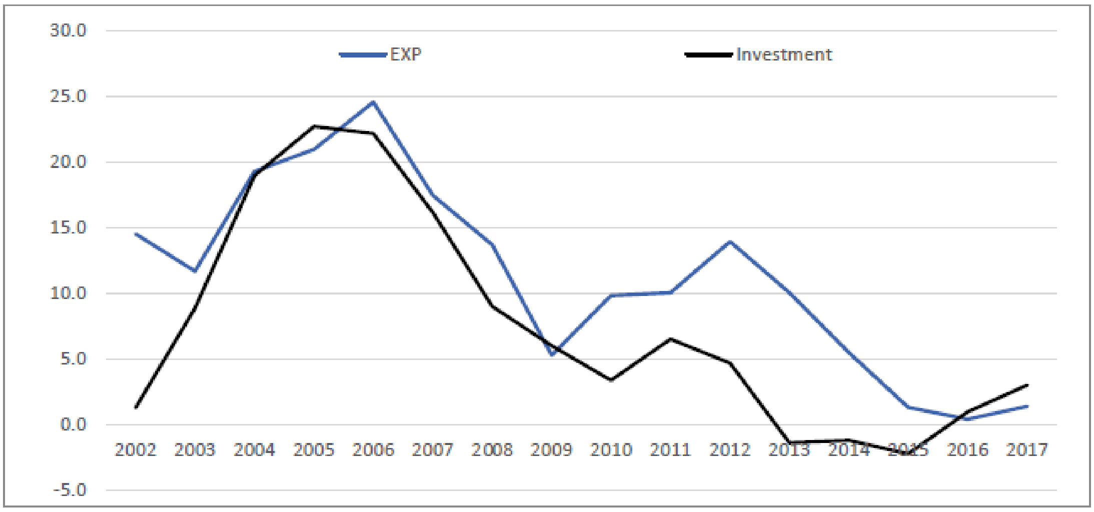
Source: WDI. Income is measured as nominal agricultural value-added deflated by the consumer price index for agricultural labor.

Out of the total debt 40 percentage was corporate debt. With the increase in corporate debt, nonperforming asset in the banking sector skyrocketed. This led to an emergence of a Twin Balance Sheet (TBS). Then many corporates were unable to endeavour new investments, those who were capable found it exacting to receive loans from banks.

The figure 4.2 depicts that in the beginning of 2010 investment growth retarded sharply post 2008 slow recovery can be observed again export continue to decelerate from 2012. This led to the structural and global problems.

With the deterioration of the real export and investment, real imports of goods and services collapsed leading to deceleration of growth rate of 13 percentage points.

Figure 4.2 Growth of Real Exports and Investment (percentage)



Source: WDI

To sum up, Indian economy has drastically depleted from GFC due structural and global factors. However, this elaboration only boosts more questions . Because, recapitalizing the banks and introducing the Insolvency and Bankruptcy Code (IBC) the TBS problem has already been identified.

IV. UNSOLVED TBS STRESS: AS THE SOUL REASON OF THE GREAT SLOWDOWN

To solve TBS problem in last few decade some improvement has been made. Beginning from the problem of the bank side. In the public sector banks huge amount of the capital has been impregnated. It facilitated the banks to write off Rs. 7.2 crore of their nonperforming assets - for the current fiscal 2.8 lakh crores budgeted. (Source: Credit Suisse).

V. REASONS OF THE SURVIVAL OF THE ECONOMY
Few domestic developments like Demonetization and GST has pulled the economic growth down. With the inducement of the various sources this negative shocks has been neutralized. From 2017-18, three cyclical factors: hidden fiscal stimulus, unexpected credit stimulus and exports strengthened the economy.

VI. BURSTING OF HOUSING "BUBBLE" AND CAUSES OF THE CURRENT SLOWDOWN.
The collapse of ILFS in September 2018 generated the slowdown. This collapse was completely unpredictable, inspiring the market to mount and retrace the whole NBFC sector.

VII. SOLUTION
To provide the measure to tackle the problems identification of the problem is important.

1. Identification
Regular lame solutions will not help the economy to move out of the slow pace. Identification of the problem is important. Collapse of the transmission mechanism is the main issue. If cut in repo rate is not transmitted into reducing the lending rate, the policy easing will fail to control inflation as well as to provide support to the economy.

2. Five R's
The primary action can be a Data Big bank, it not only impregnate confidence but also generates a sound foundation of policy making.

Policies required to be enacted on the 5 Rs:

- Recognition: To cover NBFCs and banks a new Asset Quality Review to be conducted
- Recapitalization: Linking recapitalization for resolution
- Resolution: To assure that the participants have incitement to solve problems
- Regulation: Enhancing oversight, eminently NBFC's
- Reform : Of shirked public sector banking

VIII. CONCLUSIONS
Two driving force of the economic growth- export and investment has sputtered after 2008, which resulted the collapse of the economy since then. At present, consumption another agent of economic growth is also halted. After identifying the problem implementing the solution in the form of 5Rs will help the economy to regain the speed in growth rate.

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WOMEN EMPOWERMENT AS TOOL TO BUILD ECONOMY

Hemanshi Kotai

ABSTRACT

Women have a vital role to play in society. They manage both household commitment and professional life with ease.They have excelled at many roles such as doctor, lawyer, artist, speakers, and actor. Status of women as per our tradition and customs represent them to be at place of pride and consider equal to man and even Indian Constitutions gives equal status to both men and women. Financial inclusion emphasises on creating more accounts in order to make the common banking facilities easily accessible to all, financial literacy emphasises on expanding the knowledge on financial matters and products so that one can, Understand how to use and manage money and minimize financial risk, Manage personal finance quite efficiently, Identify the benefits and facilities offered by banks and boycott the dodgy moneylenders. Derive the long-term benefits of savings. Most important issue to address is financial literacy among women. Facts are –

- *In Indian average life expectancy of women is more than that of males which is 68.7 years for males and for women it is 70.02 years (As per the National Health Profile 2019).This states that women live more. It is need for them to plan finance to let golden age stay golden (Retirement age).*
- *Women work less during life time due to interruption caused because of family commitment which poses dent on their career.*
- *Financial need of female varies as per their life stage which is different from that of men.*
- *Social and cultural barrier influence lack of financial plan for her goals*
- *Underprivileged ladies have no one to correctly guide them.*
- *Abuse by partner and family including all-working, housewives, literate, illiterate dents their financial independence.*
- *Low level of skills, lack of information accessibility also are key components.*
- *Financial knowledge if spread among women class would help to bring about stability in Family financial planning and help to raise standard of living.*

INTRODUCTION

Women have an vital role to play in society. They manage both household commitment and professional life with ease.They have excelled at many roles such as doctor, lawyer, artist, speakers, and actor.

Status of women as per our tradition and customs represent them to be at place of pride and consider equal to man and even Indian Constitutions gives equal status to both men and women.

However when it comes to finance .They are not confident enough. Many of them live life of dependency have carrying no clue about finances (expect some financially independent women).

With help of financial literacy women can boast morale and became financially independent. And fulfil their goals.It can be both short term such as planning for an international trip, house renovation as well as long term such as retirement planning.Financial independence not only provides confidence in women but also assistance to family when the need arise.This will help to create positive image of ladies and considering their contribution in all spheres.Women are management gurus currently the concept is widening which is building standard of living.It with also led to building crticial and anayaltical skills, Decision making ability and ensuring their part in all walks of life.

OBJECTIVES OF RESEARCH

- To find out whether Indian women’s understand the need and signatificancy of financial literacy
- To understandand whether they are aware abpout basis of financial
- To find out whether women’s plan finance of their own or not
- To find out risk taking ablitity in females
- To know whether women’s they own various investment avenue

- To understand which avenue of investment is preferred by females
- To understand whether financial indepence can boast their confidence.

LITERATURE REVIEW

As per Census report of 2011 Population of India is more then 121 crores. Out of which 48.5% are women and 51.5% are men. Rural population ratio is 949 women corresponding to 1000 men. While in urban area ratio is 929 (females):1000 (men)The worker participation rate is 25.51% female in urban area and 30.02% in rural area which shows that workers participation of rural women is more then in urban area. When it comes to earning women in rural area as able to make 428.66/day on average .While women in urban area are able to fetch 609.7/day.

It has also been noted that cruelty towards women by men has been continually hiking to outrage her modesty. As per records by Government of India Crime against women is 36%, assault against women 26%. Their has been increase in overall crime against women with major increase in rape, kidnapping, abduction with the intend to outrage her becoming independent which indeed is painful.

Financial literacy and financial inclusion are two aspects of financial stability in a country. In current Indian scenario as per survey conducted by According to a survey conducted by Standard & Poor's, over 76% Indian adults lack basic financial literacy and they don't understand the most basic and key financial concepts.

According to a survey on Global Financial Literacy in 2012 conducted by VISA, only 35% of Indians were financially literate and India was among the least financially literate countries.

Another survey of "Financial Literacy among Students, Young Employees and the Retired in India" conducted by IIM-A supported by CITI Foundation reveals that" high financial literacy is not widespread among Indians where only less than a quarter population have adequate knowledge on financial matters. There is lack of understanding among Indians about the basic principles of money and household finance, such as compound interest, impact of inflation on rates of return and prices, and the role of diversification in investments."

Clearly, the statistics are disappointing. The lack of essential knowledge on financial matters and inability to manage personal finance not only affect a household but makes an economy as a whole suffer too. Like I said earlier, financial inclusion and financial literacy are two essential ingredients of an efficient economy. While, financial literacy can accelerate financial inclusion, the vice versa may not hold true.

Financial inclusion is a priority in our country. And the Govt has been fairly active on its strategies on financial inclusion where various schemes are being introduced and awareness campaigns are being held from time to time. But owing to the existing bottlenecks in terms income disparity, poverty, gender gaps and all, the implementation of financial inclusion policies has been challenging too. For example, when Pradhan Mantri Jan Dhan Yojana, a National Mission on Financial Inclusion kicked off in 2014, the result was record-breaking. About 214 million zero balance accounts were created, which means a huge segment of population could access banking facilities at a nominal cost. But, unfortunately this many number of accounts do not ensure financial literacy. If it had, our performance in Global Financial Literacy wouldn't have been this poor.

In an article on Financial Inclusion published in Economic Times, Rajat Gandhi rightly says that, "No matter how many banks you open and how many boots you have on the ground, if a person does not know about the financial options that are open to him, policies, schemes and financial instruments will mean little. It is important for a person to firstly know what to look for and only then think of the benefits that he can obtain from it."

To make things clear, financial inclusion focuses on volume or quantity whereas financial literacy is more about quality.

While financial inclusion emphasises on creating more accounts in order to make the common banking facilities easily accessible to all, financial literacy emphasises on expanding the knowledge on financial matters and products so that one can,

- Understand how to use and manage money and minimize financial risk
- Manage personal finance quite efficiently
- Identify the benefits and facilities offered by banks and boycott the dodgy moneylenders.
- Derive the long-term benefits of savings

And eventually it will further the financial inclusion movements.

Most important issue to address is Financial literacy among women. Facts are –

- In Indian average life expectancy of women is more then that of males which is 68.7 years for males and for women it is 70.02 years(As per the National Health Profile 2019).This states that women live more. It is need for them to plan finance to let golden age stay golden (Retirement age).
- Women work less during life time due to interruption caused because of family commitment which poses dent on their career.
- Financial need of female varies as per their life stage which is different from that of men.
- Social and cultural barrier influence lack of financial plan for her goals
- Underprivileged ladies have no one to correctly guide them.
- Abuse by partner and family including all-working, housewives, literate, illiterate dents their financial independence.
- Low level of skills, lack of information accessibility also are key components.

Hypotheses- Women empowerment is possible with aid of economic and financial literacy.

Discussion

I conducted a survey where questions were asked to females (include both working and non working).The answer are:-

1. Do you manage personal finance?

As per survey carried out 93.3% say that they manage their own personal finance while 6.7% say they don't.

2. Are you aware about various investment avenues?

It is seen that 80% of people surveyed are aware about avenues of investment while 13.3% have rough idea about it while 6.7% don't have knowledge about same.

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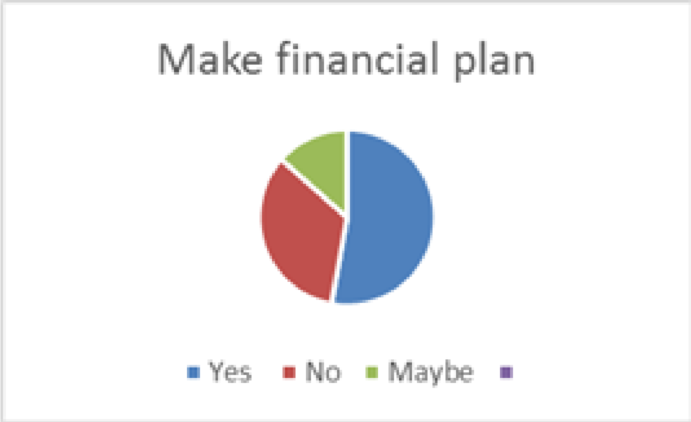
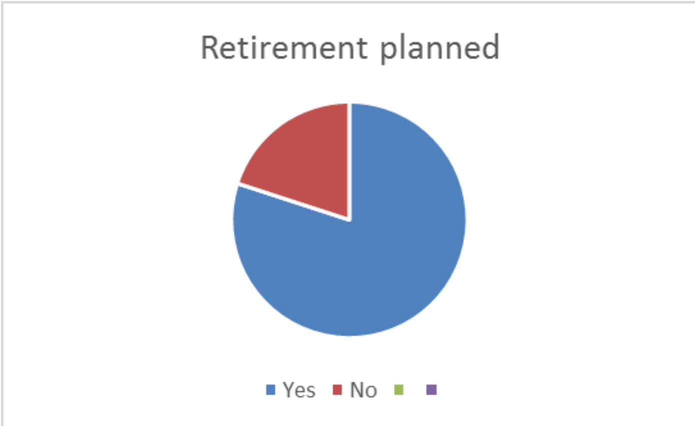
3. Do you have financial plan to achieve short term and long term financial goal?



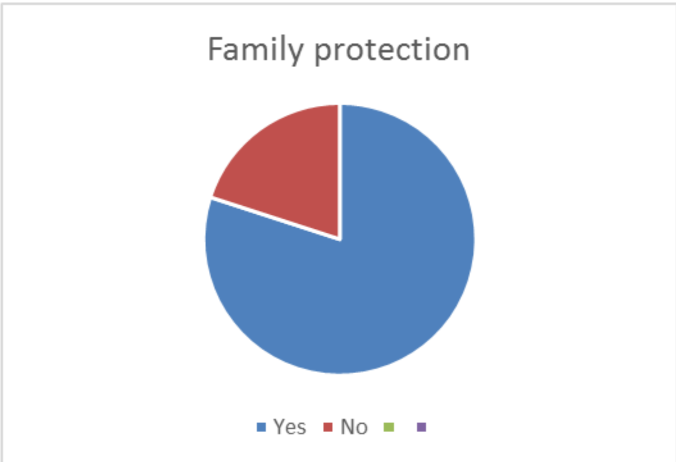
Maximum ladies have their own financial plan (53.3%), while 33.3% don't make financial plan 13.3% are once who have partly finances planed but not proper planning.

4. Have you planned for retirement?



80% of women have their retirement planned while 20% don't have it planned.

5. Is your family protected through insurance?



80% of women have their insurance planned while 20% don't have it insurance planned.

6. Do you have confidence to make your own financial decision?

86.7% ladies have confidence in investing while 13.3% don't

7. Does financial independent make you feel confident?

100% women feel that they can be confident if the have financial independence.

8. What is risk taking appetite?
Maximum women show medium risk taking ability

9. Is modesty supported by family?
It is seen that some groups support women empowerment ie 73.3% but 26.7% say that it isn't much appreciate.

10. What is investment preferred?
Gold, mutual funds, post office scehmes, real estate, saving deposits are most popular avuenue for investment by women

OTHER OBSERVATIONS –
Few of women say that they are aware about how to manage finance but aren't able to apply them in practice.Domestic volience is tool use by males to prevent them to became independent

Result – IF women are aware about the Finance and how to handle them they can be financial independent this will help in boasting their confidence.

Conclusion
Financial knowledge if spread among women class would help to bring about stability in Family financial planning and help to raise standard of living.

Reference
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2. https://easybankingtips.com/financial-literacy-india-statistics/Also thanks to Alph SHAH for help on literace reivew.

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2. Book review must contain the name of the author and the book reviewed, the place of publication and publisher, date of publication, number of pages and price.
3. Manuscripts should be typed in 12 font-size, Times New Roman, single spaced with 1" margin on a standard A4 size paper. Manuscripts should be organized in the following order: title, name(s) of author(s) and his/her (their) complete affiliation(s) including zip code(s), Abstract (not exceeding 350 words), Introduction, Main body of paper, Conclusion and References.
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EXAMPLES OF REFERENCES

All references must be arranged first alphabetically and then it may be further sorted chronologically also.

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Fox, S. (1984). Empowerment as a catalyst for change: an example for the food industry. *Supply Chain Management*, *2*(3), 29–33.

Bateson, C. D.,(2006), 'Doing Business after the Fall: The Virtue of Moral Hypocrisy', Journal of Business Ethics, 66: 321 – 335

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Greenspan, E. L., & Rosenberg, M. (Eds.). (2009). *Martin's annual criminal code:Student edition 2010*. Aurora, ON: Canada Law Book.

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Sillick, T. J., & Schutte, N. S. (2006). Emotional intelligence and self-esteem mediate between perceived early parental love and adult happiness. *E-Journal of Applied Psychology*, *2*(2), 38-48. Retrieved from http://ojs.lib.swin.edu.au/index.php/ejap

- **Unpublished dissertation/ paper:**

Uddin, K. (2000). A Study of Corporate Governance in a Developing Country: A Case of Bangladesh (Unpublished Dissertation). Lingnan University, Hong Kong.

- **Article in newspaper:**

Yunus, M. (2005, March 23). Micro Credit and Poverty Alleviation in Bangladesh. *The Bangladesh Observer*, p. 9.

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Central Bank of India (2005). *Income Recognition Norms Definition of NPA.* Retrieved August 10, 2005, from http://www.centralbankofindia.co.in/ home/index1.htm, viewed on

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