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ABSTRACT

Tourism is an important source of revenue-generation for any destination. It is a source of earning valuable foreign-exchange for the country. It supports the local economy directly as well as indirectly. A form of tourism that has been around for some time is eco-tourism. It is also known as sustainable tourism. It is a kind of tourism which leaves minimum impact on the environment. However, at the same time, it also helps in conservation of the environment. This tourism is for the travelers who are interested in the flora, fauna and natural attractions of a particular destination, rather than man-made attractions and shopping. It is a responsible type of tourism, one that promotes the well-being of the indigenous population, by encouraging financial benefits for the locals. The Konkan region of Maharashtra stretches from Mumbai to Sindhudurg. Its beaches are very popular amongst tourists, and there are a lot of domestic and international visitors most of the year, except during heavy monsoon. To cater to this demand, there is a lot of development that has taken place over the past few years, ranging from infrastructure and roads, to accommodation facilities, local transport & recreational activities. All this growth and expansion has had an impact on the environment. Encouraging eco-tourism will be instrumental in ensuring sustainable development of the Konkan region.

Keywords: Eco-Tourism; Environment; Impact; Locals; Konkan

INTRODUCTION

Eco-tourism is a form of tourism that involves travelling with a focus to destinations that are rich in culture as well as natural attractions. It is of interest to those kinds of travelers who would like to reduce the negative effects arising from their visits on the environment. Such travelers are also fascinated by the indigenous culture and landscape.

Tourism in any form has impacts on the environment to a lesser or greater degree. Every organism in the eco-system has its own role to play. Numerous organisms co-exist in harmony in nature. However, if this synchronization is disturbed in any way, it disrupts the natural balance.

The World Tourism Organisation (UNWTO), which is the top-most body for the development of tourism in the world, defines Tourism Carrying Capacity as “the maximum number of people that may visit a tourist destination at the same time, without causing destruction of the physical, economic, socio-cultural environment and an unacceptable decrease in the quality of visitors' satisfaction”
If the number of tourists visiting a particular destination is greater than the carrying capacity, it is reflected in the harmful after-effects such as garbage left over, traffic jams and pollution, to name a few.

OBJECTIVES OF THIS RESEARCH ARTICLE

1. To review eco-tourism development in the Konkan region of Maharashtra State.
2. To suggest recommendations for making this type of tourism successful.

RESEARCH METHODOLOGY

This research article is based on secondary data, sourced from research articles and papers, internet websites and magazine articles as well as Maharashtra Tourism Development Corporation website.

Konkan Region-A Paradise for Tourists

Maharashtra is blessed with a long coastline of about 720 km. There are numerous fishing villages like Karde, Murud, Harne, Harhareshwar, Achra, Ganpatipule, Tarkarli, that are ideal for a short break away from the demands of modern-day living and its stresses. This proximity to the sea has created beautiful stretches of beaches, which are a main attraction for people. Alibaug, Kihim, Diveagar, Tarkarli, Bhatye beaches are well-known among tourists.

In addition to this land, known as ‘the Land of Parshuram’ there are ancient temples that are a major source of attraction to tourists. Also the original inhabitants, who have migrated elsewhere now, but come to pay respect to their family deities here when they can. Some of these include the Ganesh temple at Ganpatipule, the Suvarna Ganpati at Diveagar, and the Kadyavarcha Ganpati at Anjarle, Kanakaditya Sun temple at Kasheliand Mahakali temple at Adivare where ancient customs and traditions are followed till today. Forts like Raigad, Alibaug, Vijaydurg and Suvarnadurga stand as proud sentinels of history and a visit evokes memories of the glorious Maratha Empire.

The emerald green coconut palms swaying invitingly in the breeze on the land welcome fishing boats home each evening and morning, laden with the catch of the day. This land has everything, from the seashores to verdant spice and betelnut plantations. The delicious local cuisine comprising of the freshest possible fish and the extremely popular sol kadhi, as well as fruits like mangoes and jackfruit and tales of local favorites like ‘kuleethpithla’ savored with soft rice have attracted many a tourist to this beautiful land.

The Sahyadri mountain ranges are a rich source of bio-diversity. Velas, near Dapoli is well-known as the place where female Olive Ridley turtles come to lay their eggs, and the little ones, once hatched head for the sea. Malvan is known for its mesmerizing coral reefs.

So, there is something for every type of tourist. The locals of the Konkan region have been quick to grasp this opportunity and utilize it to improve the local economy. Homestays have come up, offering rooms with attached bathrooms and local food to the droves of visitors.

What Is Eco-Tourism?

This kind of tourism focuses on conservation of the environment, the host community and sustainability. So, the stake-holders in eco-tourism must concentrate on the following issues:

1. Reduction of impacts on the environment and the local population whether physical, socio-cultural or psychological.
2. Promotion of respect of local culture and the environment.
3. Restricting them from leaving non-biodegradable waste material in the form of plastic or metal.
4. Ensuring that there is a favorable exchange between the locals and the tourists, thus making both benefit from the interaction.
5. Delivering economic benefits to the local population that can be partly diverted towards the protection and upkeep of the natural attractions.

6. Encouraging the multiplier effect of tourism, that can be beneficial for the locals personally as well as for creating commercial opportunities.

7. Generation of awareness about local issues amongst visitors.

8. Building facilities that create minimum negative impacts on the environment, by following norms such as CRZ etc.

9. Respecting the local customs and traditions and sensitizing visitors to them.

10. Not carrying any kind of plants (in the form of cuttings etc.) away at the end of a trip from the destination.

11. Experiencing the local way of life, eating the same cuisine and staying as the locals do.

LITERATURE REVIEW

Hall and Brown (2000) opined that Eco-tourism is an instrument for natural protection and assures sustainable economic benefits for the local people.

Usha Bande (2005) analyzed that ecotourism stands for the management of tourism in such a manner that man derives maximum benefits from nature without disturbing its innate balance. It seeks to restore man’s communication with nature and to ensure the fulfillment of the need of the local cultures and traditions remain undisturbed and intact.

Raghavan (2005) said that ecotourism is ecologically sustainable with a primary focus on experiencing natural areas that fosters environmental and cultural understanding, appreciation and conservation. It is therefore necessary to bring together conservation and development in the activities yearning for economic progress.

Panigrahi (2005) stated that eco-tourism as a concept centres on the nature of the tourism and with regard to local communities emphasizes conservation, sustainability and biological diversities.

OBSERVATIONS AND DISCUSSION

1. The Konkan region of Maharashtra attracts not only domestic, but also foreign visitors who come for relaxation.

2. In spite of the constant flow of tourists, this region of Maharashtra has largely managed to safeguard its original culture and way of life. The economic gains from tourists have helped in improving the standard of living, with modern day conveniences such as television sets and refrigerators existing in harmony with traditional brass vessels and cow-dung coated floors.

3. The ‘Bed and Breakfast scheme’ of the Maharashtra Tourism Development Corporation of the State Government has been instrumental in promoting the concept of eco-tourism, offering clean and maintained rooms to the tourists.

4. Hotel rooms and home stays are often built using locally found material such as the ‘jambha stone’ and other things such as betel nut tree trunks. This has helped in sustainable development and to minimize the carbon footprint, as fuel required for bringing building material from far off places has reduced.

5. Since the locals are benefitting from tourism, they are actively participating in these endeavors. In fact Velas is an eco-tourism case study by itself. A group of locals organize a ‘Kasav Mahotsav’ that encourages nature tourists from all over to visit this village and see the hatching of turtle eggs on the beach and the watch baby turtles progressing to the water. This has helped boost the local economy as so many tourists require accommodation, food etc. that
is provided by local entrepreneurs. It also helps in conservation of the sea turtles as now the locals have a personal reason to protect these turtles and prevent their poaching.

RECOMMENDATIONS

1. It is recommended that unregulated ‘home stays’ that have sprung up everywhere and say that they provide an authentic Konkani experience get themselves upgraded, and ensure that they provide clean rooms and bathrooms to the tourists. These are not recognized under the ‘Bed and Breakfast scheme’. Currently, there are a lot of resident families that put up signs of ‘rooms for visitors’. These do not have adequate facilities, and even lesser attention is given to hygiene. So, people wanting a true Konkan stay are disappointed and are turning away. They prefer to go to resorts that provide a comfortable stay.

2. Also, the locals are also at times seen to over-charge gullible tourists for food, beverages etc, often quoting rates that would be the same in large cities. This attitude should not persist.

3. There is insufficient trained manpower in this region. Since the tourists are from all over the country as well as abroad, the locals should make an effort to pick up English language basics so that communication becomes easier and hassle-free for both the tourists as well as the hosts.

4. The accommodation providers should be encouraged to use more and more environment-friendly products and incorporate such initiatives in their daily operations like doing away with plastic plates replacing them with the more traditional brass or steel ones.

CONCLUSION

1. It is seen that to promote sustainable development, it is necessary that all development related to tourism should consider the opinions and experience of the locals.

2. Moreover, it should be in such a way as to enhance the standard of living of the local population, by generating income and providing employment. The locals should be made aware of the benefits that their participation will bring for them.

3. Eco-tourism projects will ensure that the indigenous plant and animal species, as well as natural attractions are not affected by development.

4. This kind of tourism will be instrumental in retaining the bio-diversity of the Konkan area, as well as preserving it for the next generation, and future visitors.

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THE IMPORTANCE OF SOFT-SKILLS TRAINING FOR MBA STUDENTS AND MANAGERS

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ABSTRACT
Communication is reported to be one of the most deficient Soft-skills in the MBA students, Managers and workmen, due to which the productivity in business organizations losses $37 billion, or about $26,000 per employee per year, in the US and UK alone. The Confederation of India Industry (CII - 23) reports only 10% of MBA employable in India, Aspiring Mind reported that over 50% of Graduates fall short of the mark in language and grammar as well. The Institution of Soft-skills and English language Trainers of India report - 2015 highlights 88% of MBA holders are not unemployable, they just don’t have industry-ready talent. In other words, they lack the skills required for the jobs that are available to them.

Keywords: Soft-Skills; Employability; Life-Skills; English Communication; Human Resource Management; Training; Development

INTRODUCTION
Training is defined as planned process to change attitude, knowledge or skill behavior by learning experience to achieve effective performance in a range of activities. Thus Soft-skills Training can be interpreted as systematic process by which Soft-skills are developed in an individual. Soft-skills cannot be taught but it can only be developed through training, it is the Human Capital Management and Human Resource Management process of improving Skills such as aptitudes, Soft-skills, Knowledge, life-skills, abilities, Employability skills communication skills including updating old talents and developing new skills in individuals to perform particular jobs effectively. Soft skills are a catch-all term referring to various behaviors that help people work and socialize well with others. In short, they are the good manners and personality traits needed to get along with others and build positive relationships. Unlike hard skills, which include a person's technical skill set and ability to perform certain functional tasks, Soft-skills are broadly applicable across job titles and industries. It's often said that hard skills will get you an interview but you need soft skills to the job.

OBJECTIVE
In this paper the objective is to throw light on the importance of training MBA and Engineering students in Soft-skills. Training in Soft- skills is complicatedly-relevant in India where the MBA and Engineering education system does not delve into personality development. Soft skill training is
significant because we do not have it in our academic curricula of grooming Students for becoming best Managers. It depends on the perceived value of Soft-skill training programme, attitude towards trainer; need to learn to do well, trainees’ response to learning conditions. Human Capital management is the process of managing the employees to contribute remarkably in the overall productivity of organization. One of the most valuable assets of successful business organization is Human Capital. The training and development of human capital and paradigm shift and the way thinking have constituted the biggest set of challenges. If we want to become a developed country and remain there, the human capital development has to be prioritized. In the global world, quality human capital is needed, and is no longer a luxury. Approaches to the human capital Management must be done holistically, stressing on the training and development of knowledge, skills, technology and entrepreneurship, high ethics and moral values. Human capital is important for sustainable economic growth. It is a way of defining and categorizing people’s skills, abilities and knowledge which make Employees more Efficient and productive.

**Skill** is the proficiency of being able to do something practically rather than just knowing theoretically how to do it. For learning and acquiring skills, knowledge tells how to do and when to do. Skills are the capacities needed for doing a set of tasks. The ‘skills gap’ is the difference between the skills that employers want and those that are available from workers looking for a job.

**Life skills** are the capabilities that help a person meet the demands of life, be healthy and serve as a productive member of the community, according to the World Health Organization. For example, the ability to communicate with peers or bosses, or even preparing food for oneself are vital life skills

**Employability skills** are the non-technical skills, knowledge and understandings that are prerequisite for employment and participate effectively in the workplace such as communication, self-management, planning, decision making and problem solving.

**Soft skills** is a term often associated with a person’s "EQ" (Emotional Intelligence Quotient), the cluster of personality traits, social graces, communication, language, personal habits, interpersonal skills, managing people, leadership, etc. that characterize relationships with other people.

**Seminar Method of Soft-Skills Training:** Management and Engineering students can be trained in Soft-skills with the help of seminars and workshops. In seminars, trainees present their papers on work related developments. The paper presentations are reviewed by experts. The experts can give their insights on the topic presented by the trainee.

**Workshop Method of Soft-Skills Training:** In workshops there is a better interaction between the Soft-skills trainer and the trainees. The trainer presents views on certain developments and then initiates interactive group discussion. The trainees get insights due to the views expressed by the trainer and co-trainees.

**Conferences Method of Soft-Skills Training:** In the case of conferences and group discussions are held to discuss various issues and to provide solutions to solve problems. The chairperson of the conference leads the discussion and then the participants try to provide solutions. The conference facilitates group interaction and exchange of views and ideas by reshaping thinking and attitudes of the participants.

**Brainstorming Method of Soft-Skills Training:** Brainstorming is used in a Soft-skills training to encourage trainees to think both creatively and critically, which in turn, gets to ultimate goal, learning. It is a gathering of ideas from your brain onto paper. The variety of ideas and the use of imagination assist in producing a lot of material to work. Trainers have to be clear and there must be no evaluation of ideas in the first "stage" of brainstorming, and that in the second stage -- evaluating responses, learners have to think deeply and critically about the ideas generated. Brainstorming encouraging THINKING, learning is maximized.

**Web-Based Virtual Method of Soft-Skill Training:** When employees of Multi-national companies work at various locations, conducting a face-to-face training is expensive in developing countries.
Web-based conferencing software training method can save time, money and costs of both organization and trainees. Web-based conferencing systems facilitate the Soft-skills trainer to show a presentation, put questions and draw explanatory diagrams. When trainees use webcams, they can see other trainees which may help in communicating training and learning experiences. Virtual Web-based training can be recorded, accessed online and translated into multiple languages. This kind of soft-skills training method allows the HR department to support a diverse workforce.

**Behavioural Modeling Method of Soft-Skill Training:** In this method some kind of behavior is video recorded and then watched by trainees who can later on practice the behavior through role plays, stimulation, games and other techniques of learning. It is mostly used in interviewee and interviewer training, sales training, interpersonal skills training.

**Trainer Led Lecture Method of Soft-Skill Training:** Traditional classroom training allows Soft-skills Trainers to interact to offer lectures, followed by drill-and-practice exercises, to achieve the training objectives. This method is best for developing Soft-skills, such as communication, negotiation, influencing and decision-making. Role-playing exercises help trainees to practice new techniques.

**Business Management Games Method of Soft-Skills Training:** Management games simulate real-life problems faced in the Business organization. They attract all types of Soft-skills trainees including active, practical and reflective employees. Trainees are given information that describes a particular behavioral situation and are then asked to make decisions that can best suit in favor of the organization they are working for.

**Roles Play Method Of Soft-Skills Training:** Role playing motivates the learners to act out issues that can occur in the workplace. Key Soft-skills often touched upon are negotiating and teamwork. A role play can take place between two trainees simulating an issue that could arise in the Organizations. This could occur with a group of people split into pairs, or whereby two people role play in front of the classroom. Role playing is very effective in connecting Soft-skills theory and practice.

According to Anjani Srikanth Koka and Meenakshi Raman- BITS Pilani, HR managers suggest that employable soft skills can be developed in students by adopting the strategies like Making the teaching more practice oriented, enabling students to participate in more extracurricular activities, Inviting hiring managers from IT industries to have interactive sessions with students, Arranging discussion sessions between the teachers of soft skills and the hiring managers of IT industries, conducting a remedial course in English to enhance the English proficiency of weak students, Although employers do not expect a candidate who has recently left school, college or fulltime training to be the ‘finished product’, they do expect candidates to be at least enthusiastic, literate, numerate and able to turn up on time. They do not expect these candidates to have fully developed skills that could be described as specific to the workplace, but rather partially developed levels of these skills. Literacy, communication skills, arithmetic, and enthusiasm are the most important employability skills in the view of respondents, and a lack of them in a candidate is a ‘deal-breaker’ for many employers (Importance of employability skills in information technology multinational corporations, ASIAN JOURNAL OF MANAGEMENT RESEARCH- ISSN 2229 – 3795, volume 6 Issue 1, 2015)

**Communication Soft-Skills Are Needed For Business Success**

The ability to communicate effectively in English without fear and speak with confidence in front of crowd without using filler words and fog hongs are the most important communication Soft-skills needed for Human Resource Manager. It is reported. Businesses that learn good communication soft-skills always retain their best employees. Aspiring Minds (2014)22 47% of graduates are not employable in any sector given their English language and cognitive skills they are unemployable in any sector. The need for focus on vocational training, specific targeted intervention in areas of computer and English skill. Less than 25% students are able to apply concepts to problems. Our higher G. Gowsalya et al., International Journal of Advance Research in Computer Science and Management.
Our education system needs to lay greater stress on application of concepts and discourage habit learning. Employers should also start questioning their traditional ways of selecting and sourcing graduates and find new ways to reach employable youth. Employees trained in communication Soft-skills to avoid assumptions at all costs. Unless correct information is explicitly spelled out, it is impossible to know whether or not the recipient fully comprehends what is being shared. Complex language messages, communication barriers and mistrust prevent significant data from being understood. Soft-skills are responsible for the Human Resource Managerial success of Wal-Mart, IBM, Google, McDonald's, Microsoft, General Electric, Infosys, Apple and Coca-Cola. It can also be interpreted as a management function offering a framework for the effective coordination of all internal and external communication with the purpose of establishing and maintaining favorable reputations with stakeholder groups on which the business is dependent.

**Communication Soft-Skills Are Needed For Orientation Of New Recruits**

The employer-employee nexus starts with new employee orientation. It is the foundation of human resources communication because orientation is how new employees learn the basic of how an organization operates. Whether HR Managers use formal type, classroom-style orientation sessions or simply review the employee handbook and take new employees on tour, this is the first example of human resources communication necessary for welcoming new employees. It comprise communicating guidelines, policies, notices and format that helps manage Employees. Communication between HR Department and the employee base is significant for employee satisfaction. When little communication between human resources and the employees exists, then low employee performance is witnessed because employees feel unappreciated and unvalued. Excellent Communication Ability is a must for Engineers. One aspect of engineering that is highly important, compared to other disciplines, and involves public interaction. The practice is called civil engineering, after all. As such, excellent communication skills are a must for top-notch engineers and Managers.

**Communication Soft-Skills Are Needed For Drafting Employee Handbook**

Written policies and guidelines of employee handbook are another form of human resources communication. This handbook provides workplace guidelines, safety measures, disciplinary, corrective action, policies, performance evaluation processes, dress code and the company's philosophy and values. In addition, employee handbooks have a written statement about the organization's commitment to fair employment practices.

**Communication Soft-Skills Are Needed For Information On Benefits And Wages.**

Information about benefits and wages is critical. For new employees and employees who need to make changes to group health scheme. The HR –Department provides advance notice about dates and procedures for selecting employee benefits. Many employers provide forms and documents for employees to take home, study and review to ensure they’re making wise decisions of insurance, retirement savings, tax withholding, employee contributions and payroll deductions.

**Communication Soft-Skills Are Needed For Business Information Management**

Whenever company anticipates changes that impacts employees and then it is imperative for HR to explain those changes to employees. News about business conditions, industry trends, employee promotions and transfers and grand openings of new locations are types of information that the human resources department should pass along to workforce. To facilitate corporate communication, the Human Resource manager must have considerable interpersonal Soft-skills—such as effective speaking, writing and listening - in order to assist information sharing for organizational communication. Civil engineers handle money and materials in civil Project Management, but however there is no basic training in soft-skills needed for them, in this paper, the soft-skills needed for successful civil engineers have been covered. There is necessity of communication, interpersonal and negotiating skill from the civil engineering project manager. Even though the technical skills are
important for engineering project management, the soft-skills are required to be given significance for
successful civil engineering project Management. Engineers design major construction projects, such
as roads, airports, tunnels, dams and bridges. They also supervise project construction and
 maintenance. They must possess a very broad skill set, from cost accounting to geology. Many
engineers have jobs that require a very hands-on role in construction, while others may have positions
more heavily weighted toward supervisory and administrative skills. They are often called upon to
present reports to the public or government officials. Whatever the details of their role, engineers must
often manage very complex projects, leading many to specialize in one of several areas.

Communication Soft-Skills Are Needed For Preparation of Employee Notices

Human resources communications also include notices that companies would rather not have to
provide. When a business is facing closure, ownership change or insolvency, the law in every country
requires layoff notice. Preparing employees for layoffs is a task every human resources leader would
like to avoid. Lay Off is temporary closure of any work, division of organization or entire
establishment due to different reasons. By lay off Employees become unemployed for the time being.
In order to compensate loss of remuneration, compensation at the rate of half the ordinary rate of pay
have to be paid. Employees who are in the continuous service of at least one year are eligible for lay
off compensation. Continuous service is total employment of 240 days in a year. Wages for this
purpose mean basic wages plus dearness allowance. No lay off compensation is required to be paid for
the weekly off days and declared holidays. According to the Section 25E of Industrial Dispute act
1947 in India employer can avoid the lay-off compensation to his employees who were laid-off, if he
show them an alternative employment in the similar organization or field situate in the same town or
village or situate within a radius of five miles from the establishment to which he belongs. Human
resources communications about job elimination, involuntary termination and reductions-in-force may
include severance agreements, discipline records or termination documentation that give employees
pertinent information about terms and conditions of the termination, continuation of benefits and final
pay.

Effective Communication Soft-Skills Are Keys To Business Success:

Effective communication is a critical point for human resources Managers. They must be in sync with the organization's leadership and its employees to support internal and external customer service, manage change within the organization and build the integrity of the HR department. A well-managed, flexible and sustained business communication practice can bring all time good business profits. It makes a company to have a distinctive identity in intensely competitive global market. Customers are seen to be more loyal to the company and generally feel positive about buying or consuming the company’s products and services. Investors prefer to invest in such company. Shareholders remain hopeful about the capabilities of key Managing executives possessing good business Communication Soft-skills and the long-term prospects and profitability of the company.

Communication Soft-Skills Are Needed For Intradepartmental Communication

HR managers must learn to strengthen the communication lines between HR leadership and staffers. One of the uphill struggles for HR managers is improving employee perception of HR. Many employees don't understand the functionality of HR and, even less, the purpose that an HR department serves, except when it comes to processing wage. When HR manager communicates effectively with employees, then it represents a team with consistent mission that can establish HR Department’s credibility throughout the organization.

Communication Soft-Skills Are Needed For Strategic Direction

HR leaders, especially the high-level ones, regularly interact with top management. In organizations that value HR and look to HR department leadership as the guiding force in creating a productive and engaged workforce, HR managers team with top leaders to develop the company's strategic direction. They communicate the return on investment in HR activities and justify the organization's support for
functions such as training and development. Engineers are often confronted with complex problems and must be able to identify the most reasonable approach in dealing with them, as well as effectively and accurately assess the strengths and weaknesses of possible solutions. This includes the ability to reason inductively and deductively, applying general rules to specific problems and combining many specific pieces of information to form broad conclusions.

Visualization Soft-Skills

The ability to imagine what something will look like when it’s finished and visualize how complex components will come together is one of the most important skills a Manager can have. Visualization skills must be flexible and dynamic in order to identify and resolve issues before they can become problems. Because there are so many component parts to large-scale projects, Managers must be able to envision how the interrelationships change when one or more individual aspects are changed.

Communication Soft-Skills Are Needed For Functional Implementation

HR manager's expertise often is demonstrated through communicating her job knowledge, best practices of HR department and the organization as a whole. Placing strategy into place requires functional implementation of steps, processes and procedures -- mostly communicating to the HR staff how to serve the needs of the organization's internal and external customers. Internal customers are the organization's employees and external customers are applicants, candidates, vendors and experts to whom the company might outsource HR functions. The benefit of effective communication means the functional implementation is appropriate for the strategic direction of the company and that the HR staff clearly understands how to move forward under the direction of the HR manager.

Linguistic Mind Skills

What do Managers do in a given day? Managers write emails and reports, talk on the phone and go to meeting, prepare specifications, proposals, presentations and contracts.

In short, Managers are constantly in language communication process. They do not “build” practically much, labors do that heavy lifting. Managers “design” and “build” things the communication can be formal or informal consisting of all the activates and behavior by which information is exchanged amongst project manager, his team members and various stakeholder

Communication Soft-Skills Are Needed For Risk Management

Organizations with disgruntled, unhappy employees subject themselves to costly workplace issues, complaints and lawsuits, but communication often resolves issues before they lead to litigation and settlements. The benefit of effective communication soft-skills using HR leadership reduces the company's liability for unfair employment practices. Communicating the organization's policies on equal employment opportunities and substantiating employment decisions with proper documentation is one aspect of effective communication makes in compliance with federal, state and local labor and employment laws. Communicating these policies to both staff and leadership further ensures that the workforce understands the company's commitment to fair and equal treatment, regardless of sex, disability, race, religion and other non-job-related factors. HR managers must be soft-skilled at understanding not only what employee is telling him, but also what that person is saying through non-verbal communications and voice inflections. It is a soft skill, and its development takes more time. Engineering project manager has to regularly communicate on a one on basis, as well as in groups. Presentation skills are basic requirements that can be sued in each of these setting, and are learned with a little guidance and practice.

Presentation Skills

According to Mahendra Fakhri and Nurul Setyaningrum, Department of Business Administration, Faculty of Communication and Business, Telkom University, Bandung, Indonesia (International Journal of Science and Research (IJSR) ISSN (Online): 2319-7064) Presentation is delivering process of one idea or information in front of public. In presentation, a presenter is not only delivering
Conflict Management Soft-Skills

Conflict is a natural consequence of putting people together to work on tasks that require close teamwork. Employees’ generally differ in way of thinking, perspectives, experiences, attitude, expectations and emotional intelligence which may lead to conflicts in business organization. A Human resource manager having Problem solving soft-skills use these differences when it works to create innovative solutions to problem reach its vision and fulfill its purpose. Conflict occurs when employees do not get what they need or want and are seeking their own self-interests. Other times, the individual employee can be aware of what is needed and actively works at achieving it. As is the case for any problem, the Human resource manager has to apply soft-skills to find out and understand what causes it, handle diversity and disruptive behavior, as that often makes the difference between good and bad conflict handling, the main reasons why conflicts may arise among employees in organization:

1. Confusion of interests with needs
2. Communication on multiple wavelengths
3. Internal conflict inside the department
4. Lack of clear communication
5. Refusal to clearly communicate
6. Conflict of interests and Motivations

Human Resource Leadership Soft Skills

Effective leadership benefits from effective communication HR managers who are capable of empowering supervisors and managers in areas such as being first responders for employee relations matters relieve HR staff of handling many of the routine issues that arise within departments. HR develops and delivers leadership training, too. Communication Soft-skills are needed for Effective Leadership. This provides supervisors and managers with the tools to be successful, whether it's conducting annual performance appraisals, learning to coach employees for high performance or assessing the strengths of emerging leaders for the organization's succession plan. HR-Leadership soft skills are the tools, behaviors, and capabilities that a Human Resource manager needs in order to be successful at motivating, leading and directing Employees. These soft-skills make a difference in all the areas of life as they involve more of the ability to help employees increase performance, productivity and abilities. Most successful HR-Managers are those who motivate employees to achieve organizational goals and success. Usually no employee is born with leadership soft skills but they have to be acquired or learned. If HR Managers don’t have the desire to inspire, lead, motivate and develop then they will never be comfortable in the leader role. The employees have struggle every day with the basics and will sense it in everything the leader does.

Integrity and Commitment Skills

Human resource manager must have integrity in order to be successful leader. Integrity can be defined as being true to word, being authentic in actions and speech and demonstrating the kind of behavior that HR would like to see employees. Integrity is always practical in sense. Every job holder has the experience of bad and good Integrity in their work place. Just as the founders visions and mission must be similar to the Human Resource managers who are hired by them as employees in the company.

The Human Resource Manager Must Have “Unintimidated Strong Backbone”
In under developing countries, the HR professionals are seen as being weak because they back down when intimidated by the business owner, political corruption, controlling manager or executive. A “backbone” comes from the strength of convictions, strength and knowledge of “craft.” The more knowledgeable HR-Manager is more skillful and successful. With that knowledge grows strength. Even age playing major factor it is not sufficient.

**Sincerity, Consistency and Substance**

The Human resource managers must be trained up in order not to put up a false front but must be true, accept responsibility for commitments and work hard to meet them, be honest about their limitations, accept responsibility for own error, treat the employees equally as much as possible, follow through promises, work harder than other employees, have the same expectations or rules for themselves as for their employees. Substance is integrity becoming a part of being in all ones work relationship by; Keeping the private matter of employees as private without leaking. No gossiping or complaining about one department to other. Doing what is best for the company and merely not one department, maintain clear communication and solve conflicts.

**Positive Attitude Soft-Skills**

HR-Professionals benefit from having a positive attitude which is a disposition of optimism and encouragement in an organization; it is industrially healthier than having a negative attitude. Employees, who have a positive attitude, may get promoted in the workplace. Positive attitude needs gratitude for the way life is currently unfolding. The HR-Professionals having a positive attitude are always successful as they believe that failure is not negative. Positive HR –Professionals learn from their mistakes, don’t ignore employees’ problems but do something productive to change the outcome. In under developed countries, the HR-Professionals who do not have positive attitude are those who intimidate employees by making them Scape-goats, threaten to spoil career, feel insecure, give false performance appraisal, give willful negative feedback, show biased attitude, indulge in office politics, indulge in grapevine communication, back-door recruitments, in some organizations the employees consider HR-Professional as “ Spy of the Management” who makes the HR-Department “ A hub of Corrupt politics” which finally leads to downfall of the organization at some point of time in future. HR-Professional should not have ego, while working with people, interacting with people and the number of people being interacted with is large, the HR-Professionals cannot afford to have ego. Sometimes one needs to come down present level and talk. It is not easy, just next to impossible to match with the expectations of everybody. I have seen HR professionals who are over-flowing with ego. When they start talking, it appears as if they are doing some great favor by interacting with employees, communicating with others and updating with new strategy or policy. This is another reason, as why HR professionals fail to make that impact in this profession to make them counted. HR Professionals should not be emotional. They need to be like fish, which needs to swim in water to survive but not get wet. The HR-Professional who feels as if they know everything is like a Deer who thinks that closing its eyes will disable lion to see.

**DATA ANALYSIS**

The data used in this report derives from employers, HR-Managers and ISSELTI - Institution of Soft-skills and English language trainers of India surveys, interviews, and a review of soft skills research. ISSELTI created two surveys for employers asking them questions about the importance of Soft skills Training and Development for Human resource managers and soft skills deficiencies in employees. Sixty-seven percent of human resources managers said they would hire an applicant with strong soft skills whose technical abilities were lacking; only 11% would hire someone who had strong technical expertise but weak in Soft-skills. In addition, the overwhelming majority 92% of HR managers felt technical skills are easier to acquire than soft skills.
CONCLUSION

The soft-skills training program enhanced the efficiency of MBA Students and Managers. It was able to efficiently lead, personal and professional lives, problem-solving skills, interpersonal and conflict resolution skills. The major problem in engineering colleges that offer MBA courses is they do not have teaching faculties having teaching skills, Class-room management skills and just indulge in inefficient teaching without good communication skills. The communication between all levels of management helps in reducing conflicts in the organization, which in turn develops the morale, increases the productivity, job satisfaction improved physical and psychological health, brought down the absenteeism rate and stress in all the employees. The impact of Soft-skills training in students is found be very low where the teaching faculties teach most part of subjects in regional language in MBA and Engineering.

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GREEN HEALTH CARE SEGMENT: A FUTURISTIC APPROACH

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ABSTRACT

Health sector is much talked about now a days, despite of having one of the most world renowned infrastructures and goodwill of India in healthcare sector is actually detrating. Most of the hospitals prefer to be traditional, in case if they try to adopt the Green concept money and space both pose a great hindrance. Can renewable and non conventional concept be attached to Hospitals in the form of Green hospital, especially in the country like India?, Has raised alarming bells. Though the concept is nonconventional but it has gained success in most of the European countries. The future of health care Industry especially hospital largely depends on Green Hospitals.

Keywords: Green; Hospitals; Environment; Waste; Health; Building; Pollution; Success; Infrastructure; Government

INTRODUCTIONS

The present research paper attempts to identify the concept and acceptance of Green Hospitals in India. Paving the way of success in Modi – Obama Era, the concept of Green hospitals is a contemporary and a relatively new subject especially when we are talking about the non metro and other sub – urban cities and rest of India. India is known for its vast and ultramodern health care sector but ironically most of the health care centers and hospitals are not securing the footprints of Carbon Emission. In this regard the concept of Green Hospitals and its application can play an important role. Green Hospitals cannot only be considered as a unit rather they are the indispensable part of the future health care movement. Government of India has also taken positive nod in this regard but some important hindrances like acceptance, infrastructure and lack of willingness both from the business community and social India pose a challenge to its success, but indeed its renewable and non conventional. India is known for its vast health care sector but ironically despite of best efforts of Government and private sector units still the reach of this aforesaid sector is limited. Green hospitals are the health care centers that usually take care of the effective and efficient supply of health care services along with an active contribution towards the eco friendly environmental inputs. The concept has first been practically carved in USA, and such hospitals/ centers have actively used the recommendations of US Green Building Council. The Global Green Hospitals work multidimensional to satisfy the agenda of healthy and environment safety. One active initiative in this step is the Global Green and healthy hospitals network empanelling about 9700 health centers and hospitals round the Globe (Source - https://noharm-global.org/issues/global/global-green-and-healthy-hospitals).
In order to sustain economically and ecologically three important parameters have to be emphasized viz Green Commitment, Quality Services and Efficiency. It is not an easy task because it requires the combination of dimensionally opposite fields of construction, logistic, medical practice, healthcare supply and waste management. The success of the above alliance largely depends upon the delivery system and the efficient application of the concepts. The Green Hospitals is a comprehensive health care facility committed to reduce the carbon emission. These facilities are facing toward future and have developed into sustainable efforts to ease the patient with the disease curing facilities via adopting a Green approach. In this case the environmental friendly practices are adopted for designing and managing the facility along with green logistic and green waste management. This concept proves to useful for the developed country, but the mind boggling question lies ahead “Can we apply this concept in India?” Although we have adopted the concept of LPG in early 90’s, but its implementation is restricted mainly to trade and commerce. We the people are still traditional and inclined toward traditionally tested practices and still we hesitate a lot to accept the change. Probably our demographics, strong cultural influence and responsibility don’t allow us to accept the change.

OBJECTIVES

Following were the main objectives behind the present research work

1. To know about the Green Hospitals
2. To know proposed method of introduction of the Green Hospitals and its Challenges

(Note – Before formulating objectives a small pilot study was conducted in Delhi/ NCR and after that these objective were designed)

RESEARCH METHODOLOGY

The present work is based on the concepts of exploratory research and the concepts of convenience sampling have been used to select samples. The sample size was of 200 respondents and the sampling area encompasses Delhi/ NCR. Data sources considered were primary and secondary. The responses were obtained with the help of a self administered questionnaire, personal interviews and interactions and the tenure of the research was of two months. Though no special statistical tools have been used but the concepts of averages and general mathematics has been extensively used.

SCOPE OF THE RESEARCH WORK

The scope of the present research work is limited. The concept of exploratory research work and convenience sampling has been used and the tenure of the overall work was of two months. The research work has covered the response of general/ local people, professionals and owners of private hospitals. The recommendations and findings is limited to North Indian City only, however it can be generalized to the parts of India provided the demography, physiographic and legal constraints are similar.

IMPORTANCE OF THE RESEARCH WORK

The research work will prove to be beneficial for all the people who are attached to the work, above all the findings and recommendations are beneficial for the government for policy framing and conceptualization of the Ideas of Green Hospitals and also its application may lead to increase in knowledge and thinking horizons of the local dwellers. The research work may also increase the practical feasibility of the Green Hospitals and may provide some important inputs to all those who wish to study the same field.

Requirements for Green Hospitals to Be Operational

Like the global citizenship the concept of Green Hospitals is gaining importance. All the stakeholders, Construction lobby and healthcare participants are now getting awareness about the concepts and benefits of Green Hospitals. Though the success rate of the concept depends upon the spread of information and education regarding this but its slowly acceptance with respect to India is visible.
Now days the concept has become an important ingredient in Hospitals planning projects. There is a positive node to going green. Following are the list of some fragments, which are to be taken care off while designing the concept

1. Energy and Atmosphere
2. Indoor Environmental Quality
3. Site of Constructions of the Hospitals
4. The Construction Designing
5. Renewable Sources of Energy and its supply
6. Green Transportation and Green Logistics
7. Waste Management (Recycling and Reuse)
8. Food, water and Canteen Facilities

Green Hospitals: A Solution for Tomorrow

As hospitals typically use significantly more resources and produce more waste than comparably sized commercial buildings, the effective deployment of environmentally driven strategies to improve resource management is of critical importance in the development of sustainable healthcare facilities. A World Health Organization (WHO) report published last year urged hospitals to proactively address the environmental footprint of the healthcare sector by reducing power consumption, utilizing alternative energy generation, and through the recycling and conservation of resources. A range of energy efficiency measures, which rightly form the starting points for many global green hospital initiatives, are being adopted both in the renovation of existing facilities and the construction of new hospitals. Core measures include the use of energy efficient medical equipment and lighting systems for hospitals to reduce energy expenses, as well as the deployment of technologically advanced energy management systems that leverage onsite renewable energy sources.

These transformational energy solutions, coupled with the implementation of efficient water management and a focus on the reuse of resources, can greatly reduce the overall environmental impact of healthcare facilities, increase efficiency, and reduce cost of operations. Besides the goal of reducing carbon footprint, hospitals are also looking at how to introduce the increased use of daylight lighting and natural ventilation into the healing environment. To raise the standards of patient care, a sustainable hospital design should also look at improving air quality by exploring ways to reduce the amount of harmful toxins and contaminants used across clinical departments. A significant but perhaps less heralded development in new green hospital initiatives is the growing integration of advanced workflow optimization into the early stages of facility design and construction process.

FINDINGS

<table>
<thead>
<tr>
<th>Awareness about Green Hospitals</th>
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- Yes = 15%
- No = 85%

Figure - 1
**Interpretation:** 95% of the respondents were unaware of the concept of Green hospitals; this finding was not a surprise as the concept is contemporary new to the people. This clearly demarks that the information regarding the same is to be properly published and expressed.

![Finding regarding Test and Try](image)

**Figure – 2**

**Interpretation** – About 95% of the respondents were against the concept of trying green hospitals as they don’t want to try and test the health related issues to a contemporary new concept. They want to go the traditional way.

![Regarding Infrastructure](image)

**Figure – 3**

**Infrastructure**- It was a shocking reality that only 20% of the hospitals in Delhi/ NCR are having the infrastructure to support the Green Concept and rest 80% of the Hospitals are devoid of it. It clearly shows that in absence of the infrastructure the introduction of Green concept is not possible.

![Regarding use of Recycled Material](image)

**Figure – 4**
Interpretation – As per the findings only 45% of the respondents were ready to use recycled material during hospitalization, however 55% of the respondents were against the idea, they want to go for pure dimensions.

PROBLEMS AND CHALLENGES

- Most of the people are unaware of the concepts of the green hospital (as a result of absence of the requires Information and Explanation), so its generation is doubted in present scenario.
- The lack of infrastructure support and facilities with Hospitals also doubts its generalization.
- Respondents/ People want to use new equipments and tools rather than recycled one also pose a challenge.
- The Recommendations regarding construction of Green Hospitals is not an easy task to follow and carry out, which again is a problem.
- Absence of proper recycling facility and knowledge is a major hindrance.

Things which are to be taken care of while designing green Hospitals (http://archivehealthcare.financialexpress.com/201106/hospitalinfra10.shtml)

- Choose an environmentally friendly site (avoid farmland, wetlands, flood plains, environmentally sensitive lands, and hazardous substance sites)
- Design for sustainability and efficiency building (identify opportunities to incorporate recycled materials into the building, such as beams and posts, flooring, panelling, bricks, doors, frames, cabinetry, furniture, trim, etc.
- Energy conservation initiatives (orient building to take advantage of solar energy for heating and day lighting and to encourage natural ventilation and passive cooling)
- Evaluate safe strategies to recycle wastewater/gray water for other purposes on the site
- Ensure that building elements are installed and calibrated properly to meet the project's environmental health goals in addition to mechanical, electrical, and plumbing system requirements.
- Use of green-complaint materials and products during the construction of hospitals (High-reflectant roofing, high-performance windows - double-glazed, argon, etc., renewable building materials, such as bamboo flooring, wool carpet, strawboard, linoleum, poplar OSB, sunflower seed board, wheatgrass cabinetry, hemp fabrics, etc.)
- Establishing a waste separation and recycling program, and educate staff as to the benefits.
- Source almost all our materials from green certified manufacturing units both in India and abroad.

Establish a "Green Team" of staff from all departments to monitor progress toward environmental goals.

CONCLUSION

The concepts of Green Hospitals are comparative new to the Indian subcontinent. These hospitals are too innovative and can cut the carbon emissions to a greater extent. These hospitals can offer numerous advantages but in absence of proper information, infrastructure and lack of interest the prospect of Green Hospitals in Doubted. Proper applications of the concepts can lead to an innovative approach in the health care sector by following which major milestones can be achieved.
REFERENCES


ABSTRACT

Coaching involves teaching, training, instructing and more. It is not simply about helping people to learn sports skills, improve performance and reach their potential. It is also about recognizing understanding, respecting and providing for other needs of athletes. These needs are many and cover a wide range such as social and emotional needs, as well as the more obvious needs related to athletics success and completion. As a good coach you should have a code of behaviour based on a code of ethics which places the rights and needs of your athletes before those of yourself. You will need to develop a caring and continuing relationship with the athletes you coach. Participation in sport is a social process. Your coaching will therefore have great power to shape the lives of your athletes through this social activities and leadership process. Aside from numbers in the wins column or improved performances during competition, it is difficult to gauge just how important coaching is to sports and athlete success. Attributes such as ambition, competitiveness, and work ethic take centre stage when it comes to success. Coaching effectiveness, much like the aforementioned attributes, is just as important and equally as hard to quantify. Is a coach merely a manager just overseeing one or more athletes or is he integral to athletic success? What attributes or characteristics do successful coaches possess and what are some of their roles? Are coaches leaders? If so, what leadership styles do they practice? All of these questions will be discussed in greater depth throughout this work.

Keywords: Coaching Leadership; Sport Performance; Athlete Success

INTRODUCTION

The term coaching is often used to cover wide range of activities, usually to help someone prepare for something. Coaching in sports has been described as the organized provision of assistance to an individual athlete or group of athletes in order to help them develop and improve. Coaching is pervasive throughout the life course, from childhood (e.g., a parent helping a child learn to ride a tricycle), through schooling (e.g., a teacher coaching a student in the proper conduct of a chemistry experiment), and into adulthood (e.g., a fitness coach helping with an exercise regime or a supervisor coaching an employee in improving his or her job performance). The main body of research about coaching is found in the training literature, and it focuses almost entirely on individual skill acquisition. Except for the many popular books and articles that extract lessons for team leaders from the experiences of athletic coaches, relatively little has been published that specifically addresses the coaching of task-performing teams. The coach is responsible for five key areas of performance coaching tactical, technical, mental, physical and lifestyle and also social outcomes as a result of their coaching behaviour. This can have a positive or negative effect on the performance of the athlete and the team. Coaches need to be aware how each of their actions can affect the team dynamics. Sadly, most coaches themselves seem to be fairly oblivious of the kind of effect their behaviour has on their team.
OBJECTIVES OF THE STUDY

1. To investigate coaching leadership in sport performance and athlete success.
2. To identify the role of coaches in sports activities.

REVIEW OF LITERATURE

This section will describe the literatures which describe the topic, what is coaching, leadership and its relationship to athletes, the role of the coach, developing coaching philosophy, discovering coaching leadership style and player performance are reviewed.

What is coaching? It is often used to cover a wide range of activities, usually to help someone prepare for something. Coaching in sports has been described as the organized provision of assistance to an individual athlete or group of athletes in order to help them develop and improve.

Coach: is the person who takes care of the coaching and training of a team and who prepares them for performance, to achieve the result.

Coaching an Art Or A Science?

Science - To support the coach there is a wealth of scientific information based on research conducted with athletes. Information is available to support the coach and athlete in all areas of training and development including nutrition, biomechanics, psychology, physiology, and medicine. There are a number of scientific methods to measure and analyse the athlete's performance e.g., computer-aided analysis of VO2 max, lactate levels, running technique etc.

Art - The art of coaching comes when the coach has to analyse the scientific data and convert it into coaching and training programs to help develop the athlete. This analysis process relies heavily on the coach's experience and knowledge of the event/sport and the athlete concerned. By understanding the science, which is the foundation of training, a well-designed training program can be developed that will help an athlete reach their full potential. So is coaching the art of understanding the science and then applying it?

Leadership and Its Relationship to Athletes

A strength and conditioning or fitness coach will definitely need leadership skills, especially as he guides his athlete or client to his desired outcome. Communication is a vital aspect in coach/athlete relationships. It is very important to talk to your athletes individually to determine what their values and beliefs are, what their goals are and why they are participating. Without this knowledge, you might be delivering a coaching bag of apples to athletes wanting a bag of oranges. The program just will not work properly. As a coach, you are a powerful role model and can have a tremendous influence on your athletes if you and your athletes are on the same page. Take the time to get to know each of your athletes just as if you examined your own values, beliefs, and habits. Once you know and understand each of your athletes, their strengths, weaknesses, abilities, and skills, then I suggest you develop an approach to coaching them. Will you focus on the stars? Will you treat everyone equal in terms of your attention and help? Perhaps the teamwork approach will work for you.

Roles and responsibilities of a coach

Manager: Managers are viewed as an integral piece to the success of a person and/or an organization. Appointing the right manager is crucial, and research indicates that there is a direct link between manager/coach behaviour and an athlete’s performance (Crust 2006). A manager is charged with the responsibility of making decisions for the team or athlete and plays a fundamental role in the operation of a team.

Friend: Coaches also work to build rapport with their athletes, sometimes befriending them. They may lend support to their athletes and provide them someone to confide in. Relationships shared among coaches and athletes will be further discussed in this work.
Coaches develop strategies to achieve desired results. They assess talent, organize and develop the content of practices and specific drills.

Coaches also serve as motivators to maximize an athlete’s full potential. Coaches utilize supportive behaviours such as providing choices within specific rules within the sport, providing a rationale for tasks and limits, and acknowledging their athletes’ feelings.

Coaches advise athletes on the training to be conducted and suitable kit and equipment.

Coaches assess athletes performance in training and in competition.

Coaches resolve emotional problems on the basis that sharing anxieties can be both relieving and reassuring.

Coaches demonstrate to the athletes the skill you require them to perform.

Coaches identify suitable competitions for them to compete in to help them achieve their overall objectives for the year.

Coaches gathering data of national and international results and keeps abreast of current training techniques.

Coaches may be part of the advisor role in that you will often be asked questions on any sporting event, events that were on the television, diet, sports injuries and topics unrelated to their sport.

Coaches instructing athletes in the skills of their sport.

Coaches are responsible, to their parents and family, for ensuring that they are safe and secure. You have to monitor their health and safety whilst training and support them should they have any problems or sustain any injuries.

Coaches serve as a model in a particular behavioral or social role for another person to emulate.

Coaches compete can be a very nerve racking experience for some athletes and often they like you to be around to help support them through the pressures.

Coaches imparting new knowledge, skills and ideas.

Coaches improving fitness.

Coaches creating an environment for each athlete’s self control.

Coaches dealing with the paper work.

Coaches promoting within society and possibly with the media.

Coaches analyzing, evaluating and problem solving

Coaches always willing to listen, learn and look for new knowledge.

Developing a Philosophy

One commonality in successful leaders is they all have philosophies a system of beliefs that they firmly stand by. Possessing a clear cut philosophy prevents ill-advised decisions from being made and doesn't irritate athletes or clients with ambiguity. Have a defined goal and a thoroughly mapped out plan for getting there. Having a concrete philosophy in place puts things in perspective. The philosophy of strength and conditioning coaches should put a premium on winning and developing athletes, and the philosophy of personal trainers should include a commitment to empowering your clients and helping them get the results they desire. A successful philosophy is one that is achievement driven, measurable, and realistic. It brings out the best in individuals, thus fostering a winning attitude.
and is tailored to the needs and goals of the individual. A philosophy must be established before one can consider choosing a leadership style.

In developing a formal philosophy the coach can take four key components and to his or her best ability formulate a coaching philosophy document with the aim to be a better coach, to improve coach/athlete satisfaction and to achieve superior athletic results. These three components are:

1. Knowing yourself, your strengths, weakness and areas requiring improvement
2. Knowing what you want to achieve. (knowledge of objectives)
3. Knowing what you are up against and the obstacles you may encounter
4. Understanding your athletes, their personalities, abilities, goals, and why they are in your sport

Knowledge of Yourself

It takes honest assessment to admit to having weaknesses but we all have them. We just do not want them to interfere with good coaching judgment. By focusing on your strengths you will be able to identify consistent ways to coach that utilize those strengths. Are you a good teacher, or motivator, or academic, or communicator or a former athlete? Are you dynamic or easy going, or hardnosed or open and friendly? Use your strengths to your advantage. By taking time to make a serious assessment of your strengths and weaknesses and recognizing your morals, values and beliefs you are better able to adapt your own style to the athletes being coached.

Knowledge of objectives- knowing what you want to achieve

If you ask coaches what they want out of coaching, the answers usually include:

- Winning
- Fun
- Athlete development

All are important, however; an athlete’s development is affected by the importance placed on winning or losing. Striving to win is always important. A ‘win at all cost’ attitude, however, ignores the development of the athlete. It is an attitude frequently used by those coaches who judge themselves by how well their athletes finish. By contrast, the view taken by many successful and experienced coaches is to place the long term development of the athlete as the single most important consideration. An emphasis on the development of the athlete is more likely to produce better performance, greater consistency and more satisfaction for the athlete and coach than an over emphasis on winning. Competition then becomes merely challenging and satisfying way of measuring personal development. This philosophy has been expressed many times as ‘Athletes First, Winning Second’ which means:

- There is respect and appreciation of the coach and his/her work.
- Athletes decide with the coach the importance of performance and strive to meet their joint expectations.
- There is for the laws and spirit of fair competition.
- Athletes reaching their potential are seen as success.
- There is respect for opponents, other coaches and officials.

Knowing What You Are Up Against - Your Coaching Context

As important as it is to understand what makes you tick, it is equally important to understand the confines of your coaching context. By this, it means that a good understanding of the age, gender and training level of the athletes you coach. How much time you and your athletes have available to train and compete? What is your development program based upon and how far can you take it by
enhancing and incorporating other aspects such as sport psychology, nutrition education or sophisticated technique analysis? What funding, facilities, services and equipment are at your disposal? In addition, what are your short medium and long term goals for your athletes?

There could be other restrictions that will affect your coaching delivery. These include laws or policies on safe practices, club or school rules of behaviour, competition with other sports, school pressures and outside activities, parental interference, or performance standards to qualify for teams and competitions. Knowing what you are up against enables you to tailor your annual training program to the specific needs of the athletes you have under your charge.

Discovering Coaching Leadership Style

There are numerous dimensions of leadership behaviors that a strength and conditioning or fitness coach can draw from that are sensitive to the situation, sport and/or activity, and skill level of the athlete or fitness level of the client. Six behavior dimensions of leadership exist, including autocratic, democratic, positive feedback, social support, training and instruction, and situational consideration (Zhang 1997).

Autocratic leadership: Autocratic leadership limits the involvement of its participants in decisions. The use of commands and punishments are prevalent as is the prescription of plans and methods for activities (Zhang 1997). With autocratic leadership, a coach or trainer will map out a plan with very little, if any, input from the athlete or client. The autocratic behavior dimension is a prime example of a coach or trainer giving the athlete or client what the coach or trainer thinks she needs.

Democratic leadership: Democratic leadership allows for the participation of athletes or clients in decisions, and coaches are respectful of their rights (Zhang 1997). Under this dimension, athletes or clients are allowed to set their own goals and are permitted to provide input about their training program. According to Coach Wooden, coaches should “consider the rights of others before [their] own feelings and the feelings of others before [their] own rights” (ESPN 2010). This form of leadership engages the athletes or clients that they are working with, making them feel needed and important (Zhang 1997).

Positive feedback: Positive feedback is based upon a behaviourist approach and is also known as positive reinforcement (Zhang 1997). Coaches and personal trainers will compliment or reward their athletes or a client on their successes, which maintains motivational levels (Mageau 2003; Zhang 1997). The athlete or client will be rewarded for a good performance or effort (Zhang 1997).

Social support: The dimension of social support, which is a humanistic style, satisfies the interpersonal needs of athletes or clients by remaining sensitive to them and helping them with their personal problems (Zhang 1997). A high degree of emotional intelligence (Goleman 1998), specifically empathy or having the ability to understand the emotional makeup of people and treating them according to their emotional reactions, will be required to effectively carry out this dimension (Zhang 1997; Goleman 1998).

Eventually, the characteristics of the three styles are compared in the following table.

<table>
<thead>
<tr>
<th></th>
<th>Authoritarian</th>
<th>Cooperative/democratic</th>
<th>Causal/lasses fair</th>
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<tbody>
<tr>
<td>philosophy</td>
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<td>Athlete centered</td>
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<tr>
<td>objectives</td>
<td>Task objectives</td>
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<tr>
<td>Decision making</td>
<td>Coach makes all decision</td>
<td>Decision are guided by coach, but shared</td>
<td>Athletes make most if not all decisions</td>
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<td>Communication style</td>
<td>Telling</td>
<td>Telling, asking, listening</td>
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<td>Communication development</td>
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<tr>
<td>What is winning?</td>
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<td>Judged by athlete and coach</td>
<td>Not defined</td>
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</table>
Athlete development

<table>
<thead>
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<th>Athlete development</th>
<th>Little or no trust in the athlete</th>
<th>Trust in the athlete</th>
<th>Trust not shown</th>
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<tr>
<td>Motivation</td>
<td>Sometimes motivates</td>
<td>Motivates all</td>
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</tr>
<tr>
<td>Training structure</td>
<td>Inflexible</td>
<td>Flexible</td>
<td>None</td>
</tr>
</tbody>
</table>

Training and instruction: Another dimension, training and instruction, is utilized to bolster the athlete's or client's skill set. Here a strength coach may help refine an athlete's Olympic lifting technique or a personal trainer may guide his client through some mobility drills or flexibility exercises that were just introduced.

Situational consideration: The last dimension is situational consideration, which is based on the maturity of an athlete and current skill level.

**Situational Leadership**

The situational leadership theory, which was originally developed in the early 1960s by organizational psychologists Paul Hersey and Kenneth Blanchard while they were members of the Ohio University faculty, has continued to evolve and remains popular because it’s easy to understand, relatively simple to apply, and works with most people and work environments. Different leadership styles can be adopted depending on the situation (Hersey 1977). These styles include directing, coaching, supporting, and delegating.

Directing: In directing, leaders define the roles and tasks of the ‘follower.’ The followers are closely supervised, and the leader makes all decisions. All communication is downstream originating from the leader. Usually the individuals being directed possess low skill levels but have a high level of commitment (Hersey 1977). In sports, this style is employed with youth athletes and predominates with the novice personal training clientele in the fitness community.

Supporting: The supporting style embodies a high supportive behavior but is low directive as the follower has more control of decisions (Hersey 1977). People who are led under this style have moderate to high levels of competence. This style is best used with intermediate athletes or clients who need guidance to get to the next level.

Delegating: Lastly, the delegating style is of low directive and support, as its constituents are competent and highly motivated (Hersey 1977). Leaders are still involved with decisions but to a far lesser degree. Leader involvement is decided by the follower. This style is best used when you’re working with an advanced athlete who may already be near or at the pinnacle of his game or the client who has shattered her previous fitness goals. The improvements made under this coaching style are comparatively miniscule but much harder to attain. A coach's or trainer's expertise is called upon in these instances to address these relatively small deficiencies to improve performance.

**Transactional Leadership versus Transformational Leadership**

Two common leadership theories exist transactional and transformational. Transactional leadership is based on the exchange of valued outcomes and behaviors among followers and leaders. Literature has shown that not all outcomes are equally reciprocated (Lievens 1997; Judge 2004) and that low quality exchanges could be detrimental to the morale of followers (Judge 2004). The downfall with transactional leadership is that it only develops the followers’ extrinsic motivation, largely due to the fact that it rewards them on outcomes. Conversely, transformational leadership improves stimulation and morale due to the four characteristics that compromise it charisma, inspirational motivation, intellectual stimulation, and individualized consideration (Lievens 1997). Research has shown that transformational leadership results in higher job satisfaction rates and performance (Judge 2004).

Servant leadership: Authors, executives, and coaches alike have been inspired by the leadership skills of Coach Wooden. Dozens of books and documentaries have chronicled Wooden’s legendary leadership abilities, which netted his UCLA teams a record ten NCAA basketball championships.
Wooden also authored nearly a dozen books on coaching and leadership development. His works reveal characteristics of a servant leader. Ten characteristics compose the servant leadership style. The most notable of them, which were traits of Coach Wooden, include conceptualization, stewardship, commitment to the growth of people, and building community (Joseph 2005).

Conceptualization: According to Joseph and colleagues (Joseph 2005), conceptualization is the servant leaders seeking to nurture their abilities to dream great dreams. Before his success at UCLA, Wooden was a marginally successful high school sports coach and briefly served as Indiana State University’s basketball coach. There’s no doubt that Wooden dreamt of successes that would compel him to rise through the coaching world and lead a team to a championship.

Commitment to the growth of people: “Servant leaders are deeply committed to the personal and spiritual growth of each and every individual within the institution” (Joseph 2005). Wooden was someone who was committed to developing his players and assistant coaches. Many who played under him, including Kareem Abdul-Jabbar (formerly Lew Alcindor), wound up playing professionally. Abdul-Jabbar is the NBA’s all time leading points scorer and a six time NBA champion (NBA 2011).

Building community: “Servant leaders seek to identify means of building community among those who work within a given institution” (Joseph 2005). Think about what Wooden has done not only for the UCLA Bruins basketball program but for UCLA and the sport of basketball. He’s an iconic figure that also revolutionized sport coaching and leadership theory.

Leadership styles, much like sport strategy and strength and conditioning and fitness programs, can't be adopted with a one-size fits all approach. Research has indicated that a blend of leadership styles may also be effective (Judge 2004). However, the success of one’s leadership depends on a multitude of factors, which may include the skill level of the leader and his followers, the goals of the team or the individual, or the leader’s credibility.

Establishing Credibility

According to Kouzes and colleagues (Kouzes 2008), “credibility is the foundation for leadership.” The leader must demonstrate values that prospective followers admire, which motivates them to trust the leader (Kouzes 2008). The followers must trust the leader enough to accompany him on a challenging journey, be it getting to post-season competition or surpassing a personal record on a lift. Seven characteristics that are required to gain and maintain credibility were outlined by renowned sport psychologist Gregory Dale (2005).

Caring: The old adage goes that people “don’t care what you know until they know how much you care,” and in sports coaching, this holds especially true. Dale and colleagues (Dale 2005) suggest that caring coaches take a genuine interest in the lives of their players, forging long-term relationships with them and doing anything for them regardless of their talent (Dale 2005). Wooden exemplified this characteristic, as he was a servant leader.

Competent: Competent coaches have extensive knowledge and continue to sharpen their tools and add new ones as new research and trends emerge. These coaches most likely have the experience. They’ve “walked the walk” and have “been in the trenches.” They’ll also be the first to concede that they don’t know something, deferring an issue to another coach or expert. They’re also human enough to admit when they are wrong (Dale 2005). Research has shown that a coach’s competency level can affect the athlete-coach relationship (Kajtna 2009).

Character: Coaches who are viewed as being credible have character. They follow up on promises; are honest with athletes and other coaches, especially as it pertains to their roles within a team (Dale, 2005) or organization; and embody a strong sense of integrity.

Consistent: Credible coaches are also consistent. They are consistent in the way they administer punishment and how they handle themselves. They create an environment where their athletes know
what to expect from them (Dale 2005). It could be said that consistent coaches don’t deviate from their philosophy and core values.

**Relationships**

One key cog to the success of an athlete and his coach is the relationship they share. Volumes of literature support the need for a good coach-athlete relationship to achieve goals (Zakrajsek 2007). Coaches’ leadership styles have been shown to have a great effect on team success and athlete satisfaction (Bin Nazarudin 2009). Team cohesion, also affected by the coach-athlete relationship, is a determinant in a team’s success (Ramzaninezhad 2009; Zakrajsek 2007). Additionally, the leadership behaviors of the athletic administration and head coaches impact the job satisfaction (Kuchler 2008) and cohesion (Zakrajsek 2007) of their subordinates. Research has indicated that effective leadership is required for a collegiate athletic program to be successful (Tucker 2009).

Literature has indicated that the type of relationships that coaches and athletes share is based on the coach’s leadership style, which impacts performance. Preferences of leadership styles vary based upon gender (Grenier 2005), the sport played, and the level of competition (Beam 2004). An athlete’s maturity (Carron 1983; Turman 2001) and skill level (Beam 2004) may also affect leadership preference. It should be noted that athletes’ perceptions of their leaders and leadership preferences can change throughout the course of a season (Carron 1983). Relationships shared among coaches and athletes can be impacted by personality disorders (Arthur 2011), similarities and differences in passion (Lafreniere 2008), success levels (Trzaskoma-Biscredy 2007), and the task dependence and variability of the sport (Beam 2004). As it pertains to the field of strength and conditioning, differing leadership styles were identified among collegiate and professional basketball strength coaches (Magnusen 2010), although the fundamental strength training principles remained relatively similar (Simenz 2005).

**CONCLUSION**

The literature, which includes accounts of history’s most successful coaches, demonstrates that a variety of leadership styles can be effective. Instead of trying to find the leadership style that works for everyone and in any situation a style that doesn’t exist coaches should instead adapt their philosophy to the given situation, pulling from one or more theories at once to effectively lead people. Knowing when to apply leadership styles is of the utmost importance. Leadership is an indispensable quality that can be developed with hard work. Leadership is a process and a lifelong journey and is an around the clock responsibility. Leaders develop and hone talent, take action, take accountability for their mistakes, and share their successes with the team or individuals they’ve developed. Leaders are made, not hired, and no, they don’t clock out after a long day.

**REFERENCES**


AN OVERVIEW OF MARINE FISHERIES OF INDIA AND COASTAL KARNATAKA: ITS PRESENT STATUS

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ABSTRACT
This Paper provides an overview of the marine fisheries of India and coastal Karnataka. It covers the main fisheries resources, present social-economic profile production and export trends and fisheries gears in India and coastal Karnataka. The study has been reliant on secondary data and same has been considered and analyzed by using percentage and graphical method. The marine fisheries sector in India is viewed as a million dollar business. This sector in the country and state has experienced remarkable developments in terms of production, employment, export earnings and infrastructure development. The result of study reveals that the GDP and GSDP from fisheries shows increasing trends. India is the largest producer of fish in the world. The fish production of India and coastal Karnataka shows fluctuating trends. The marine fish product exports performance shows increasing trends both in terms of quantity and value. The marine fisheries sector in India has registered a phenomenal growth during the last five decades both quantitatively and qualitatively. Marine fisheries are sunrise sector of our country. At present it emerged as an important commercial activity from its tradition role as subsistence supplementary activity of large number of coastal population.

Keywords: Marine Fisheries; Coastal Karnataka; Fisheries Resources; Socio-Economic Profile

INTRODUCTION
Food, Clothing and Shelter (Roti, Kapada Aur Makan) are the basic physiological needs of human life. If we refer to the pages of the history of human civilization it speaks, that fish has been one of the major sources of food and to get this food: fishing activity was undertaken from oceans, lakes and rivers. Man has known fishing since times immemorial. Fishing is older than agriculture. Fishery is considered as one of the allied activities of agriculture. Fish provides an excellent source of protein, vitamins, fat, minerals and carbohydrates, the essential ingredients of a balanced diet. Fish is one of the most highly traded food products in the world market. In India marine fisheries sector is viewed as a million dollar business. As a source of food, fisheries stand almost at par with agriculture and animal husbandry.

Fishing and Aquaculture in India has a long history. Kautilyas Arthashastra (321-300B.C) and king Someswara’s manasottara (1127 A.D.) each refers to fish culture.¹ Fish has certain Mythological importance in India. The very first of ten incarnations of God called “MATHSYA VATHARA” is believed to have taken the form of fish. For centuries, India has had a traditional practice of fish
culture in small ponds in eastern India. Fish culture received notable attention in Tamil Nadu (formerly the state of Madras) as early as 1911, subsequently, states such as West Bengal, Punjab, Uttar Pradesh, Gujarat, Karnataka and Andhra Pradesh initiated fish culture through the establishment of Fisheries Departments. (2) Fishing was practice even in pre-historic Karnataka, as can be seen from a copper fish hook at the Brahmagiri, excavation. A vachanakara, a contemporary of Basaveswara called Galada Kannappa is known, gula being hook. (3) India is predominantly a rural country. According to the 2011 Census of Indian the total population of Indian is 12201 crore people with 68.84 of the population living in rural areas. (4) Karnataka State (erstwhile Mysore State) emerged as a maritime State in 1956 with the States Reorganization Act. It is the 8th largest state in the country having an area of 191,791 Sq. Kms (6.25% of India’s total area of 3,065,027 Sq. Kms.). As per the Census of 2011, the State has a total population of 6.10 crores accounting for 5.05 per cent of the country’s total population of 122.1 crores. The rate of growth of population in the State has declined considerably from 17.25% in 2001 to 15.60% in 2011. 61.33% of the total population resides in rural areas, whose main occupation is Agriculture and allied activities. (5)

OBJECTIVES OF THE STUDY

The main objectives of the present study are:

1. To review the present status of marine fisheries resources of India & Karnataka.
2. To examine the present socio-economic profile (characteristics) of the Marine fisheries of India and Karnataka.
3. To analyze the production and exports trends in marine fisheries of India and Karnataka.
4. To provide valuable suggestions for the betterment of fishermen and the development of marine fisheries sector.

RESEARCH METHODOLOGY

Scope of the Study

This study has been undertaken mainly to review the marine fisheries resources and to analyze and assess the present socio-economic characteristics, production and export trends in marine fisheries of India and Karnataka during the study period from 2001-02 to 2012-13.

Nature and Sources Of Data

This article has been prepared mainly from the primary data collected and compiled by the Government of Karnataka, Directorate of fisheries, Statistical Bulletin of Fisheries and data from Marine Fisheries Census compiled by Central Marine fisheries Research Institute (CMFRI) on behalf of Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture, Government of India, and the Hand Book of Fisheries Statistics published by Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture, Government of India. Besides the Secondary data collected by referring the various other publications in different journals, Magazines and collected information through open source in the internet.

Method of Data Analysis and Interpretation

The collected data has been analyzed and assessed by using simple statistical tools such as an average simple percentage, ratio and trend analysis, comparative analysis etc.

REVIEW OF THE STATUS OF MARINE FISHERIES RESOURCES

India is endowed with a continental shelf of 0.53 million km. After declaration of the Exclusive Economic Zone (EEZ) in the year 1977, an area of 2.02 million km (comprising 0.86 million km on the west coast, 0.56 million km on the east coast and 0.60 million km around the Andaman and Nicobar Islands) including 0.5 million km of continental shelf has come under the jurisdiction of the
Republic of India, with absolute right of exploring, exploiting and natural utilization of leaving resources as falling within it.\(^{(6)}\) India has a long coastline of 8118 kilometers (km) distributed between West-Bengal, Odisha, Andhra Pradesh, Tamil Nadu and Pondicherry on the East Coast and Kerala, Karnataka, Goa, Maharashtra, Gujarat on the West Coast, besides the islands of Andaman & Nicobar, Daman & Diu and Lakshadweep and an equal large area under estuaries, backwaters, lagoons etc., conducive for developing capture as well as culture fisheries. Gujarat State has the longest continental shelf of 184000Sq kms.\(^{(7)}\)

Karnataka has 300 km long coast line stretches from Majali (Karwar) in the north to Ullal (Mangalore) in the south covering the three coastal districts via Uttar Kannada (160kms), Udupi (98kms) and Dakshina Kannada (Mangalore taluk 42Kms) bordered by the high Western Ghats in the east and Arabian Sea to west. The 27000sq km of continental shelf and 87000 sq km of Exclusive Economic Zone area which is rich in pelagic fishes like sardines and mackerels and traditionally Karnataka Coast is known as “Mackerel Coast”.\(^{(8)}\)

As regards marine resources of India, the Fishery Survey of India (FSI) with its headquarters at Mumbai, a wing of Ministry of Agriculture, is responsible for survey and assessment of marine fishery resources in the Indian EEZ. It undertakes exploratory surveys for charting of fishing grounds, assessment of fish stocks in the Indian EEZ including adjoining high seas resources. FSI also revalidates periodically the potential of fishery resources in Indian EEZ. It is given the responsibility to monitor fishery resources for the purpose of regulation and management, maintenance of Data Bank and dissemination of information on fishery resources.\(^{(7)(9)}\)

### Table 1. Marine Fisheries Resources: - Coastal States and Union Territories of India

<table>
<thead>
<tr>
<th>State/Union Territory</th>
<th>App. Length of Coast Line (Kms.)</th>
<th>Continental Shelf ('000Sq. Kms.)</th>
<th>Number of Landing Centre</th>
<th>Number of Fishing Villages</th>
<th>No. of fishermen families</th>
<th>Fisher folk population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>974</td>
<td>33</td>
<td>353</td>
<td>555</td>
<td>163427</td>
<td>605428</td>
</tr>
<tr>
<td>Goa</td>
<td>104</td>
<td>10</td>
<td>33</td>
<td>39</td>
<td>2189</td>
<td>10545</td>
</tr>
<tr>
<td>Gujarat</td>
<td>1600</td>
<td>184</td>
<td>121</td>
<td>247</td>
<td>62231</td>
<td>336181</td>
</tr>
<tr>
<td>Karnataka</td>
<td>300</td>
<td>27</td>
<td>96</td>
<td>144</td>
<td>30713</td>
<td>167429</td>
</tr>
<tr>
<td>Kerala</td>
<td>590</td>
<td>40</td>
<td>187</td>
<td>222</td>
<td>118937</td>
<td>610165</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>720</td>
<td>112</td>
<td>152</td>
<td>456</td>
<td>81492</td>
<td>386259</td>
</tr>
<tr>
<td>Odisha</td>
<td>480</td>
<td>26</td>
<td>73</td>
<td>813</td>
<td>114238</td>
<td>605514</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>1076</td>
<td>41</td>
<td>407</td>
<td>573</td>
<td>192697</td>
<td>802912</td>
</tr>
<tr>
<td>West Bengal</td>
<td>158</td>
<td>17</td>
<td>59</td>
<td>188</td>
<td>76981</td>
<td>380138</td>
</tr>
<tr>
<td>A &amp; N Islands</td>
<td>1912</td>
<td>35</td>
<td>16</td>
<td>134</td>
<td>4861</td>
<td>22188</td>
</tr>
<tr>
<td>Daman &amp; Diu</td>
<td>27</td>
<td>-</td>
<td>5</td>
<td>11</td>
<td>7374</td>
<td>40016</td>
</tr>
<tr>
<td>Lakshadweep</td>
<td>132</td>
<td>4</td>
<td>10</td>
<td>10</td>
<td>5338</td>
<td>34811</td>
</tr>
<tr>
<td>Pondicherry</td>
<td>45</td>
<td>1</td>
<td>25</td>
<td>40</td>
<td>14271</td>
<td>54627</td>
</tr>
<tr>
<td>TOTAL</td>
<td>8118</td>
<td>530</td>
<td>1537</td>
<td>3432</td>
<td>874749</td>
<td>874749</td>
</tr>
</tbody>
</table>

**Source:** Marine Fisheries Census, 2010

**Potential of Fishery Resources In The Indian Exclusive Economic Zone:**

India has vast potential of resources in marine sector. Apart from the marine fisheries resources the country is endowed with vast inland fishery resources also. The marine fisheries resource according to their living habits are broadly distinguished in to three categories i.e., Demersal, Neritic Pelagic, Oceanic Pelagic.
Table 2. Potential Of Fisheries Resources In The Indian EEZ

<table>
<thead>
<tr>
<th>Depth range (mts)</th>
<th>0-100</th>
<th>100-200</th>
<th>200-500</th>
<th>Oceanic</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Demersal</td>
<td>1.82</td>
<td>0.21</td>
<td>0.10</td>
<td>-</td>
<td>2.13</td>
</tr>
<tr>
<td>Neretic Pelagic</td>
<td>2.00</td>
<td>0.05</td>
<td>0.01</td>
<td>-</td>
<td>2.06</td>
</tr>
<tr>
<td>Oceanic Pelagic</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.22</td>
<td>0.22</td>
</tr>
<tr>
<td>Total</td>
<td>3.82</td>
<td>0.26</td>
<td>0.11</td>
<td>0.22</td>
<td>4.41</td>
</tr>
<tr>
<td>Percent to total</td>
<td>86.62</td>
<td>5.87</td>
<td>2.60</td>
<td>4.91</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Source:** Report of the working group for revalidating the potential of Fishery Resources in the Indian EEZ.

**Fishery survey of India (FSI)**

According to the report of the working group for revalidating the potential of fishery resources in the Indian EEZ Fishery Survey of India (FSI) the estimated fishery potential of the EEZ is about 4.41 mts of which 3.82 mts are from the shelf area between 0-100 meter depth, 0.26 mts, from the shelf area between 100-200 meters depth and 0.11 mts from the shelf area between 200-500 meters depth and the rest of 0.22 million tonnes are from the area beyond 500 meters depth zone i.e. from oceanic zone. The present level of exploitation was 3.23 mts.

The shelf of Karnataka has an average width of 80 km and depth of shelf break is between 90 and 120 meters. Unlike the west coast of India the coastal stretch of Karnataka has no major delta formations. The marine fisheries resource Potential of the state has been estimated at 4.25 lakh metric tonnes, of which 2.25 lakh metric tonnes from inshore areas up to depth of 70 mtrs and remaining 2.0 lakh metric tonnes from the off shore deep sea zone.

**Socio-Economic Profile of Coastal Fishers Of India And Karnataka**

**Fishing Villages and Landing Centers-** There are 3,288 numbers of marine fishing villages distributed among the nine maritime states and union territories of India, out of which 813 numbers (24.07%) are in Odisha and 573 numbers (17.04%) are in Tamil Nadu and 555(16.9%) are in Andhra Pradesh. In Coastal Karnataka 144 marine fishing villages are there where fishermen residing. The maximum number are in Uttara Kannada district (86) and minimum are in Dakshina Kannada district (17) and rest 41 are there in Udupi district.

Out of 1511 marine fishing landing centre of India, Tamil Nadu has the highest number of 407 (26.9%), 353(23.3%) in Andhra Pradesh and 187 (12.3%) in Kerala. In Coastal Karnataka, 96 (6.3%) numbers landing centre exist, of which 51 belonged to Uttara Kannada district, 31 belonged to Udupi district and the remaining 14 are in Dakshina Kannada district.

**Population-** There are 8,64,550 marine fishermen families in India, in which Tamil Nadu has the highest among all the state with 192,697 numbers (22.2%), 163,427 numbers (18.9%) in Andhra Pradesh and 1,18,937 (13.7%) in Kerala. Among the marine fishermen families 7,89,679 (91.3%) are belonged to traditional fishermen families. The total marine fisher folk population in India is 3,999,214 with Tamil Nadu, Kerala and Odisha accounting for 20.1%, 15.3% and 15.1% respectively. Adults males constituted 33.6%, adult females 31.9% and Children 28.9% of the marine fisher folk population in India. The Female to Male ratio is 928 for 1000 males. The average family size for fishermen households is 4.63 with maximum of 5.45 for Karnataka and minimum of 3.70 for Andhra Pradesh.

There are 30,713(3.5%) fishermen families in coastal Karnatak. The maximum numbers of fishermen families are in Uttara Kannada 16,236 (52.8%), the next highest in Udupi 9,907 (32.2%) followed by Dakshin Kannada 4,570 (15.%) The total marine fisherfolk population in Karnatak is 1,67,429 out of which 78,692(47%) are in Uttara Kannada,61949 number (37%) in Udupi, and 26788 number(16%) in Dakshina Kannada district. It is noticed that 93% fishermen families belonged to traditional fishermen. The average family size is 5.5 with a maximum of 6.2 in Udupi, 6 in Dakshina Kannada.
and 4.8 in Uttar Kannada district. Adult males constitute 38%, adult females 35% and Children 27% of the marine fisher folk population in coastal Karnataka. Women form 48% of population and the female to male ratio is 916 per 1000 males.\(^{(12)}\)

Poverty - It is observed that around 61% of the marine fishermen families (523,691) are falling under Below Poverty Line (BPL) category in India.\(^{(11)}\) In Karnataka 23624 (77%) of the families are Below Poverty Line. Among the three districts, the largest proportion of fishermen families below poverty line are found in Uttar Kannada (89%) and Udupi (77%).\(^{(12)}\)

Education - Out of the total Indian marine fisher folk, 57.8% are educated with different levels of education. Among the fisherfolks nearly 15.0% of the males and 13.9% of the female have primary level of education. About 13.2% of the males and 10.9% of the females have higher secondary level of education. Nearly 2.7% of the males and 2.0% of the females have above higher secondary level of education. Among the fisherfolks about 42.2% are unschooled of which 21.0% are males and 21.2% females. Nearly 44.2% of the females and 40.4% of the males are unschooled.\(^{(11)}\) In Karnataka 64% (excluding children below 5 years) of fisherfolk are educated with different levels of education. About 28% of the fisher folk have primary level of education, 27% have secondary, 9% have above secondary level of education and the rest 36% of the population are unschooled.\(^{(12)}\)

Occupation - In India 37.8% of the total marine fisher population are actively engaged in fishing activities. 83.4% of them are fully engaged while 2.4% are engaged in fish seed collection which 54.4% are fulltime and 45.6% part time. Formal female employment in fishing is almost nonexistent, however women informal employment in marketing, distribution, processing and salting of the fish found. As far as maritime states are concerned, Tamil Nadu accounted the highest number of active fishermen (21.6%) followed by Odisha (16.4%). 61.1% of the total marine fishers of India are engaged in fishing allied activities. Out of them 36.5% are engaged in marketing of fish, 32.6% are working as laborers and 14.2% are engaged in making and repairing of net. Among the fishermen who are engaged in marketing of fish, 81.8% are women. 88.1% of the fisher folk engaged in curing and processing are women. 57.4% of fishermen engaged in fish seed collection are females and 42.6% are males.\(^{(11)}\)

In Karnataka there are 40,756 active fishermen of whom 32,037 are full time fishermen, 6,657 part-time and the rest engaged in fish seed collection. About 62% of fisher folk excluding children are occupied with active fishing (34%) and fishing allied activities (28%). There are 34,277 fisher folk engaged in fishing allied activities such as marketing (43%), laborers (41%), making/repairing net (5%), curing/processing (4%) and peeling (3%). Women outweighed men in fishing allied activities accounting about 67%. Among the major fishing allied activities, women dominated in curing processing (90%), peeling (88%) and marketing (83%). Among the different districts, largest number fisher folk engaged in fishing allied activities belonged to Uttar Kannada (40%) followed by Dakshina Kannada (32%) and Udupi (28%). Nearly 51% of those engaged in marketing of fish belonged to Uttar
Kannada followed by Dakshina Kannada (27%). Almost 75% of those involved in making/repairing net belonged to Uttara Kannada. Major share of the fisherfolk involved in peeling (77%) and curing/processing (50%) belonged to Udupi district. (12)

Religion- India is a secular and democratic country, its marine fishermen families are also diverse as far as religion is concerned. While Hindus constitute the major population among them with 75.47% Christians and Muslims constitute 15.21% and 9.28% respectively. The overall percentage of SC/ST among the marine fisherman households is 16.6%. (11) In Karnataka majority of the fisherman families are Hindu (87%) followed by Muslims (11%) and Christians (2%). Only 7% of the fishermen families belonged to SC/ST. (12)

Craft and Gear and Infrastructure in Fishing Village- In the marine fisheries sector of India, there are 1,94,490 numbers crafts. Out of these 72,559 numbers (37.3%) are mechanized, 71,313 numbers (36.71%) are motorized and 50618 numbers (26.00%) are non-motorized or traditional crafts. It is also observed that 1, 67,957 numbers of crafts are owned by fisher folk. 52.6% of them are non-motorized, 24.2% are motorized and 23.1% are mechanized. From the mechanized crafts owned by fishermen, 28.9% are trawlers, 42.8% gillnetters and 19.1% dolnetar. (11) In Karnataka there are 14,023 crafts in the fishery of which 3643 numbers (15.9%) are mechanized, 7518 numbers (53.6%) motorized and 2682 numbers (20.40%) forms the non-motorized. Trawlers (78%), purse seiners (12%) and gillnetters (5%) are the main crafts of the mechanized sector. There are 6800 crafts owned by fisher folk of which 1,045 are mechanized 1,211 motorized and 4,544 non-motorized. (12)

Caste and Communities- Fishing community in India, are not homogenous as they belong to different castes. These communities have their distinct social, cultural governance structures and traditional practices, depending on the coast, where they inhabit. At least 2-3 castes are exclusively involved in marine fishing in each maritime state, and are not related to the mainstream agrarian system. Some of the important fishing castes state-wise include: (13)

Andhra Pradesh: Vadabalijas, Jalaris, Pattapu, and palles
Gujarat: Kharvas, Kolis and macchiyaras
Karnataka: Mogaveeras
Kerala: Mukkuvar, Anjootty, Dheevera and Pooislan.
Maharashtra: Kolis
Orissa: Jalaris, Vadabalijas, Kaibartas, Khandayats, and Rajbhansis
Tamil Nadu: Pattinavars, Mukkuvars, and paravas
West Bengal: Kaibartas,

The fishermen population of Karnataka is distributed in to several castes. Mogers, Kharvis, Harikanthas, Gabits and Daljis are mainly found in Utara Kannada district and Moghevers, Bhoirs, Bestas, Ambigas, Moples etc. are found in Udupi & Dakshina kannada districts. (14)

Membership in Co-Operatives- In India, 32% of the adult fishermen have memberships in co-operative societies among which 22.1% are member of fisheries co-operatives and 9.9% are member of other co-operatives. (11) While in Karnataka there are 530 Fishermen Co-operative Societies and out of which, 476 are functioning and 54 are defunct. One State Level Co-operative Fisheries Federation and two District Co-operative Fish Marketing Federations are functioning in the State. To assist the activities of these Co-operatives, share capital, fishery requisites loan and managerial subsidy are being provided. There are 1,77,436 members in all FCS. 36% of the adult fishermen have membership in co-operative societies of which 69% are members in fisheries co-operative societies. (12) The fishermen use fisheries co-operatives as a platform for several fisheries related activities like growing fish, marketing of fish and in marine sector sale of fuel and for other services. Certain benefits of fishermen welfare programmes are also executed through fishermen co-operative societies.
Housing & Other Infrastructure- Housing is one of the most important yardsticks to measures socio-economic status. It is observed that in India near about 556710 fishermen families are residing in Pucca houses and 2,97,840 fisherman are residing in Kutcha houses. Besides, 5,820 primary schools, 1635 secondary schools, 331 colleges and 210 technical institutions are there in the fishing villages. 2901 (88.2%) of fishing villages are electrified, 1915 (58.2%) of the villages are having bus stop/bus stand and 2991 (60.9%) villages have cell phone coverage. As surveyed, 1227 ice factories, 405 boat yards, 541 curing yards, 317 peeling sheds, 409 cold storages and 195 freezing plants, 189 processing plants, 85 fish meal plants, 44 extraction plants are there in India. (11) In Coastal Karnataka near about 88% houses of the fishermen are pucca. 12% of the fishermen houses are Kutcha (Huts). There are 721 primary schools, 188 secondary schools, 63 colleges and 12 technical institutions in the fishing villages of which 97% of fishing villages have electrified, 88% have bus stop/stand and 97% of the fishing villages have cell phone coverage. There are 206 ice factories, 52 boat yards, 36 cold storages, 32 fish meal plants, 23 extraction plants, 16 processing plants and 10 freezing plants located in Karnataka. (12)

Economic Significance of Fisheries Sector- Fisheries sector is an integral part of the Indian economy with its consistent contribution to the country GDP and its potential to provide the livelihood and nutritional security to about 40 million populations. The analysis reveals that in terms of share of fisheries in total GDP over the years an increase was noted from 1.05 percent in 2001-02 to 1.07 percent in 2002-03 that gradually dropped out in the later period. The trend of GDP from fisheries as percentage of total GDP growth rate fluctuating and it has reached to 0.83 percent in the year 2012-13. Contribution of fisheries sector to GDP of the country is presented in the Table. 3

<table>
<thead>
<tr>
<th>Year</th>
<th>Total GDP</th>
<th>GDP from Agriculture, Forestry &amp; Fishing</th>
<th>GDP from Fisheries</th>
<th>GDP from fisheries as % of Total GDP</th>
<th>GDP from Agriculture, Forestry &amp; Fishing</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>2167745</td>
<td>498620</td>
<td>22818</td>
<td>1.05</td>
<td>4.58</td>
</tr>
<tr>
<td>2002-03</td>
<td>2338200</td>
<td>485084</td>
<td>25027</td>
<td>1.07</td>
<td>5.16</td>
</tr>
<tr>
<td>2003-04</td>
<td>2622216</td>
<td>544667</td>
<td>26448</td>
<td>1.01</td>
<td>4.86</td>
</tr>
<tr>
<td>2004-05</td>
<td>2971464</td>
<td>565426</td>
<td>27152</td>
<td>0.91</td>
<td>4.80</td>
</tr>
<tr>
<td>2005-06</td>
<td>3390503</td>
<td>637772</td>
<td>31699</td>
<td>0.93</td>
<td>4.97</td>
</tr>
<tr>
<td>2006-07</td>
<td>3953276</td>
<td>722984</td>
<td>35182</td>
<td>0.89</td>
<td>4.87</td>
</tr>
<tr>
<td>2007-08</td>
<td>4582086</td>
<td>836518</td>
<td>38931</td>
<td>0.85</td>
<td>4.65</td>
</tr>
<tr>
<td>2008-09</td>
<td>5303567</td>
<td>943204</td>
<td>44073</td>
<td>0.83</td>
<td>4.67</td>
</tr>
<tr>
<td>2009-10</td>
<td>6108903</td>
<td>1083514</td>
<td>50370</td>
<td>0.82</td>
<td>4.65</td>
</tr>
<tr>
<td>2010-11</td>
<td>7248860</td>
<td>1319686</td>
<td>57271</td>
<td>0.79</td>
<td>4.34</td>
</tr>
<tr>
<td>2011-12</td>
<td>8391698</td>
<td>1499098</td>
<td>66862</td>
<td>0.80</td>
<td>4.46</td>
</tr>
<tr>
<td>2012-13</td>
<td>9388876</td>
<td>1644921</td>
<td>78053</td>
<td>0.83</td>
<td>4.75</td>
</tr>
</tbody>
</table>

Table 4. Contribution of Fisheries to AGDP (GSDP at current prices) Rs. in lakhs

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>3317447</td>
<td>2982972</td>
<td>3433894</td>
<td>3933379</td>
<td>4129883</td>
<td>5794300</td>
<td>8205700</td>
<td>6854800</td>
</tr>
<tr>
<td>Forestry and logging</td>
<td>209188</td>
<td>227335</td>
<td>240301</td>
<td>274955</td>
<td>306633</td>
<td>88330</td>
<td>99460</td>
<td>112440</td>
</tr>
<tr>
<td>Fishing</td>
<td>83343</td>
<td>94182</td>
<td>91134</td>
<td>149603</td>
<td>159602</td>
<td>210913</td>
<td>230645</td>
<td>286273</td>
</tr>
<tr>
<td>Agri and allied TOTAL</td>
<td>3609978</td>
<td>3304489</td>
<td>3765329</td>
<td>4343973</td>
<td>4596118</td>
<td>609343</td>
<td>6533803</td>
<td>7053313</td>
</tr>
<tr>
<td>Total GSDP</td>
<td>18379562</td>
<td>20578406</td>
<td>24006325</td>
<td>27069652</td>
<td>29846508</td>
<td>40547000</td>
<td>46324300</td>
<td>52749200</td>
</tr>
<tr>
<td>%age contribution to AGDP (Fisheries)</td>
<td>2.3</td>
<td>2.85</td>
<td>2.42</td>
<td>3.44</td>
<td>3.47</td>
<td>3.46</td>
<td>3.53</td>
<td>4.06</td>
</tr>
<tr>
<td>%age contribution to Total GSDP (Fisheries)</td>
<td>0.45</td>
<td>0.46</td>
<td>0.38</td>
<td>0.55</td>
<td>0.53</td>
<td>0.52</td>
<td>0.50</td>
<td>0.54</td>
</tr>
</tbody>
</table>

Source: GOK, Dept. of Fisheries Statistical Bulletin of Fisheries 2012-13

Marine fisheries play an important role in the coastal economy of Karnataka. The pioneering attempts of the state in mechanization and motorization led to significant achievements in the fisheries sector. The percentage contribution of fishery sector to AGDP shows fluctuating position between 2.3 percent and 4.06 percent establishing the significance of this promising sector. The percentage contribution of fisheries sector to GSDP of the state showed a fluctuating trend from 0.45 percent in 2005 to 0.54 percent during the year 2012-13. Though there is absolute value of fisheries sector has almost increased more than threefold over the years. The contribution of fisheries sector to GSDP at current prices during 1993-94 was Rs 16,316 lakhs and it has increased to Rs 286273 lakh in 2012-13.

Karnataka: A Provincial State Of India

Karnataka is one of the important maritime provincial states of India extends from longitude 11°30’ to 18°23’ N, latitude from 74°05’ to 78°35’ E on the western Coast of India. The Coastal Karnataka is also known as ‘Canara’ or ‘Canara’. Kanara forms the southern part of the Konkan coast. The length of this region from north to south is around 300km and width varies from 30km to 110km. According to Historian Severino da Silva in his book History of Christianity in Canara vol. I, he mentioned that ancient names for this region are Kol Kannam (Tamil: no man’s land) or Parashuram Srashti (Creation of Parashuram). According to Mr. Severine Silva, a former advocate at Karwar and Stephen Fuchs author of the work The Marriage Customs of the Christians in South Canara, India the name Canara is the invention of European traders (Portuguese, Dutch and English) who for the purpose of trade came to this tract from the early 16th century onwards. The Bednore Dynasty, under whose rule this tract was at that time, was known to them as the Kannada Dynasty, i.e., the dynasty speaking the Kannada language. The letter ‘d’ being always pronounced like ‘r’ by the Europeans, the district was named by them Kanara (or Kannada). This name was retained by the British after their occupation of the district in 1799, and ever since this name has remained.

Fish Production Trends Of India And Karnataka

Fish Production Trends Of India- Fish production in the country mainly arises from marine and inland fisheries which includes both capture and culture fisheries. India is the second largest producer of fish in the world contributing to 5.68 of global fish production. India is also a major producer of fish through aquaculture and ranks seconds in the world after China. As a result of modernization, the Indian fisheries sector has been witnessing a steady growth since the first five year plan launched in 1951. The total fish production during 2013-14(P) is at 9.58 million metric tonnes with a contribution of 6.14 million metric tonnes from inland sector and 3.44 million metric tonnes from marine sector respectively, which was a significant improvement over the 0.75 million tonnes in 1950-51. The
overall growth in fish production in 2013-14 has been 5.9%, which has been mainly due to 7.3% growth in inland fish production. The growth in marine fish production has been 3.7%.

The negative growth rate -1.51% in marine fish production has been witnessed during the year 2012-13. Marine fish production increased from 0.53 million tonnes in 1950-51 to a peak of 2.8 million metric tonnes in 2000-01, but the marine fish production has been shown a fluctuating and negative trend during the year 2003-04, 2004-05, 2007-08 and 2012-13 respectively. Gujarat is the highest marine fish producer in the year 2013-14. The contribution of the inland sector to the overall production of fish has increased at higher rate than that of the marine sector, from 0.218 million tonnes during 1950-51 to 6.13 million tonnes in 2013-14.

Figure 3. Fish Production in India During Recent Years

Source: Handbook on Fisheries Statistics 2014

The Marine sub-sector accounts for approximately 36 percent of the total fish harvest in India with inland fishing making up 64 percent. This reflects a remarkable shift in 1950-51, marine fishing accounted for 71 percent and inland fishing accounted for just 29 percent of total fish production. It is expected that the inland sectors importance will continue to grow in the coming years.

Fish Production Trends In Karnataka

Karnataka is one of the important maritime states in west coast comprising of three (03) coastal districts, namely Dakshina Kannada, Udupi and Uttara Kannada. Use of mechanized fishing boat has shown appreciable increase in the landing of marine fish catches and a large number of mechanized boats are profitably used for catching shrimps and pelagic fishes.

The fish production in Karnataka was around 2.0 lakh tonnes in early eighties and reached to a peak of over 3.0 lakh tonnes in mid nineties. The average fish production in the last 5 years is about 3.0 lakh tonnes with the contribution of Marine sector being 68% and Inland sector 32% for the year 2012-13. The total fish production of the state contribute 5.55 lakh tonnes which is about 5.8% of India’s total fish production for the year 2013-14. The current level of per-capita fish availability in the state is around 6.8 kg.

The growth rate of fish in Karnataka from 2000-01 to 2012-13 show significant trends. According to studies conducted by Muthiah et al (2000), the peak catch over the last 20 years from the state was 222, 779 tonnes in the year 1996-97, as against estimated maximum sustainable yield of 152000 tonnes. In the last 10 years the lowest production of 128416 tonnes was witnessed during 2001-02. Over the last 06 years the total marine fish catch however, remained almost the same. The trend indicates that the annual catch is getting stabilized around estimated maximum sustainable yield. From the year 2008-09 up-to 2012-13 the marine fish production showed an increasing trend as against an estimated maximum sustainable yield of 152000 tonnes. Value of the fish catch has also shown the similar trend.
Karnataka marine fish growth in terms of quantity between 2000-01 to 2013-14 shows significant trends, except the year 2001-02, 2004-05 and 2006-07 respectively, which shows a negative growth trend. The growth rate in terms of value of Marine fish has been positive from 2000-01 to 2012-13 except the year 2001-02 and 2007-08, which shows a negative growth rate of -20% and -6.03% respectively. The minimum growth rate was 5% in 2000-2001 and the maximum was 69% in 2002-03. The relation position of production and value indicates that the contribution of marine fish in the total output of fish in Karnataka is much larger.

During 2011-12 and 2012-13, Dakshina Kannada district accounted for 39.57% & 38.66% of the total marine fish production, followed by Udupi district, 34.59% and 35.02%, whereas Uttara Kannada district only 25.84% and 26.32% respectively. During the year 2012-13, 96% of the total fish landings are by mechanized boats, while non-mechanized boats contributed only 4%. Among the mechanized boats, 54% of total fish catch was harvested by trawlers, 22% by other mechanized boats and 20% by purse seiners.

**Source:** GOK, Dept of Fisheries, Sstistical Bulletin of Fisheries 2012-13.

During 2012-13, 48% of the catch was marketed fresh, followed by curing (19%), fish manure (5%), freezing (10%) and canning (8%) and fish meal production (8%). Misc (1%) and unspecified (1%) About 1.64 lakh metric tonnes of marine was used for fresh consumption in the state.

**Marine Product Exports**

**Marine Product Export of India**

Fisheries sector plays an important role as a foreign exchange earner, in addition to contribution to food and nutritional security. Fish products from India are well received by almost half of words countries creating export driven employment opportunities in India and greater food security for the world.

Marine fish and fishery product exports have increased rapidly since the 2002-03. In the year 2002-03 the value to the extent of US $ 1425 Million fishery products were exported. During the financial year 2013-14, Exports of marine products reached an all-time high of Rs.5007.70 Million crores. Marine product exports, crossed all previous records in quantity, rupee value and US$ terms. Exports aggregated to 9,83,756 M.T valued at Rs.30213.26 crores and US$ 5007.70 million. Compared to the previous year, seafood exports recorded a growth of 5.98% in quantity, 60.23% in rupee and 42.6% growth in US$ earnings respectively. Frozen shrimp continued to be the major export value item accounting for a share of 64.12% of the total US$ earnings. Shrimp exports during the period increased by 31.85%, 99.54% and 78.06% in quantity, rupee value and US$ value respectively. There was all time high growth in unit value realization of frozen shrimp at 35.05%. (18)
Figure 9. Export Performance of India since 2002-03
Source: Marine Products Exports Development Authority

Figure 10. Export of Marine Fish Produce from Karnataka and value
Source: GOK, Dept of Fisheries, Statistical Bulletin of Fisheries 2012-13(GOI)
www.mpeda.com

Marine Product Export of Karnataka
The quantity and value of export of marine fish products of Karnataka from the 2000-01 to 2013-14 shows fluctuating trends the minimum quantity growth rate of 4% was noticed during the year 2002-03 and maximum quantity growth rate of 3% during the year 2003-04 and the minimum value growth of 3% was notice during the year 2003-04 and the maximum value growth rate of 76% was noticed in the year 2010-11. The unit value of export also shows fluctuating trends. During the year 2012-13 0.96 lakhs metric tonnes of marine products worth Rs.854 crore were exported from the state.

FINDINGS
1. The various policies framed and formulated by both the union government of India and the state government of Karnataka, were not in many cases, properly and systematically formulated taking into account the socio-economic of the vulnerable group of the fishery sector, as these policies, remaining on paper without benefiting the fisherman’s community.

2. India’s Gross Domestic Product (GDP) from fisheries shows increasing trends, but GDP from fisheries as percentage of total GDP shows fluctuating trends. Karnataka’s Gross State Domestic Production (GSDP) from fisheries also shows increasing trends from 83343 lakh in the year 2005-06 to 2806273 lakhs during the year 2012-13. The share of fisheries sector in GDP is very low and fluctuating. It is evident that the percentage share of fisheries sector in GDP is less than even One percent. In Karnataka fisheries percentage contribution to AGDP and percentage contribution of fisheries to total GSDP shows the fluctuating trends.

3. India is the second largest producer of fish in the world contributing to 5.68% of global fish production. India is also a major producer of fish through aquaculture and ranks seconds in the world after China. Karnataka is the 7th largest producer of fish in India, which contributes 5.8% of the national fish production. Karnataka is in 6th Position in marine fish production when compared to fish production in the country and 9th position in inland fish production.

4. The total fish production of India shows the increasing trend, except during the year 2004-05. The total fish production in Karnataka shows a fluctuating trend.

5. The marine fish production of India shows fluctuating trends. The marine fish production in Karnataka shows increasing trend except during the year 2003-04, 2007-08 & 2011-12, respectively.

6. The percentage share of marine fish harvest is decreasing. Percentage share of marine fish harvest was 71% during 1950-51, it has reached just 36% in the year 2013-14. The percentage
share of marine fish harvest of Karnataka also decreasing. The percentage share of marine fish harvest was 80% during the year 1956-57, It has reached just 68% in the year 2012-13.

7. The marine fish product exports Performance of India shows the increasing trend both in terms of quantity and value. The sector through its consistent performance in the export front and domestic market contributes to the country’s GDP and has gained an important place in the Indian economy. Out of the total Indian exports, the share of marine products is significant and this sector is the fourth largest contributory of foreign exchange in the country. The Karnataka marine fish products exports performance shows fluctuating trends both in terms of quantity and value.

SUGGESTIONS

1. It is suggested that a uniform policy through interactive governance should be implemented for the wellbeing of the fisher folk.

2. Both the union government of India and the state government of Karnataka should come closer to work together for the welfare of marine fisheries development and maintenance of infrastructure for fishing landing, Preservation, processing and marketing for the improvement of the socio-economic conditions of fishermen community, so that the real development of fisheries sector shall be a reality.

3. It is suggested that there is scope for development of marine fisheries in India and Karnataka, with proper studies and understanding marine fisheries issues followed by the effective implementation of Government of India marine fishing policy, November 2004, which can enhance the contribution of marine fisheries to the national economy and augment the welfare of vast fishermen community.

4. Formulate management practices for sustainable marine fish production.

5. Both the governments must put more efforts to create awareness among fishermen to reduce juvenile fishing in marine fisheries to increase the share of marine fish harvest.

CONCLUSION

Fish and Fisheries is an important sector in most of the developing and developed countries of the world from the stand point of income and employment generation. The oceans cover about 70 percent of the planet’s surface, and they are a source of health and wealth for millions of people around the world. In addition to producing nutritious food, the oceans and coastal areas provide many socio-economic benefits in terms of employment, recreation and commerce as well as other crucial goods and services. More than ten percent of the world’s population depends on fisheries for their livelihoods and wellbeing.

The role of fisheries in Indian economy is gaining momentum as a result of introduction of advanced techniques to increases the yield per unit area of water and due to its role in earning foreign exchange. Fisheries has become an important sector for India with: (i) the potential to contribute not less than 4.75% to its Gross Domestic Product (GDP); (ii) the potential to be a source of substantially increased realized exports earning growth; (iii) the potential to substantially enhance protein consumption, notably for the poorer segments of the population, and (iv) the potential for continuing growth of personal income from small and medium size fisheries, benefiting if employment in value added activities from upstream and downstream linkages and dependents.

The marine fisheries sector in India has registered a phenomenal growth during the last five decades both quantitatively and qualitatively. Marine fisheries are sunrise sector of our country. At present it emerged as an important commercial activity from its tradition role as subsistence supplementary activity of large number of coastal population.
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A SWOT ANALYSIS OF FLORICULTURE INDUSTRY IN KASHMIR

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ABSTRACT
In recent decades, the global demand for flowers has grown considerably. This growth in market demand and its diversification value has attracted increasing numbers of developing countries to the global fresh flower trade. Floriculture is a fast emerging and a highly competitive industry in India. It has emerged as a lucrative profession with higher potential for returns compared to other agricultural crops. Flowers today are grown under controlled conditions and with the help of technology; the production has maximized resulting in quality produce for consumer acceptability, thus fetching a better price. In this paper we will provide an introduction about floriculture industry and make a review of the global and Indian scenario of floriculture, then we will provide an overview of the scenario of floriculture in Kashmir. Finally, we will present a SWOT analysis of this industry in Kashmir and try to provide some suggestions for improvement of floriculture. The paper is an attempt to study the present position and future potential in floriculture cultivation and exports in Kashmir taking into consideration the measures needed to promote this lucrative industry.

Keywords: Cut Flowers; Floriculture; Technology; Fresh Flower Trade

INTRODUCTION
Floriculture has been well defined as an area of horticulture concerned with the farming of flowers and ornamental plants for parks, gardens and floristry, which together consist of the floral industry (Getu, 2009). Cut flower cultivation has gained importance in the world since early 20th century, particularly after World War II. Lot of changes have occurred in this industry from the stage of production to storage, classification and marketing the same to the end consumers. New and modern technologies and techniques are being used in the cut flower industry from production to consumption. (Ozkan et al., 1997; Sayin, 2003; Boran, 2008). This has resulted in floriculture becoming one of the high value agricultural industries around the world. International trade in this industry is growing at a rapid rate with an estimated annual growth rate of about 25%. The international trade for this industry stood at around US$ 11 billion approximately and cut flowers have contributed 60% to that trade in this industry. The global exports in this industry have increased by over ten folds from about 0.5 billion in 1990 to 10 billion in the year 2010 and if it grows at this rate its expected double by 2025 (Singh et al., 2010). Floriculture industry can be used as a solution to achieve rapid economic growth by those countries that have geographic advantage (Frank and Cruz, 2001). The state of Jammu and Kashmir is blessed with climatic and geographic conditions that are conducive for producing world class flowers...
and it's in this regard that this state is attempting to increase its export base to cater to new markets that would help in creating employment opportunities for the unemployed youth of the state. Since the quality and variety of flowers available in Kashmir are in demand worldwide, a substantial number of growers have started investing in this area.

**Indian Scenario and Trade**

The floriculture industry in India is mostly carried out in small scale and is unorganized in nature. In various parts of the country, mostly marginal farmers are involved in farming and production of floricultural products. These small and marginal farmers are unaware and have very less technical knowledge about effective ways of cultivation of flowers that lead to production to quality products. Recently private players have started showing interest in the production and export of flowers in large scale and in a systematized way. But more such initiatives are required from both Government as well private entrepreneurs. In order to endure in an extremely competitive international market and in order to increase the market share of the production of the floriculture products necessary efforts needs to be taken to ensure increase in quantity of flowers produced as well as ensure quality of international standards.

According to the horticultural board of India, 232.74 thousand hectares of land was under floriculture cultivation in the country during 2012-13 with the production of 1.729 million tonnes loose flowers and 76.73 million tonnes of cut flowers in 2012-13. Flowers are cultivated in open land and also under protected cultivation in green houses. Various kinds of flowers are now increasingly being produced for both export and for sale in national market. The country has exported about 22,485.21 MT of floriculture products for the net worth of about Rs.460 crore in 2013-14 to countries around the world mostly to The Netherlands, American continent, Europe and Middle East.

**Status of Floriculture In Kashmir**

Jammu and Kashmir is the most colourful State of the country. Jammu and Kashmir has varied climatic conditions and the average temperature varies within the three regions with Jammu having an average temperature of 24.5°C, Kashmir having an average temperature of 13.3°C & 5°C in Ladakh region. The region of Kashmir Valley is gifted with natural resources, climatic condition and rich natural flora enabling the production of a wide range of flowers. The congenial climatic conditions present Kashmir are not even found in countries that are dominating the world trade in floriculture. The presence of fertile soil, cheap and skilled man power provide ample scope for the development of floriculture industry.

Although the flowers are being cultivated in the Valley since ages but the potential this industry as a commercial activity has not yet been exploited properly despite the huge demand for the floriculture products from Kashmir. During last decade people especially the youth have started to show interest in floriculture industry and a number of growers from all the districts of the valley have started cultivating and selling various floriculture products outside the State. Moreover a number of flower nurseries are coming up in the Valley cultivating landscape plants, pot plants, cut flowers and flower bulbs. The main reasons that have contributed to the importance being given to floriculture in Kashmir have been identified as:

1. The aesthetic value of flowers from Kashmir fetch them high prices
2. Increased use of flowers in social events such as marriages, social gathering as also in religious rituals.
3. Due to the ever increasing demand of flowers from Kashmir and also the shortage of cut flowers in other parts of country fetch premium prices in International and National market.
OBJECTIVES OF THE STUDY

1. To present a brief picture of state floriculture as it exists in Kashmir.
2. To study the scope of floriculture in Kashmir.
3. To document the production and marketing problems encountered by floriculture units in Kashmir.

Swot Analysis

Strengths

Climate conditions in Kashmir the temperature profile, humidity and abundant sunlight are best suitable for the production of quality flowers.

Tulips as a competitive advantage: Not only is the quality of tulips among best in the world but also Kashmir is among the very few places in the world that is suitable for production of tulips providing Kashmir with a unique competitive advantage. Also the presence of Asia’s largest tulip garden has brought Kashmir on the world map as a destination of flowers in the world.

Availability of labour: Floriculture industry is basically a labour-intensive industry since the plants require 24 hours-a-day care and attention, there is no dearth of unskilled labour in India especially in the rural areas.

Technical and financial support provided by the Department of Floriculture Kashmir in terms of:

- Transfer of Technology
- Training for Protected Cultivation under Hi-tech Poly Houses, Fan & Pad Hi-Tech Poly Houses, Shade Net Houses and Establishment of Nurseries.

Weakness

1. High cost of adoption of modern technology.
2. Lack of Cold Storage facilities.
3. Lack of sale and export promotion activities.
4. Unavailability of any floriculture park within the state.
5. Exorbitant Air freight cost and Poor airfreight capacity.
6. Less area under cultivation.

Opportunities

- A growing market for flowers at domestic, national and international level in which demand exceeds the supply, and the world demand is estimated to grow anywhere between 15 and 25 % per annum.
- The high production costs in developed countries provide opportunity as they rely largely on imports to meet their domestic demand.
- Most major flower producing countries at present are industrialised countries and are small in area. The acquisition cost of land is therefore very high and this makes it unattractive to set up floriculture units in these countries thus Kashmir has a great opportunity bank upon floriculture.

Threats

- Production is largely restricted to summer months due to extreme winters.
Unavailability of a logistic partner poses a major threat since flowers are highly perishable.

High rate of import duty on Indian Cut Flowers

High Cost of Finance and high cost of production during winters

Unavailability cold storage units at Airports

Unstable political conditions

SUGGESTIONS

- Setting up of an export promotion council for export of floricultural products.
- Increase in production of value added products like dry flowers, seeds, potted plants and micro propagated plants
- Organization for appropriate training for personnel involved in production and export of floricultural products.
- To make the producers and exporters aware about effective quality control measures
- Establishment of appropriate marketing and distribution channels.
- Setting up of a floriculture park within Kashmir with required infrastructural support.

CONCLUSION

The products from Kashmir have garnered attention form international markets. The favourable climatic conditions for floriculture in the Valley, the availability of fertile land and trained labour, proximity to markets, high returns for floriculture products have encouraged people to invest in floriculture but if we have to record significant presence in International market and in places like Europe, USA and Middle East we need to cultivate flowers that meet the stringent quality norms that most of the countries have and also cultivate quality value-added products which remain in high demand in the international markets. In order to make the presence felt in international markets a lot needs to be done in terms of improving infrastructure, providing technical knowledge, having a quality control mechanism in place, sale and export promotion centres, access to bank loans easily and establishment of a floriculture park in Kashmir.

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THE CHANGING MINDSET OF A NEW AGE LEADER-
CHALLENGES AND OPPORTUNITIES

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ABSTRACT
With the economy beginning to show signs of life, leaders must take stock of their attitude, approach
and style and identify ways to improve their performance for the betterment of the employees and the
organizations they serve. This process begins by accepting the fact that you may need to adopt a new
leadership mindset – a realization awakened by your past experiences, previously missed opportunities
and the business trends that demand it. Changing your mindset requires you to look at the manner in
which you engage people, approach situations, make decisions and evaluate opportunities. As you
continue your leadership journey, resolve to embrace a new mindset by taking a close look at these
eight critical realities of the workplace.

Keywords: Leader; Mindset; Decisions; Opportunities; People; Ownership

INTRODUCTION
As a leader, it’s not about waiting for your business, clients or the marketplace to shape your mindset –
but rather about being acutely aware of the dynamics around you to anticipate when it’s time to
change. If you wait, and don’t have time to prepare for a mindset shift that is when it feels forced,
uncomfortable and awkward. On the other hand, when you can anticipate and begin to make the
required behavioral changes, you are better able to sustain your leadership momentum.

21st century leaders see opportunities everywhere, every day, and they make the most of those that
cross their path. Many times they are opportunities that others don’t see.

To adopt a new leadership mindset, stop judging others and begin to see people through a lens of
opportunity. Everyone has something to offer and when given the opportunity to reach their full
potential, people tend to deliver more than what is expected from them – especially when their leader
displays a positive mental attitude, sees the glass as half-full and accepts people for who they are
rather than expecting everyone to be just like them. Leaders inspire higher-levels of
performance through genuine engagement and choosing the right attitude and outlook that
motivates their employees to achieve and succeed.

Mental toughness defines the leadership game. You need wide-angle vision to continuously navigate
the terrain that awaits you and to make the big decisions that support your vision. The tension points
of leadership can be extremely exhausting and pressure-packed. Nevertheless, the leadership journey
must continue with a demeanor unfazed as if it were business as usual.

Mental toughness is acquired over time through trials and tribulations. To be mentally tough means
that you have grown accustomed to anticipating crisis and managing change – a by-product of
experiencing failure and knowing how to renew and reinvent yourself.
Unless you are willing to accept that you must take calculated risks whatever the consequences, your days in leadership are numbered. If you lead with the mindset that risk is your best friend, you will stop being afraid to fail, and instead be empowered to learn from the risks you take.

**REVIEW OF LITERATURE**

Bernard M. Bass (2000) : Transactional Leadership has been one of the significant contributions to the increasing organizational satisfaction, commitment and effectiveness. The future of leadership and administration will be considered in the light of the current state of affairs in educational leadership. The future educational leaders will be democratic and should be capable of handling multiple problems.

David Stehlik (2014) : Research in the fields of leadership and organization design explains that innovativeness is a competency advanced by particular kinds of leadership and through specific organization designs. The research reveals that organization design and leadership, when combined and based upon studied cultural awareness, optimized for unique industry and environment alignment, leads to greater innovation effectiveness.

Thomas J. Hurley et al (2010) : Conversational leadership uses conversation as a core process to create tipping points for change. It invites us to complement our traditional focus on methods for business process improvement with a focus on methods for talking and thinking together effectively to simultaneously create the social process improvement needed to maximize business and social value.

Barbara S Miller et al (2008) : Leadership on boards takes many forms, ranging from asking useful questions about the direction, priorities and practices of the organization, to assuming responsibility for addressing the questions raised. In order for board members to feel comfortable and motivated to assume their leadership responsibilities the organization has to engage in practices that allow board members to develop the skills and conditions that promote leadership.

STEVEN S. TAYLOR “You don’t see to draw, you draw to see.” And then Fred said, “It’s just the same for leadership, you don’t learn to lead, you lead to learn.” The arts can teach us to stay with our senses and not know and in that way to provide a balance to the dominance of the analytic approaches to our organizational worlds.

David J. Carrington (2015): When facing a crisis, leaders’ sense making can take a considerable amount of time due to the need to develop consensus in how to deal with it so that vision formation and sense giving can take place. However, research into emerging cognitive consensus when leaders deal with a crisis over time is lacking.

Thomas S. Bateman, and Stephen Strasser:(March 1 , 1984) From longitudinal data from 129 nursing department employees, organizational commitment was found to be antecedent to job satisfaction rather than an outcome of it. Furthermore, several other variables were found to be causally related to satisfaction but not commitment. Implications of unsubstantiated assumptions regarding causes of commitment are discussed.

Mousa Khaireddin 2015 The aim of this study is to examine the five big traits(extraversion, agreeableness, openness, conscientious, and neuroticism), and to investigate their impact on the prevailing leadership style of the branch managers of banks working at Hashemite Kingdom of Jordan.

Leroy Hannes 2012, authentic leadership occurs when individuals enact their true selves in their role as a leader. This article examines the role of authentic followership in the previously established relationship between authentic leadership and follower in-role and extra role performance behaviors.

Lawton Allan 2015, This article addresses this literature through a framework that identifies three interlocking questions. First, who are ethical leaders and what are their characteristics? Second, how do ethical leaders do what they do? Third, why do leaders do as they do and what are the outcomes of ethical leadership?
OBJECTIVES

1. To study the change mind set of a leader.
2. To study the critical realities of the leader and its challenges and opportunity.
3. To understand the need for the project undertaken for the teams progress.
4. To study the role of a leader in the Project implementation and guidance.
5. To suggest how the mindset of a leader will help in designing the organization.

DATA COLLECTION

Secondary Data
Literature from Text Books, articles published in Newspapers, articles published in journals Pertaining to Leadership Mindset.

Key Observations from the study

A Positive Mental Attitude Fuels Endurance and Performance- A positive mental attitude allows you to drown out the noise, and see opportunity where others see chaos and uncertainty. If you don’t maintain a positive attitude, it’s all too easy to grow tired of the rat race and let bitterness rise to the surface; this creates unnecessary disruption and negatively impacts those we lead. To adopt a new leadership mindset, stop judging others and begin to see people through a lens of opportunity. Leaders inspire higher-levels of performance through genuine engagement and choosing the right attitude and outlook that motivates their employees to achieve and succeed.

Mental Toughness Makes You Stronger- Mental toughness defines the leadership game. You need wide-angle vision to continuously navigate the terrain that awaits you and to make the big decisions that support your vision. The tension points of leadership can be extremely exhausting and pressure-packed. Nevertheless, the

Risk Must Be Your Best Friend- As a business leader, I have learned one thing above all about adverse circumstances. It is a certainty that those who venture more, risk more adversity. Risk is always in the gap between opportunity and success. You must therefore make risk your new friend. Risk is at times fickle, but without it the greatest opportunities will not be realized.

Authenticity Leads to Discovery- When you lead in ways that come most naturally to you, you start to stand out from the crowd and people begin to take notice. People gravitate towards those leaders who are most authentic and have the self-trust to be themselves – not what others want them to be. Being authentic is difficult, especially when you feel the pressure to fit-in-the-culture of the workplace.

What You Read Shapes How You Lead- It’s easy to spot a leader with an identity crisis because they rely on the reuse of other people’s content, rather than looking inside themselves to discover their own creativity of thought and originality of purpose. How many times have you heard your boss or another leader quote a book and then repurpose key messages from that book as if they were their own?

Fierce Competition- Competition is so fierce in the workplace that only leaders with the right strategic focus who never lose momentum will be able to keep their competitive edge.

Honesty- The foundation of any relationship, both personal and professional, is honesty. People want to work for a leader they can trust—a leader that has morals, values, and integrity.

Communication- Giving constructive feedback, and in training new employees. With great communication, your employees will know exactly what they are working for, will rely on you, and will give their best effort for you.
Confidence- when things go wrong, employees look to you for the answers and judge the situation based upon your reaction. Even if the company is experiencing a major downturn, it’s important to always be confident, calm, and set a good example. If you aren’t confident with the organization in a situation, then be confident in your own leadership skills.

Inspiration- Whether you’re starting a new business, or you’re leading a team in a business that’s already been established, it’s important to get employees invested in the vision and future of the company. You must be inspired and invested in the company in order to inspire others, like Larry Page and Sergey Brin, the founders of Google.

Positivity- Regardless of the situation, always stay positive. Positivity is essential to productivity, employee happiness, and work environment.

Delegation- When it comes to delegation, the idea is to decide what strengths each employee possesses, and to assign them tasks that best fit those strengths. The ability to delegate successfully will lead to higher quality work and productivity.

Humor- Although not a requirement, a sense of humor goes a long way in leadership. It helps create a positive work environment and enhances the feeling of camaraderie.

Creativity- Some decisions have to be made quickly, and catch us by surprise. In times like these, it’s up to you to think outside the box to find a solution. Your team will be looking to you in these situations for guidance, so a quick decision must also be a good decision.

Intuition- Sometimes we are presented with situations that aren’t in the textbooks, and for which you might not be prepared as a leader. The first decision isn’t always the best one, and taking your time to come up with a unique solution can be in the best interest of your workers and organization. Sometimes, leaders have to draw upon their instincts, past experiences, and mentors for help in these complicated situations.

CONCLUSION

Growth is not an easy thing to come by. Everyone, nay, every organization, desires to grow. However, growth comes along with its challenges which leadership must face and surmount if it must grow. Below are some of these challenges. Business organization naturally co-exists with others as they pursue their mission in an industrial setting. Each player is locked in competition with the others in seeking to get and retain the attention of the market. Except where the market is not fully reached with the products, for a firm to grow it would almost always have to diminish the market size of the other competitors.

The major challenge that faces leadership across organizations is to acquire the skill of maintaining focus amidst change and direction in the face of chaos. The twin forces of globalization and advancement in Information Technology have made innovation the rule of competition across various industries. To survive, let alone growing, leadership has the onerous task of creating and introducing new products. For organizations, which desire leadership in the market, this is a must. Growth comes with demands for increased capacities in various areas. Diverse skills and expertise are required as organizations grow from small to big organizations.

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ABSTRACT

With globalization global leadership is a necessity, as global organizations need to communicate their strategic intent across national borders and create synergetic affects across both cultural and strategic diversity. As there is a larger need for understanding of cultures and surroundings different from the home-country organization, the notion of a global mindset has become more prominent.

Keywords: Leadership; Global Leaders

INTRODUCTION

Global leadership uses global mindset as a necessary competence, global mindset literature use global leaders as a reference frame for explanation. Levy et al. (2007) explicitly state that in their attempt to examine the phenomenon global mindset they exclude topics “…such as global leadership, expatriates, and expatriation. Following literature review discloses a focus on global mindset from different level of analysis. Global mindset can be an individual, organizational or a top management concern to study the phenomenon global mindset identifies two theoretical constructs – cognitive complexity and cosmopolitanism – that is frequently used to explain global mindset. These constructs are similar to constructs developed in order to explain global leadership.

REVIEW OF LITERATURE

Globalization is rewriting social expectations internationally (Batstone, 2003 as cited in Dean, 2005, p. 181). It is increasing the capacity and scope of transnational interactions among states and corporations, exposing them to new kinds of challenges and responsibilities (Bartlett & Ghoshal, 2008; Buller, Khols & Anderson, 1991; Lozano & Boni, 2002). An important implication and consequence of the globalization processes is that leaders in all spheres of society are experiencing major changes in their roles (Dean, 2005). Scholars have argued that the leadership paradigm that dominated in the 20th century needs to be transformed to include a new way of thinking/feeling/acting to better fit today’s intensely globalized, competitive and dynamic environment (Adler, 2007, 2009; Bartlett & Ghoshal, 2008; Jeanett, 2000; Werhane, 2007). Despite an increased interest in the field of leadership, it is not yet clear what this „new form” of global leadership ought to include. This issue becomes critical in view of the worldwide shortage of talent, which has made successful leaders sought-after and created an urgency to develop effective global leaders (Economist, 2006; Mendenhall & Osland, 2002). Lassere (2003) appropriately explains that organizations must address the shortage of effective global leaders in order to take full advantage of all the opportunities that globalization has to offer. As scholars have tried to clarify what will address organizational capacity development, it has become clear that there is a need for creating and developing a learning culture, one in which continuous learning is a fundamental strategy of the business (Watkins & Marsick, 1993, 1997). Organizations structured to promote continuous learning have a culture that: values and provides resources and tools...
for continuous learning opportunities for individuals; ensures opportunities for dialogue and inquiry including capturing suggestions for change and improvement; emphasizes team learning and collaboration to promote cross-unit learning; empowers people to enact a collective vision

Traditionally, the development of global leaders has focused on the role expatriation plays in international subsidiaries. Expatriates are used as a knowledge agent from the parent subsidiary to the foreign subsidiary e.g. agents for transferring knowledge between home and host country (Hocking, Brown and Harzing, 2007:513-4, 518). As international activities grow, there is need for a leader that is able to work in multinational groups and be able to execute corporate global strategies and create common goals for performance achievement. The management is in charge of creating an encompassing strategy, but the leaders are responsible for leading and influencing a diversity of cultures in terms of employees, customers, competitors and suppliers (Bowen and Inkpen, 2009:239). Globalization has changed leaders into a knowledge worker, a person with the ability to initiate global networking and creation of team-activities (Søderberg and Holden, 2002:109).

Literature on global leadership has focused on the need for successful global leaders in order to be able to survive on a global arena. Competencies and constructs defining global leadership and how global leaders are developed are common focuses. In Stephen L. Cohen’s (2010) postulates that global leaders not only have to be effective in the traditional skills expected but also with additional knowledge, skills and above all mindset to navigate through complexities brought on by moving beyond one’s traditional borders.

**Global Competencies, Global Mindset and the Global Leadership Mindset (GLM)**

A global mindset essential for global leadership: 1) intellectual capital; 2) psychological capital; and 3) social capital. Intellectual capital refers to the knowledge and understanding of global business, cognitive complexity and cultural acumen. Psychological capital is composed of a positive psychological profile (i.e., self-efficacy, self-confidence, optimism and hope and resilience), cosmopolitanism (e.g., respect for other cultures, openness and sensitivity, flexibility) and a passion for cross-cultural encounters. The three types of social capital (structural, relational and cognitive) reflect participation in social networks, the nature of relationships in those networks, and the shared meanings derived from them. Global mindset mirrors self-confidence balanced by humility and generosity, and like cultural competence and intelligence encompasses skills such as flexibility and adaptability, collaboration and listening (Werhane et al., 2006; Thorn, 2007).

![Figure 1. Global Leadership Mindset (GLM) Model](image)

The GLM model has the following three dimensions integrated by the learning process: 1) Orientation which is a way of being that includes elements of openess, collaboration, awareness, mindfulness, appreciation, flexibility and cosmopolitanism; 2) Knowledge defined as a cognitive structure consisting of sense-making, systems thinking, integration, selection, analysis, imagination, reasoning, intuition, perception and judgment; and 3) Behavior, an enactment of orientation and knowledge, which includes a propensity to engage, be curious, have the ability to build emotional connections, demonstrate global business savvy, exhibit cultural awareness and appreciation, balance tensions, evidence visioning, and cope with the speed of changing events and technologies. Learning is
understood as the process that fully integrates the three components of GLM, as they are embedded in others environment.

**OBJECTIVES**

1. Intercultural Competence
2. Building a high performance culture in a global environment
3. Global Mindset
4. Leading in a global matrix environment
5. Broad frame of Mind
6. Leading a virtual, remote team

**METHODOLOGY**

Globalization has affected national boundaries, influenced national cultures and provided new challenges for businesses. The need to interact within a multicultural environment provides new challenges not only for businesses, but also for business research. Global mindset and global leadership are two phenomena that are on the research agenda due to globalization. The understanding and use of these two phenomena are necessary to put words on the new challenges encountered.

The two terms global mindset and global leadership are two phenomena, which have been used in order to describe personal and organizational ability to succeed in a global environment. Deriving from two different grand theories, leadership and cognitive psychology respectively, global leadership and global mindset aims at describing personal skills and attitudes towards understanding and creating a social reality.

**DATA ANALYSIS**

The concern using secondary data, as a primary resource for knowledge is the fit of the data obtained (Witheside, Mills and McCalm, 2012:506). As the primary concern of this thesis will be on the theoretical understanding of the two phenomena, the primary data collection of the sources used will not be tested and reused. The use of secondary data as a theoretical basis is to provide an understanding of how global mindset and global leadership are defined, what constructs they constitute of and how they are proposed developed. Based on this and led by a social constructivist understanding of knowledge creation, a correlation between the two phenomena should be clarified. A clarification, that needs to be tested as this thesis is limited by the lack of primary data collection.

Secondary data is found using two search engines, Google Scholar and Aalborg University Library. Searching for keywords such as ‘global leaders’, ‘global leadership’, ‘global leadership development’ ‘global managers’, ‘global mindset’, ‘global mindsets’ and ‘global mindset development’ where used in order to create a general understanding.

The global mindset and global leadership literature has a myriad of concepts explaining the two phenomena. Global mindset is also used as a construct explaining global leadership, adding to the confusion of what global mindset and global leadership is. Hence, the need for a theoretical contribution, using existing literature is required. This will hopefully aid to clarify the use of the two phenomena in literature and see how these two are related to each other.

**CONCLUSION**

Respondents indicated that knowledge was an essential component of the requirements for global leadership. This could be further split into three different types of knowledge, namely knowledge related to cross-cultural issues, the global environment and self-knowledge. The importance of the former two types has already been highlighted adequately in international business literature. It is important to note that knowledge of the environment leads to an acute formulation and implementation
of the change within organizations. The latter (i.e. self-knowledge) has received less attention in the literature. We found that it included a greater self-awareness, and related to willingness and enthusiasm for learning, which previously has been cited as a critical aspect of global leadership. As one of the leaders noted “I think it’s starting to know and understand your limitations - is very important.” Another leader observed that one of the requirements “which is incredibly important that people can miss is the value system. You really need to know who you are. You need to know who you are, you need to know the value systems that you have, and you need to know the value systems of your company and of your industry. And you need to know where boundaries lie, and they need to be very, very clear boundaries.

Thus, researchers and practitioners should continue their quest of understanding the rapidly shifting needs of global leaders and organizations and developing environments supporting the health and well-being of all.

REFERENCES


PROBLEMS OF SMALL-SCALE AND COTTAGE INDUSTRIES IN INDIA

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ABSTRACT
The small scale and cottage industries face number of problems. As a result many small scale units turn sick and a large number have to close down. The magnitude of sickness among the small-sector units would be clear from the fact that at the end of March 2013, as many as 2,49,903 of these units were sick and an amount of rupees 12,799cr was blocked in them. Let us now consider the main problem that the small scale units have to face.

Keywords: Finance and Credit; Scarcity; State Financial Corporation

INTRODUCTION
Finance and Credit
The scarcity of finance and credit is the main obstacle in the development of small scale units. The position of cottage and village industries in this regard is even worse. The capital base of the small industrial is usually very weak science they generally have partnership or single ownership. The artisans or craftsmen running cottage industries either run their business with whatever capital they possess or take credit from the Mahajans or the traders who supply the raw material to them. In many cases, such credit is obtained on a very high rate of interest and is thus exploitative in character. The small-scale industries are somewhat better placed. However, the profit earned by them is often not enough for investment purpose.

The government of India recognized the importance of credit flow for the development of the small-scale sector and this was a major motivation for bank nationalization setting up of SFCs (state financial corporation) and SIDBI etc. banks were mandated to provide 40 percent of their lending to the priority sector comprising of agriculture, small-scale industry, small roads and water transport operators, small business etc. Although banks have met the priority sector lending targets on papers, their reluctance to lend to SSI units continues on accounts of, what they allege: (1) low recovery rates from the small firms and (2) higher cost of lending to the small firms. Moreover, s noted by Sebastian Morris, banks insist on collateral against the spirit of Reserve banks guidelines. The market value of collateral could be s high as five times the value of the outstanding loans or credit limit. The position of the SSI units in the economic reform phase (the period since1991) has grown worse as, in a bid to meet the conditionality’s under the structural adjustment programme; the government tries to cut down the expenditure. This, in turn, brought about severe credit restrictions. This put the small firm in, what Sebastian Morris calls, a 'triple bind’ –(1)the first bind is normal effects of credit squeeze which all firms suffer; (2) the second bind is significant and large bias against lending to small firms (with the result that the axe falls first and more severely on the small firms);and (3) the third bind is that the large firms facing a credit squeeze and having market links with small part of their difficulties to the small firms pass on part of their difficulties to the small firms by delaying payments to them or insisting on advance payment/shortening credit to them when they sell.
Infrastructural constraints

In their survey of 1,063 firms, Keshav Das and Sebastian Morris found that as many as 716 firms (or more than 67 per cent) said that they faced significant infrastructural problems. This is very large and confirms the well recognize and popular conceptualization that many productive activities are constrained by inadequate physical infrastructure. The more severe constraint is power. Captive generation at reasonable cost is out of question for small firms. Therefore, they have to depend on State Electricity Boards for meeting their requirements which do not supply regular and adequate power. Moreover because of rampant corruption, many small scale industrialists are forced to make private deals with the electricity officials; otherwise they face a danger of tampering with their meters by the electricians. Transportation and communication infrastructures are also universal constraints. In many SSI units (particularly those related to beverages, tobacco and related products, printing and publishing, basic chemicals paint and varnishes, and drugs and medicines), water supply is fast emerging as an important infrastructural constraint.

Inverted Tariff Structure and Raw Material Availability

As noted earlier, small scale industries contribute significantly to the export earning of the country. Many of these industries use imported raw material and intermediate goods. According to Sebastian Morris, despite imports liberalizations during 1990’s, the tariffs on material like steel, copper and many ferrous metals, plastics, many chemicals, paper etc. remains high in comparison to manufactured goods (other than consumer goods ). This has created the problem of a significant ‘inversion’ in tariff structure, which specifically hurts the small firms science they are more labour using and have high material-to-output ratios.

Small scale industries that use local raw material also face a number of problems. For instance, the handloom industry depends for its requirement of cotton on local traders. These traders often supply cotton on the condition that the weavers sell the cloth only to them when it is ready. Thus, the weavers are subjected to double exploitation at the hands of the traders. The traders sell cotton to them at high prices and purchase the ready cloth on low prices.

Machines and other equipments

Machinery and other equipments in many small industries has grown obsolescent. On account of this reason while their cost of production are high, the quality is inferior as compared to the small scale units. Moreover, the small scale units often do not care about the changing tastes and fashions of the people. Accordingly, modernization and rationalisation are urgently required in small scale industries.

OBJECTIVE OF THE STUDY

There is an urgent need for evolving a regular system for up-gradation and collection of data on the small scale industry sector in view of rapid growth and substantial contribution of the SSI sector.

Problems of Marketing

One of the main problems faced by the small scale units is in the field of marketing. These units often do not possess any marketing organization and consequently their product compare unfavorably with the quality of products of the large scale industries. Therefore, they suffer from a competitive disadvantage. Because of the shortage of capital and financial resources, these units do not have adequate ‘staying capacity’ and are often forced to sell their products at un-remunerative prices.

To save small scale units from competition from large scale units the government has reserved certain items for the small scale sector. The Trade Development Authority and the state trading corporation help the small scale industries in organizing their sales. The National Small Industries Corporation set up in 1955 is also helping the small scale units in obtaining government orders and locating export markets.
Delayed Payments

Most of the small scale industries associations’ complaint about the hardships the small entrepreneurs go through an account of delayed payments by large firms and government departments. Table 7.13 of Sebastian Morris’s study shows that, on average, the small firms provide 40 days credit to the buyers of their goods and services. But on their principal inputs they get only 14 days credit. In fact, the small firms have very little bargaining power in the markets they operate. On the purchase side, since they buy raw materials and components in small lots, they do not have much bargaining power that is large oligopolistic and monopolistic firms producing materials like steel, plastic, glass, copper etc. at times, they even have to make advance payment to have an assurance of supply. On the other hand, the small firms, when they sell to wholesalers and other firms are often forced to offer extended credit periods. Especially in the dealing with other large firms as subcontractors, this is a major problem. As far as delays in payments from government departments against goods supplied to them under governments purchase programme is concerned, these delays are on account of the cumbersome and complex procedures and rampant corruption in these departments.

Problem of Sickness

There has been an increase of as much as 221 percent in the number of sick micro and small enterprises (MSEs) in a matter of just three years- from 77,723 as at end-march 2010 to 2,49,903 as at end-march 2013. Their outstanding loans have risen by nearly 145 percent over this period, from Rs 5,233 crore to Rs 12,800 crore. Of the 2,49,903 sick MSEs as at end march 2013, only 4,599 units with outstanding credit of Rs 3,926 crore have been found to be potentially viable. This shows that as many as 2,32,525 MSEs are not viable (or potentially viable). This is a serious cause of concern. According to the inter-ministerial committee for Accelerating Manufacturing in Micro, small and medium enterprises sector, “MSMEs, as individuals and collective entities, lack the abilities of the larger enterprises to advocate on economic and functional issues, and therefore come adversely on the receiving end of the unexpected actions of the stakeholders, including the state machinery…..a complex and unfriendly business ecosystem pushes small entrepreneurs towards the informal and unregistered segment, which is growing faster than the organized segment by more than five times, and already accounts for over 95 percent of all MSMEs.”

Poor Database

Another weak link in the chain is the inadequate database for the small scale sector. There are two major sources of information on the small scale sector, viz. Small Industries Development Organization (SIDO) and Central Statistical Organization (CSO). Complete information for the small scale sectors whole is not available from any of these sources. The industrial census data, as available from SIDO, pertain to the reference years 1972, 1987-1988 and 2001-2002 which could be used as benchmarks; however, to arrive at current estimates, necessary adjustments are required to made. The estimates worked out by SIDO every year on the small scale sector, i.e., number of units, employment and production, are subject to limitations, being based on partial returns. CSO data provides coverage of the VSI sector through various surveys. These surveys however, do not distinguish small scale units on the basis of investments in plants and machinery (conducted by NSSO) and provide data for establishments operating with less than 10 workers, i.e., non factory sector units which are not covered in the annual survey of industries (ASI) by CSO. It is not possible to segregate information from these surveys for the small scale industries (sub-sector) from the total VSI sector. Moreover, these surveys are conducted at an interval of 5 years and, as such, the estimates for other years (the years other than the survey year) are -essentially extrapolations. Information through such surveys is available for these years 1978-79, 1984-85, 1989-90 and 1994-95. As correctly pointed out SIDBI report,
Other Problems

In addition to the problems enumerated above, the small scale industries face a number of other problems like insufficient management, unchanging and unresponsive production pattern, burden of local taxes, competition from large scale industries, etc.

According to seventh five year plan, growth of the small scale and village industries has been constrained by a number of factors” including technological obsolescence, inadequate and irregular supply of raw materials, lack of organized market channels, imperfect knowledge of market conditions, unorganized nature of operations, inadequate availability of credit, constraints of infrastructure facilities including power etc. and deficient managerial and technical skills. There has been a lack of effective coordination among the various support organizations set up over the period for the promotion and development of these industries. Quality consciousness has not been generated to the desired level despite various measures taken in this regard. Some of the fiscal policies pursued have resulted in unintended splitting up of these capacities into uneconomic operations and have inhibited there smooth transfer to the medium sector. All these constraints have resulted in a skewed cost structure placing this sector at a disadvantage vis-à-vis the large industries, both in the domestic and export markets”.

Adverse Effect of Economic Reforms and Globalization

The decade of 1990s was marked by considerable deregulation of industrial economy through delicensing and dereservations,’ opening up’ the industrial sector to both internal and external competition, lowering of tariffs, removal of quantitative restrictions etc. these’ reforms’ have had an adverse effect on the small scale sector. Cheaper and better quality imported goods are posing a serious threat to small scale units operating in various industries like chemicals, silk, automotive, toys, sports, footwear etc. the most serious threat is being posed by cheap Chinese imports as the so called china price(which is a rock bottom price) is forcing a many small scaled units to close down. For e.g. since the imports of toys started in 1999-2000 the Indian toys industry has been through a torrid time. A study conducted by associated chamber of commerce and industry( ASSOCHAM)points out that between 2001-12, overall toy imports into India increased at a CAGR (compound annual growth rate) of 25.21% (imports from china and Italy in this period increased at a CAGR of 30% and 38.6% respectively) (. S a result , near by 40% of Indian toy makers have already closed down in last 5 years and 20% are on the verge to close as far as the gift segment of the ceramic industry is concerned almost 80% of the domestic ceramic industries has been wiped out by Chinese imports. These examples can be multiplied while the cost of production in china are indeed very less as compared to India (because of large economy of scale ), it no doubt true that china is resorting to “dumping” to wipe out competitors in other markets.

CONCLUSION

There is an urgent need for evolving a regular system for up-gradation and collection of data on the SSI(small scale industry) sector in view of rapid growth and substantial contribution of the SSI sector. New units come up every year for different line of production while existing units either diversifies of expand or in certain cases closed down. Up-keep of the latest information is critical for policy decisions.

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ABSTRACT
This paper examines the export growth affected by various economic indicators (GDP, Import, Per Capita Net National Income, Balance of Payment, Exchange Rate and Industrial Production, using data from 1980-81 to 2014-15. In the study the relationship between exports and economic growth in India is indicated by using Karl Pearson’s coefficient of correlation and multiple correlations. T-test helps to study the significance of relation. Diversification of India’s exports is depicted through import ratio. The paper concludes that the exports are mainly affected by three indicators (GDP, Import and PCNNI), and the change in the policies should be made accordance with them. The study also attempts to test the mechanisms of Export-Led Growth in India by taking a time series data from 1980-81 to 2014-15. It applies Ordinary Least Square method to investigate the relationship between Gross National Product, Total Exports, Manufactured Exports and Investment. The result of the study supports the Export-Led-Growth Hypothesis (ELGH) in India.

Keywords: GDP, Imports; Per Capita Income; Net National Income; Balance of Payment; Exchange Rate; Export Industrial Production; GNP; Total Export; Manufactured Export and Investment

INTRODUCTION
Indian economists and policy makers have shown a considerable participation to accelerate the growth of exports since independence. Exports since independence have increased from Rs. 6711 crore in 1980-81 to Rs. 1931074 crore in 2014-15 with a subsequent increase in imports from Rs. 12549 crore in 1980-81 to Rs. 2815918 crore in 2014-15. India’s trade regime has seen a sea change since liberalization and exports have shown a consistent rise thereafter. Subsequently world trade has also seen a rising trend since 1980-81 with 0.45 percent share of India in 1980-81 and 31.73 percent in 2014-15. India’s exports although having an increasing trend have always faced a deficit trade balance. The liberalization policy in 1991 helped India to recover from a deficit BOP position and outstanding external credit assistance.

In the present scenario both India as well as world trade has shown a downfall due to rising inflationary pressures, global recession and the escalating Euro crisis. However, with an expected decelerating world trade volume growth of 3.8 percent, IMF is trying to moderate the growth projections with limited policy options, and is expecting a growth of 1.2 percent in 2012 of advanced economies and a rate of 5.4 percent of growth in 2012 of emerging and developing economies. India has been a 5 to 7 fold increase in exports since last decade recording Rs. 1465171 crore in 2014-15. The growth rate noted was 4.6 percent in 1980-81 and 5.0 percent in 2014-15.
India’s exports which had surpassed not only pre-crisis levels have started feeling the heat of this second global downturn which has come in quick succession to the first, though the country was in a better position than many others to handle it. During the 2014-15, India’s exports witnessed a low growth of 5.0 percent. During the 2014-15 the export sectors that have done well are mineral fuel and lubricants registering a growth of 30.57 percent, leather 43.74 percent, handicrafts 97.75 percent, transport equipment 24.75 percent and cashew 28.88 percent.

**REVIEW OF LITERATURE**

Kumar Rajan, Nalini and Mathura (2007), and Golden Biswanath (1989) these studies revealed that existence of high instability in exports would have an adverse effect on Indian consumption which should be controlled by policy maker to retain its position in the international market. They concluded that since engineering products do not form a major part of India’s exports, the economic growth cannot be increased or influenced by its export performance.

Feder (1983), Ram (1987), Vohra (2001) and Yousif Khalifa Al-Yousif (1997). These studies clearly indicate that there exists a positive and strong relation between exports and economic growth. Generally, a rise in the level of exports leads to increase in economic growth.

From the review of literatures; it is found that previous studies are focused on relation between exports and economic growth. These studies are mainly based on tools like regression, correlation, time series, econometric models, etc. Consequently this study is also based on the same forefront but certain important indicators are added and correlation coefficient is used to establish the relation. These literatures have helped to form a base for the following work.

**OBJECTIVES OF THE STUDY**

1. To identify the determinants of economic growth in India.
2. To study the relationship between export and economic growth in India.

**RESEARCH DESIGN**

The study has been based upon the time series secondary data. Secondary data was collected from various sources of govt. agencies. The data for value and volume for principle exports and products aggregates for India and world has been gathered from various issues of income survey, Govt, of India, Ministry of Finance, New Delhi, Handbook of Statistics on Indian Economy, Reserve Bank of India, International Food and Agricultural organisation. The data on domestic wholesale price indices and Net National Product has been obtained from industrial price in India. The data published by other govt. agencies has also been used.

**Determinants of Export Growth**

The assessment of effect of economic indicators on export performances has been analyzed through coefficient of correlation. Karl Pearson’s correlation coefficient is calculated through the formula:

\[ r = \frac{\sum xy}{\sqrt{\sum x^2 \cdot \sum y^2}} \]

Student t-test has been used to test significance level of coefficient correlation, so that the relation has been defined. Formula is as shown below:

\[ t = \frac{r}{\sqrt{1 - r^2 \cdot \sqrt{n - 2}}} \]

Multiple correlations have been used to study the relation between the dependent variable and those independent variables which have the highest correlation. Independent variable multiple correlations have been used and the formula is as shown below:

\[ R_{1,234} = \sqrt{1 - (1 - r^2_{1,4})(1 - r^2_{1,3})(1 - r^2_{1,2})} \]
In this study, export has been taken as the dependent variable and import, exchange rate, BOP, industrial production, net national income, and GDP is taken as independent variables. By using the above statistics, any difference in these variables, effects on export has been analyzed.

**Impacts of Exports on Economic Growth**

The present study attempts to test the mechanism on export-led growth in India by taking a time series data from 1980-81 to 2014-15. Ordinary least square (OLS) method has been applied to investigate the relationship between Gross National Product, Total Exports, Manufactured Export, and Investment. Investment has been defined as Gross Fixed Capital Formation. Ordinary least square method (OLS) has been applied of estimation. Natural log transformation is used to determine the degree of sensitivity of the dependent variable to change in the explanatory variables.

**Model Building**

The general functional model for the mechanism of export –led growth can be written as:

Where:

\[ Y = \text{Gross National Product} \]
\[ X = \text{Total Exports} \]
\[ Xm = \text{Manufactured Exports} \]
\[ I = \text{Investment} \]

More precisely, the indicator to the left hand side of the equality symbol represents the dependent variable, while those to the right hand side are referred to the technically as explanatory indicators. Furthermore, if we take the derivates of the functional model with respect to each of the explanatory indicators, the following results are expected:

\[ \Delta Y / \Delta X > 0, \Delta Y / \Delta Xm > 0, \Delta Y / \Delta I > 0 \]

The results of the partial derivatives obtained are interpreted in the following manner:

We expect economic growth (GNP) to be positively related to Total Exports, Manufactured exports. In order to test the mechanism of export-led-growth in case of India, we have been examining the following equation:

\[ Y = F(X) \] \hspace{1cm} (1)
\[ Y = (Xm) \] \hspace{1cm} (2)
\[ Y = F(I) \] \hspace{1cm} (3)
\[ Y = F(X, Xm) \] \hspace{1cm} (4)
\[ Y = F(X, I) \] \hspace{1cm} (5)
\[ Y = F(Xm, I) \] \hspace{1cm} (6)

On the basis of above model, the following natural logarithmic equations has been specified and estimated:

1. \[ \ln Y = b0 + b1 \ln X + U \]
2. \[ \ln Y = b0 +b1 \ln Xm + U \]
3. \[ \ln Y = b0 +b1 \ln I + U \]
4. \[ \ln Y = b0 + b1 \ln X + b2 \ln Xm + U \]
5. \[ \ln Y = b0 + b1 \ln X + b2 \ln I+ U \]
In the present study, instead of using linear regression equations we have been using natural logarithmic equations. Hence, the study has been covered with isolating the effects of changes in explanatory indicators on economic performances i.e. Gross National Product (GNP).

**Economic Indicators** - Study of determinants of export is very important because it helps in determining the export potential of a country. India for past four decades has analyzed its economic growth using various indicators. The economic indicators are: imports, exchange rate, balance of payments, industrial production, per capita national income, and gross domestic product, discussed in details as below:

**Import** - Before liberalization imports in India has been considered to be an obstacle in development of the country. From 1950 various steps were taken to curtail it and certain policies were made for its substitution, but after 1991, the scenario changed and with liberalized tariff policies many companies and private players actively imported goods which were cost effective for them. Imports in India increased from Rs. 12549 crore in 1980-81 to Rs. 43198 crore in 1990-91, which further increased to Rs. 36979 crore in 2010-11 and Rs. 2815918 crore in 2014-15 respectively. The major goods imported are cereals, raw material, intermediate manufacturing goods, heavy metal capital goods, etc.

**Exchange Rate** - Exchange plays an important role in determining the size of exports. It affects the price competitiveness of exportable goods and services of a country. Rupee currency of India has seen the most unstable exchange rate environment for past decade. After 1991, Indian rupee stabilised as well as gained better exchange value in terms of US$. The formulation of LIBOR and LERMS, helped to achieve a better position in the world currency market. Indian rupee value decreased from Rs. 89.2 in 1980-81 to Rs.54.63 in 1992-93, to increased Rs.112.7 in 2010-11 and decreased and reached 106.1 in 2014-15. When the rupee sharply depreciated in 2014-15 measures had been taken to steady the capital controls in the hope of allowing more dollars to flow into the country appreciating the value of money.

**Balance Of Payments** - The BOP position in 1980-81 was Rs. 3580 crore, Rs. 44923 crore in 1991-92, Rs. 1139517 crore in 2010-11 and Rs. 1005358 crore in 2014-15. The highlights of BOP developments during 2010-11 were higher exports, imports invisibles, and trade and capital flows as compared to fiscal year 2009-10. India has always been facing a negative trade balance for past three decades, which has been tried to be counter balanced through monetary movement of IMF transactions and loans and advances. The trade deficit has been largely contributed to increased imports. A trade deficit of more than 3 percent is a sign of growing imbalance in the country’s BOP.

**Industrial Production** - Industrial growth in India has shown a static alignment with the growth rate of GDP. The industrial production comprises of mining, manufacturing, electricity, construction sectors. The long term average annual growth of industries from 1991-92 to 2014-15 was averaged to be 6.7 percent against 6.9 percent of GDP, of which manufacturing was the major role player with stagnant contribution of 14-16 percent during this period. The growth rate in 2007-08 of 15.5 percent started decelerating on account of global economic meltdown. However, a recovering growth of 5.3 percent and 8.2 percent was seen in 2009-10 and 2010-11. The index of industrial production was Rs. 100 crore in 1980-81 which increased to Rs. 131 crore in 2010-11 and 257 crore in 2014-15 respectively.

**Per Capita Net National Income** - The per capita net national income has shown a considerable increase since 1980. The NNI in 1980-81 was Rs. 1784 crore which increased to Rs.5440 crore in 1990-91 and again to Rs. 36342 crore in 2010-11 and Rs. 74193 crore in 2014-15 crore. Since the NNI is calculated on the net national product at factors cost, it has shown an increasing trend in absolute terms, but in real terms the increase has not shown any beneficiary impact on the living standard. The livelihood has increased and seen a drastic change since 1950 specially post 1991.
**Gross Domestic Product** - The GDP of India is the most important macro indicator of economic growth. The GDP of India is divided into two parts: GDP@ factor cost and GDP@ current market price. The GDP was Rs. 798506 crore in 1980-81 which increased to Rs. 1440504 crore in 1991-92 and further to Rs. 5741791 crore in 2014-15. Though an increasing trend has been seen in GDP, yet there has been a downfall in growth rate from 2009. A growing divergence has always been highlighted between GDP @ factor cost and GDP @ market price, arising from the global economic crisis and policy responses. According to CSO statistics of 31 Jan. 2012, the GDP @ market price is estimated to grow by 8.2 percent and 9.6 percent in 2014-15 respectively.

**Table 1.** Effect of Economic Indicators on Export Performance (Value in Crore)

<table>
<thead>
<tr>
<th>Year</th>
<th>Import</th>
<th>Exchange Rate</th>
<th>Balance of Payment</th>
<th>Industrial Production</th>
<th>Per capita Income</th>
<th>Gross Domestic Product</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981-85</td>
<td>5237.2</td>
<td>95.97</td>
<td>931.5</td>
<td>137.7</td>
<td>2353.8</td>
<td>955861</td>
<td>9288.3</td>
</tr>
<tr>
<td>1986-91</td>
<td>89820.2</td>
<td>14.96</td>
<td>5241.84</td>
<td>180.28</td>
<td>4380</td>
<td>3588092</td>
<td>21713.8</td>
</tr>
<tr>
<td>991-96</td>
<td>79397.2</td>
<td>30.27</td>
<td>12980.84</td>
<td>88.36</td>
<td>8127.2</td>
<td>7898424</td>
<td>71501.4</td>
</tr>
<tr>
<td>1996-01</td>
<td>3670048</td>
<td>40.75</td>
<td>4581.24</td>
<td>145.88</td>
<td>14699.6</td>
<td>1579331</td>
<td>150360.2</td>
</tr>
<tr>
<td>2001-05</td>
<td>412597.6</td>
<td>46.25</td>
<td>18577.04</td>
<td>191.78</td>
<td>22526.8</td>
<td>2611256</td>
<td>317856</td>
</tr>
<tr>
<td>2006-11</td>
<td>1254891.4</td>
<td>44.30</td>
<td>30165.52</td>
<td>170.48</td>
<td>41450.8</td>
<td>4908571</td>
<td>181136.2</td>
</tr>
<tr>
<td>2011-15</td>
<td>2636181.2</td>
<td>42.53</td>
<td>1521665.53</td>
<td>748.2</td>
<td>47758.5</td>
<td>6740164</td>
<td>1731838.3</td>
</tr>
<tr>
<td>Mean(x)</td>
<td>644974.90</td>
<td>99.69</td>
<td>226235.69</td>
<td>237.53</td>
<td>20191.96</td>
<td>2563419.49</td>
<td>444745.63</td>
</tr>
</tbody>
</table>


In the table-1 an attempt has been made to measure the effect of economic indicators on export performance by computing Karl Pearson’s coefficient of correlation between exports and the selected indicators. Correlation coefficient \( r \) between export and the first indicator (import) is 0.99, which indicates a positive high degree of correlation which is statistically \( t \)-value 77.04 significant at 1% (77.04 > 2.58) and 5% (77.04 > 1.96) level of significance explaining that significant association exists between exports and imports during the period under study.

As examine the correlation coefficient \( r \) between export and second indicator (exchange rate) is 0.57, which says that a high degree of correlation exists between them. \( t \)-value being -573, is significant at both 1% (.57 < 2.58) and 5% (.57 < 1.96)

The coefficient of correlation \( r \) between exports and third indicator (BOP) is 0.95, explaining a high degree of correlation which is statistically \( t \)-value 4.31 significant at 1% (4.31 > 2.58) and 5% (4.31 > 1.96) level of significance, showing a importance association between export and BOP during the period of study.

Correlation coefficient \( r \) between exports and fourth indicator (industrial production) is 0.11, which shows a temperate degree of correlation between them. Being significant \( t \)-value -6.47 at 1% level of significance (-6.47 > 2.58) and 5% (-6.47 < 1.96) level of significance explaining a negative relation between them.

The coefficient of correlation \( r \) between export and fifth indicator (per capita net national income) is computed as 0.90 showing a high degree of correlation between them. The \( t \)-value is computed as 1.97 being significant at both 1% (1.97 < 2.58) and 5% (1.97 > 1.96) level of significance explaining a significant relationship between exports and net national income for period 1980-81 to 2014-15.
Coefficient of correlation (r) between exports and sixth indicator GDP, is computed as 0.93, which explaining a high degree of correlation between them. The calculated value of (1.59) is significant at both 1% (1.59 < 2.58) and 5% (1.59 < 1.96) level of significance, explaining no relationship between exports and GDP for the study 1980-81 to 2014-15.

The table-1 shows that correlation between three indicators (GDP, imports & BOP) and exports is highest, which is further analyzed with the help of multiple correlation, which represents a perfect relation between them (R^2=0.99).

### Annexure 1. India’s GDP, Per Capita Income, Industrial Production, Import, Exchange Rate BOP and Export 1980-81 to 2014-15 (Value in Crore)

<table>
<thead>
<tr>
<th>Years</th>
<th>GDP</th>
<th>Per Capita Income</th>
<th>Industrial Production</th>
<th>Import</th>
<th>Exchange</th>
<th>BOP</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>798506</td>
<td>1784</td>
<td>100</td>
<td>12549</td>
<td>89.2</td>
<td>3580</td>
<td>6711</td>
</tr>
<tr>
<td>1981-82</td>
<td>843426</td>
<td>2039</td>
<td>117.7</td>
<td>13688</td>
<td>100</td>
<td>7766</td>
<td>7806</td>
</tr>
<tr>
<td>1982-83</td>
<td>868092</td>
<td>2209</td>
<td>132.3</td>
<td>14293</td>
<td>96.83</td>
<td>9137</td>
<td>8803</td>
</tr>
<tr>
<td>1983-84</td>
<td>936270</td>
<td>2535</td>
<td>147.8</td>
<td>15831</td>
<td>99.17</td>
<td>10169</td>
<td>9771</td>
</tr>
<tr>
<td>1984-85</td>
<td>973357</td>
<td>2772</td>
<td>160.9</td>
<td>17134</td>
<td>96.54</td>
<td>11959</td>
<td>11744</td>
</tr>
<tr>
<td>1985-86</td>
<td>1013866</td>
<td>3016</td>
<td>167.5</td>
<td>19658</td>
<td>94.06</td>
<td>11578</td>
<td>10895</td>
</tr>
<tr>
<td>1986-87</td>
<td>1057612</td>
<td>3281</td>
<td>177.9</td>
<td>20096</td>
<td>86.37</td>
<td>13315</td>
<td>12452</td>
</tr>
<tr>
<td>1987-88</td>
<td>1094993</td>
<td>3629</td>
<td>184.6</td>
<td>22244</td>
<td>81.7</td>
<td>16396</td>
<td>15674</td>
</tr>
<tr>
<td>1988-89</td>
<td>1206243</td>
<td>4232</td>
<td>199.1</td>
<td>28235</td>
<td>76.96</td>
<td>20647</td>
<td>20232</td>
</tr>
<tr>
<td>1989-90</td>
<td>1280228</td>
<td>4755</td>
<td>211.6</td>
<td>35328</td>
<td>75.08</td>
<td>28229</td>
<td>27658</td>
</tr>
<tr>
<td>1990-91</td>
<td>1347889</td>
<td>5440</td>
<td>221.2</td>
<td>43198</td>
<td>72.34</td>
<td>33153</td>
<td>32553</td>
</tr>
<tr>
<td>1991-92</td>
<td>1367171</td>
<td>6100</td>
<td>222.5</td>
<td>47851</td>
<td>61.45</td>
<td>44923</td>
<td>44041</td>
</tr>
<tr>
<td>1992-93</td>
<td>1440504</td>
<td>6855</td>
<td>223.7</td>
<td>63375</td>
<td>54.63</td>
<td>54761</td>
<td>53688</td>
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<tr>
<td>1993-94</td>
<td>1522344</td>
<td>7838</td>
<td>231.5</td>
<td>73101</td>
<td>58.95</td>
<td>71147</td>
<td>69751</td>
</tr>
<tr>
<td>1994-95</td>
<td>1619694</td>
<td>8993</td>
<td>109.8</td>
<td>89971</td>
<td>63.21</td>
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<td>83674</td>
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<tr>
<td>1995-96</td>
<td>1737741</td>
<td>10331</td>
<td>120.5</td>
<td>122678</td>
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<td>108482</td>
<td>106353</td>
</tr>
<tr>
<td>1996-97</td>
<td>1876319</td>
<td>11831</td>
<td>118.2</td>
<td>138920</td>
<td>61.07</td>
<td>121193</td>
<td>118817</td>
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**Source:** Economic Survey of India, Govt. of India. RBI Handbook of Statistics
India’s GDP, Per Capita Income, Industrial Production, Import, Exchange Rate BOP and Export 1980-81 to 2014-15 (Value in Crore)

Annexure 2. GDP, Per Capita Income, Industrial Production, Import, Exchange Rate, BOP and Export

Figure 1. India’s GDP, Per Capita Income, Industrial Production, Import, Exchange Rate BOP and Export

Relationship between Export and Economic Growth in India

Introduction

Development economists have long recognized the potential impact of export-led growth in the process of national economies. The Export-Led Growth hypothesis (ELGH) postulates that export expansion is one of the key determinants of economic growth. It reflects the view that export-oriented policies help to stimulate economic growth. Export expansion can be a catalyst for output growth both directly, as a component of aggregate output, as well as indirectly through efficient resource allocation, greater capacity utilization, exploitation of economies of scale, and stimulation of technological improvement due to foreign market competition. Exports provide foreign exchange that allows for increasing levels of imports of capital goods and intermediate goods that in turn raise the growth of capital formation and thus stimulate output growth (Balassa, 1978).

Furthermore, export growth may promote the diffusion of technological knowledge (Grossman and Helpman, 1991) and enhance efficiency through the international competition (Krueger, 1980). The study confirms the relationship between export and growth, but the two mechanisms of Export-Led Growth through manufactured exports and balance of payment effect on investment are not confirmed. It may allow the exploitation of economies of scale if domestic markets are too small for optimal scale. All these factors may lead to higher economic growth. In this paper we have discussed about the determinants of export growth in India and the relationship between export and economic growth during the period 1980-81 to 2014-15.

Concept of Export-Led Growth

Verdoorn’s law, an endeavor to signify the relationship between the rate of growth of production and the rate of growth of productivity was earlier signified by the Dutch economist Dr. P.J. Verdoorn in his paper, “factors that determine the growth of labor productivity” which appeared in the Italian journal L’ in 1949. This law refers that rapid growth in output rises productivity due to rising returns. Thus an
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Economy with a rapid increase in demand will also experience rapidly increasing productivity. If money wages to do not increase by sufficient to equivalent the productivity rise, costs will fall and the country’s exports will also grow fast because of their competitiveness. This increase in exports in turn will stimulate demand and production growth, and the circle is righteously nearly by further productivity gains. Furthermore, export growth ensures that balance of payments difficulty will not cause a slowing of the growth rate.

Kaldor assumes that export will boost industries with important economies of scale. The manufacturing sector is the carrier of economies of scale and the function of exports in sustaining the demand for manufacturing production is essential. According to Kaldor, aggregate demand sustained by exports is larger than consumption-led demand. In addition, Kaldor suggested three growth laws divided economic development which is as follows:

(a) Firstly, the quicker the rate of growth of the manufacturing sector, the faster will be the rate of growth of Gross Domestic Product (GDP), not easily in a way that manufacturing production in a huge element of total production, but for basic economic reasons jointed with induced productivity growth inside and outside the manufacturing sector. This notion can be summed up in that manufacturing sector of the economy is the “blot of economic growth”.

(b) Secondly, there is a great righteous relationship between the rate of labor productivity growth in manufacturing and the growth of manufacturing production, the “Verdoorn’s law”. Kaldor ascribed much significant that is called originating productivity growth, i.e. productivity growth that is utilitarian to production growth.

(c) Finally, Kaldor’s third law says that the rapid growth of manufacturing production, the quicker the rate of labor transference from non-manufacturing to manufacturing, so that overall productivity growth is positively related to the growth of production and employment in manufacturing and negatively righteously with production and employment external manufacturing.

The export-economies-of-scale fact is trialed by juxtaposing total export and manufactured exports as explanatory components of economic growth. If the correlation with total exports is greater, renounce the export-led model, although the virtuous circle working through demand increases and economies of scale is less compelling. Another component of export-led model is that a virtuous circle operates by export demand on investment, and after effectively technological progress and productivity, this mechanism is compatible with a good exhibiting for total export variable. The important correlation of exports and growth in an equation containing an essential investment variable weakens the another element of export-led theory. To study the relationship between export and economic growth in India, we have been taken GNP is dependent component and total exports, manufactured exports and investment are independent components.

REGRESSION RESULTS

The empirical results of regression analysis have been presented in the following table:

Table 3. Regression Results, 1980-81 to 2014-15

<table>
<thead>
<tr>
<th>Equation</th>
<th>Equation Expression</th>
<th>Constant</th>
<th>X</th>
<th>Xn</th>
<th>I</th>
<th>R²</th>
<th>F Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>lnY = b0 + b1 lnX + U</td>
<td>5.46</td>
<td>0.74(75.91)*</td>
<td></td>
<td>-</td>
<td>0.99</td>
<td>5762.55</td>
</tr>
<tr>
<td>B</td>
<td>lnY = b0 + b1 lnXn + U</td>
<td>6.24</td>
<td>0.56(59.99)*</td>
<td>0.69</td>
<td>-</td>
<td>0.94</td>
<td>3589.22</td>
</tr>
<tr>
<td>C</td>
<td>lnY = b0 + b1 lnI + U</td>
<td>1.33</td>
<td>-</td>
<td>1.33</td>
<td>1.20</td>
<td>0.95</td>
<td>422.59</td>
</tr>
<tr>
<td>D</td>
<td>lnY = b0 + b1 lnX + b2 lnXn + U</td>
<td>5.64</td>
<td>0.64(4.32)*</td>
<td>0.17(1.03)*</td>
<td>-</td>
<td>0.99</td>
<td>2977.07</td>
</tr>
<tr>
<td>E</td>
<td>lnY = b0 + b1 lnX + b2 lnI + b3 lnXn + U</td>
<td>4.92</td>
<td>0.66(19.16)*</td>
<td>0.12(2.43)*</td>
<td>-</td>
<td>0.99</td>
<td>3405.71</td>
</tr>
<tr>
<td>F</td>
<td>lnY = b0 + b1 lnXn + b2 lnI + U</td>
<td>6.48</td>
<td>0.72(13.29)*</td>
<td>0.08(0.57)*</td>
<td>-</td>
<td>0.99</td>
<td>1750.03</td>
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</table>

Note: *t - Statistically significant at 5% level of significance; **F – Statistically significant at 5% level of significant.
Interpretation Of Empirical Results

The equation (a) reveals with the combination between level of GNP and level of whole exports. It depicts that the co-efficient of whole export variable is statistically important at 5% levels with positive sign indicating that higher exports are related with higher economic performance. The reason may be concerned to the enlargement of foreign trade and sustained growth of India’s export volume. The entrenchments of the growth momentum in the 1990s the opening up of the economy and co-operate restructuring have enhanced the competitiveness of Indian industry. There is a far greater export-orientation of domestic manufactures, and corporate sector has been pursuing new growth strategies in response to economic reforms. Trade policy reforms in the recent past, with their focus on liberalization, openness, transparency and globalization have provided an export-friendly environment with simplified procedures of trade facilitation. Such continued trade promotion and trade facilitation efforts of government have also aided the present strengthening of export growth. The regression equation also points out that an average 1% rise in exports is related with 0.74 % jump in gross national product (GNP).

This indicates that India’s growing exports have made a positive legacy to the development of economic growth in India during the period under study 1980-81 to 2014-15. The regression equation (b) shows that manufactured exports (Xm) are righteously related with GNP during the period under study from 1980-81 to 2014-15.

The regression equation (c) points out that investment variable is the most powerful factor in verifying the performance of Gross National Product (GNP) in India during the period 1980-81 to 2014-15. The value of regression coefficient 0.69 % took the expected positive sign and it is also found to be statistically important indicating the important variable in the process of economic growth. The relative importance of the investment variable is much better than whole exports and manufactured exports. F-test is also found to be statistically significant at 5% level of significance.

In the regression equations (d), when we regress X and Xm together, coefficient of 0.56 and 0.17 genuinely Xm attained a positive sign and it is also found to be statistically significant. It implies that manufactured exports contribute importantly to economic growth. The economies of scale mechanism operates when Xm is more statistically important than X. but here in case of India, correlation between whole exports and economic growth (GNP) is much compatible in comparison to manufactured exports. Therefore, the mechanism of economies of scale is less compelling in India because the Indian manufacturing is still primarily geared to domestic consumption. Therefore, its growth is limited by domestic demand. For the rising production to meet export demand there needs to be substantial productivity improvement. In addition, manufacturing output is “growth driven” rather than efficiency driven during the period under study. The equation can still mean that a strong export performance, by fostering entrepreneurial confidence will enhance investment, saving the export-led growth hypothesis. Hence, we accept the existence of export-led growth hypothesis (ELGH) in India

The equation (e) and (f) presents the consequences concerned with the balance of payment impact on investment variable has been run together total exports X in equations (e) and also with manufactured exports Xm equation (f). In both these equations, the investment variable out class the performance of total exports and manufactured exports as the value of regression coefficient and magnitudes of t-statistics are higher than total exports X and manufactured exports Xm this indicates that the positive relationship of exports to growth does not run by the impact on investment, because investment has a free valuable impact on economic growth. If exports are effect supposed to promote growth because of the encouragement to investment, this effect should be accounted for by the low investment indicator when run in an equation with whole exports X and manufactured exports Xm whereas the results in equations (e) and (f) represents the opposite case. The significant co-relation of exports and level of GNP containing an imitable investment indicator weakens the second mechanism of export-led growth.
### Annexure 3.

**Table 4.** India’s GNP, Total Export, Manufactured Export, and Investment (1980-81 to 2014-15)  
(Value in Crore)

<table>
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**Source:** Economic Survey of India, Govt. of India, RBI Handbook of Statistics.
Annexure 4. India’s GNP, Total Export, Manufactured Export, and Investment 1980-81 to 2014-15 (Value in crore)

Figure 2. India’s GNP, Total Export, Manufactured Export, and Investment

CONCLUSION

India’s trade regime has drastically changed in the post liberalisation period. It has shown a favourable trend as the policies has been liberalized and tariffs removed which has helped in uplifting the trade to overcome the deficit BOP position. The export performance for the period has shown an increasing trend in absolute terms but in real terms it has always been affected by the increased imports. From the study it can be concluded that GDP (0.13), PCNNI (0.15), and IMPORTS (0.73) are the three major indicators affecting India’s export performance for the given period (1980-81-2014-15) depicted through the coefficient correlation of $r=0.99$, respectively. India should be making changes to curtail the imports of unnecessary products, which would help to undermine the negative trade balance. Being the main indicator of India’s economic growth, focus should be given to increase the GDP, as it would directly and positively affect the export performance. In the present scene, as the domestic factors, namely the tightening of monetary policy, in particular raising the repo rate in order to control inflation and anchor inflationary expectations, resulted in slowing down of investment and growth, particularly in the industrial sector. Since monetary policy operates largely through demand compression in short run, the expectation is that this policy will in fact affect long –run growth. As the correlation coefficient ($r=0.99$), policies should be liberalized in terms of GDP, growth and investment policies, so that the foreign trade can show a rising performance. PCNNI largely depends on GDP, which according to the analysis will have a major impact on export performance. Other indicators like exchange rate, agricultural and industrial production, imports, BOP, etc, affecting the export performance, registered a balanced growth. Thus, the study suggests that the policies should be formulated such that they would be centred on these 3 (GDP, IMPORTS, PCNNI) which might help to increase the export growth of India in the future scenario.

The conclusions emerging from the relationship between export and economic growth in India are discussed in the present section:

Firstly, the study clearly indicates that there exists a significant and positive relation between exports and gross National Product (GNP) for the whole period under study 1980-81 to 2014-15.
Secondly, the study supports Export-led-Growth Hypothesis (ELGH) in India over the period 1980-81 to 2014-15 as the coefficient of total exports (X) in equation (d) emerges stronger and significant in relation to manufactured exports (X_m).

Thirdly, Investment emerges the most powerful variable in affecting the process of economic growth. It seems that exports play an important role, only after a particular stage of economic growth has been attained through domestic investment.

Fourthly, the study reveals that none of the mechanisms of export-led-growth i.e. economies of scale and balance of payments effect on investment are not proved statistically in case of India under during the study. Our study confirms the results of exports may be the handmaiden to economic growth in India.

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ABSTRACT
In the ongoing scenario, merely pondering over the subject of Financial Inclusion has contributed to an accord that merely having a bank account may not be a good indicator of financial inclusion and thus a concept named microfinance has been gaining importance to achieve the comprehensive objective of financial inclusion. Today, both international and Indian banks are striking partnerships with MFIs. In addition, some foreign venture funds have also entered the microfinance field, hoping to maximize their returns and also benefit from the relatively low default rate. Moreover, government has been in the process of converging the tool of MFI/SHG-BLP with financial inclusion (Status of Microfinance in India Report, 2013-14). Keeping this in view, the present need of the study is to comprehend the role of microfinance in financial inclusion and go through the outreach and present regulatory framework of the microfinance institutions in India.

Keywords: MFI; Financial Inclusion; Converging; SHG-BLP; Outreach

INTRODUCTION
The recent developments in banking technology have transformed banking from the traditional brick-and-mortar infrastructure like staffed branches to a system supplemented by other channels like automated teller machines (ATM), credit/debit cards, internet banking, online money transfers, etc. Indeed, some trends, such as increasingly sophisticated customer segmentation technology - allowing, for example, more accurate targeting of sections of the market - have led to restricted access to financial services for some groups. These people, particularly, those living on low incomes, cannot access mainstream financial products such as bank accounts, credit, remittances and payment services, financial advisory services, insurance facilities, etc. This aroused the need for a novel concept, known as Financial Inclusion. “Financial inclusion may be defined as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost”. Keeping in mind this concept, microfinance is one of the efforts which have been taken in India, to achieve the objective of Financial Inclusion. Micro-Finance refers to small savings, credit and insurance services extended to socially and economically disadvantaged segments of society, for enabling them to raise their income levels and improve living standards.

There are two important models of microfinance in India i.e. ‘Banking model’ and the ‘MFI model’ (Report of the steering committee on Micro-finance and Poverty alleviation, 2007-12). Under the banking model of the Self-Help Group, which was initiated by NABARD in 1992, self-help groups of women are formed in villages and are financed by banks. On the other hand, under the MFI model SHGs are formed and financed by the MFIs that obtain resource support from various channels. In India, majority part of the micro credit function is performed by the Banking model i.e. by the SHG-Bank linkage programme. SHG-Bank Linkage programme which was started by NABARD was initiated with a pilot of 500 Self Help Groups have reached to nearly seven million groups and thus are
reflecting their exceptional growth and performance over the years (NABARD, 2013). Moreover, it is considered as the largest coordinated programme for reaching to the goal of financial inclusion in India.

REVIEW OF LITERATURE

Seibel and Parhusib (1990) revealed that the expansion of credit coverage through state interventions approach was based on the premise that rural micro entrepreneur were able to organize themselves. They needed subsidized credit for increasing their income and were too poor to serve.

Yaron (1994) proposed a framework combining the assessment of the financial self-sufficiency and outreach of MFIs. One the one hand, the author argues that state support and donations are a fundamental source of resources for newly established MFIs initially facing a negative cash flow. On the other hand, the author argued that the mobilization of savings was fundamental in the support of the expansion of more mature micro finance institutions, allowing for less government support and donations. Also, one key to success appeared was to be the introduction of social mechanism that lowered transaction costs, while supplying effective peer pressure for screening the loan applications and collecting loans.

Sangmi and Khaki (2012) revealed that there is a need for upscaling the microfinance interventions, so that the entrepreneurial talent of the poor is unleashed, in order to achieve the objective of inclusive growth and poverty alleviation.

Kaur (2013) studied about microfinance and women empowerment with reference to Punjab and revealed that SHGs have yet fulfilled the basic need of food, but there is a long way to go for SHGs to fulfill social needs also.

Rajendran and Raya (2014) examined about role of Non-Governmental Organisations in Micro Finance through SHGs revealed that NGOs and self motivation of women act as main motivational factors to join SHGs and NGOs play an important role for imparting training to start income generating activities. The study revealed that NGOs played vital role in the formation of SHGs and motivating women to join the groups and linking the groups with the banks for microfinance. But, Non-governmental Organisations played limited role in marketing the products of SHGs and release of subsidies

Gundappa and Mudakappa (2014) discussed about the Microfinance and Women Empowerment in the context of SHGs and concluded that commercial banks are playing a vital role for the provision of loan facilities to SHGs through SHG-Bank linkage programme in India.

Dash and Sanjay (2015) analysed the impact of micro credit on socio-economic empowerment of women. The study was based on both primary and secondary data and primary data was based on the field survey made in West Godavri based in the district of Andhra Pradesh. The study concluded that micro-finance has able to reach the unreached population of women which has further facilitated the poor women to perform their roles more better and take up the idea of micro entrepreneurship.

RESEARCH METHODOLOGY

The study is based on both primary and secondary data. For the purpose of the study, convenience sampling has been used for collection of data. The data has been collected from the population of the surrounding villages of Fatehgarh Sahib. For the purpose of the study, a sample size of 30 has been taken, to study the knowledge, satisfaction level of members and the extent of outreach of the microfinance in the villages under study. The secondary data, on the other hand, has been collected from the Handbook of Statistics on Indian Economy and from websites of RBI and NABARD. For the purpose of analysis, pie charts have been used to show the results.
OBJECTIVES OF THE STUDY

The main objectives of the study are:

1. To study the concept of microfinance macro environment and SHG-BLP as measure for financial inclusion.
2. To study the current regulatory framework of microfinance in India.
3. To study the extent of outreach of microfinance in India.
4. To study the performance of micro financing in rural areas.

Micro Finance in Macro Environment and SHG-BLP as Financial inclusion Measure

The microfinance sector is operating under a highly dynamic macro-political economy with various stakeholders involved directly or indirectly, starting from the Union Govt., State Govt. authorities, people’s representatives, media, regulator, banks and financial institutions, and people at large. Moreover, because of its client base which is largely the core poor segment of the population, it has always been a politically sensitive area. Therefore, the sector is subjected to multiple challenges, risks and uncertainties from time to time. This necessitates a facilitative and enabling environment for the MFIs to operate and provide uninterrupted financial services.

A number of policy related developments have taken place in recent years to address such uncertainties. By and large, the legal and regulatory framework for the MFIs is getting streamlined. This helped the sector in gaining investor confidence and thereby expanding the reach of MFIs to its clients.

To go upstairs in the process of consideration of SHG-BLP as a programme for financial inclusion, NABARD as been taking riding measures to reach its desired goal. To ensure this, a portion of the grant is provided to SHG members for opening up their accounts, providing training to the members. In addition to this, a separate fund known as “Financial Inclusion Fund” has been earmarked for microfinance activities and thus a sum of Rs. 49.41 crores from this fund was spent by NABARD for carrying out microfinance activities.

Regulatory Framework

In the aftermath of Andhra Pradesh crisis and subsequent to the Malegam committee recommendations, RBI came up with two significant notifications. One was to accord priority sector status to bank lending to MFIs and the other was the NBFC-MFIs Directions 2011. While the former covers bank lending to all kinds of MFIs, the later covers the NBFC-MFIs which are recognized as a separate category of NBFCs.

Both the regulations define qualifying assets, income criteria for borrowers, limits for indebtedness, targets for income generation loan, pricing structure including margin cap and interest rate cap, lending practices etc. MFIs by and large are compliant to the regulatory prescriptions made by the Reserve Bank.

Self Regulatory Framework

Apart from the above mentioned regulatory framework for NBFC-MFIs, a Self regulatory Organization (SRO) is also in place to bring a standard and acceptable level of performance, service and code of ethics. Furthermore, the SRO will ensure the effective monitoring of the functioning of NBFC-MFIs, their compliance with regulations and code of conduct and in the best interest of the customers. Following from the Malegam Committee recommendation to put self regulatory structure in place for the sector, RBI on 26th of November, 2013 has circulated a press release seeking the application from interested parties for recognizing as Self Regulatory Organization (SRO). The circular has stated that the SRO will have to adhere to a set of following functions and responsibility:

- Formulating and administering a Code of Conduct recognized by the Bank.
Having a grievance and dispute redressal mechanism for the clients.
Responsibility of ensuring borrower protection and education.
Monitoring Compliance with regulatory framework put in place by RBI.
Surveillance of the microfinance sector.
Training and awareness program.
Submission of its financials, including Annual Report to the RBI.

Presently, Microfinance Institutions Network (MFIN) is recognized as a SRO for NBFC-MFIs and strengthening the self-regulatory measures and other associations may also follow. However, the sector has proactively developed such measures since long and started adhering to them in spirit especially after the AP crisis. Some of the those measures were instituted by the industry associations, some at the instance of funders and investors while a lot of measures were taken up by the MFIs themselves.

Outreach of Microfinance in India

MFIs currently operate in 28 States, 5 Union Territories and 561 districts in India. MFIs with a smaller scale or regional focus have concentrated their operations in 1-2 states only whereas other MFIs have spread across a higher number of states in order to increase their size, scale and simultaneously mitigate concentration risk. MFIs operating in multiple states, in general, are typically larger in size and follow the legal form of an NBFC-MFI. List of 10 MFIs operating in number of states is presented in Table 1.

Table 1. Top 10 MFIs Operating in Number of Indian States/Union Territories

<table>
<thead>
<tr>
<th>Micro Finance Institutions</th>
<th>No. of States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ujjivan</td>
<td>24</td>
</tr>
<tr>
<td>Bandhan</td>
<td>22</td>
</tr>
<tr>
<td>SKS</td>
<td>19</td>
</tr>
<tr>
<td>Janalakshmi</td>
<td>17</td>
</tr>
<tr>
<td>Basix,</td>
<td>15</td>
</tr>
<tr>
<td>Share Microfin</td>
<td>14</td>
</tr>
<tr>
<td>Spandana,Asmitha</td>
<td>12</td>
</tr>
<tr>
<td>NERFL, Satin Creditcare</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: The Bharat Microfinance Report 2015

Table 2 shows the number of MFIs operating in various Indian States and the districts of the states in which are having presence of MFI operations. Further the table also demonstrates and shows the number of branches of micro finance institutions in various Indian States. Thus, it has been seen that the highest number of MFIs (37) are operating in the states of Madhya Pradesh and Maharashtra. On the other hand, maximum number of branches (1740) of these institutions has been set in the district of West Bengal.

Table 2. No. of MFIs in Indian States/UTs and No. of Districts with MFI Operation

<table>
<thead>
<tr>
<th>States/UTs</th>
<th>No. of MFIs Operating in the state (including those having Head Quarters outside)</th>
<th>No. of districts of the state where MFIs operate</th>
<th>No. of Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andaman</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>10</td>
<td>23</td>
<td>776</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>3</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>Assam</td>
<td>19</td>
<td>24</td>
<td>552</td>
</tr>
</tbody>
</table>
Table 2. No. of MFIs in Indian States/UTs and No. of Districts with MFI Operation (Contd….)

<table>
<thead>
<tr>
<th>States/UTs</th>
<th>No. of MFIs Operating in the state (including those having Head Quarters outside)</th>
<th>No. of districts of the state where MFIs operate</th>
<th>No. of Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bihar</td>
<td>28</td>
<td>38</td>
<td>915</td>
</tr>
<tr>
<td>Chandigarh</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Chhattisgarh</td>
<td>17</td>
<td>16</td>
<td>248</td>
</tr>
<tr>
<td>Dadra &amp; Nagar Haveli</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Delhi</td>
<td>13</td>
<td>7</td>
<td>70</td>
</tr>
<tr>
<td>Goa</td>
<td>3</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Gujarat</td>
<td>22</td>
<td>23</td>
<td>386</td>
</tr>
<tr>
<td>Haryana</td>
<td>13</td>
<td>19</td>
<td>129</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>4</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Jharkhand</td>
<td>19</td>
<td>23</td>
<td>231</td>
</tr>
<tr>
<td>Karnataka</td>
<td>29</td>
<td>30</td>
<td>1016</td>
</tr>
<tr>
<td>Kerala</td>
<td>13</td>
<td>14</td>
<td>220</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>37</td>
<td>48</td>
<td>870</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>37</td>
<td>35</td>
<td>980</td>
</tr>
<tr>
<td>Manipur</td>
<td>8</td>
<td>9</td>
<td>45</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>7</td>
<td>6</td>
<td>26</td>
</tr>
<tr>
<td>Mizoram</td>
<td>4</td>
<td>8</td>
<td>34</td>
</tr>
<tr>
<td>Nagaland</td>
<td>2</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Odisha</td>
<td>26</td>
<td>30</td>
<td>742</td>
</tr>
<tr>
<td>Pondicherry</td>
<td>11</td>
<td>3</td>
<td>17</td>
</tr>
<tr>
<td>Punjab</td>
<td>7</td>
<td>17</td>
<td>93</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>21</td>
<td>33</td>
<td>287</td>
</tr>
<tr>
<td>Sikkim</td>
<td>3</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>34</td>
<td>32</td>
<td>1377</td>
</tr>
<tr>
<td>Tripura</td>
<td>6</td>
<td>6</td>
<td>99</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>23</td>
<td>70</td>
<td>1063</td>
</tr>
<tr>
<td>Uttarakhand</td>
<td>13</td>
<td>10</td>
<td>95</td>
</tr>
<tr>
<td>West Bengal</td>
<td>35</td>
<td>20</td>
<td>1740</td>
</tr>
<tr>
<td>Total</td>
<td>561</td>
<td>11687</td>
<td></td>
</tr>
</tbody>
</table>

Source: The Bharat Microfinance Report 2015

Regional Outreach of MFIs

It can be inferred from the pie chart that, out of the total cliental base of 371 lakh, Southern area alone contributes to 39% followed by 25% in East. Central region and West have 15% and 11% of total outreach respectively. Northeast and North have the least client outreach numbers with 6% and 4% respectively.
ANALYSIS AND INTERPRETATION

Distribution of Respondents According To Literacy Level

The Respondents were distributed according to their literacy level and it is found that 80% of the sample population taken for the study are literate, and only 20% of the sample population are literate. Thus, it reflects at least the positive effect of the steps that are being taken by the government for making the population literate, which is an utmost need of the hour and which is the first and foremost step for the development of our economy and country as a whole because it is the basic and important barometer for a developing nation.

Distribution of Respondents According To Educational Qualifications

Figure 1 shows that 43 per cent of the respondents are 10+2. The percentage of respondents who are only 10th is only 5 per cent. On the other hand, 19% of the respondents are found to be 19% and 33% are Graduates.

Distribution of Respondents According to Their Knowledge of Micro-Finance

Figure 2 shows the distribution of the respondents according their knowledge of Microfinance. It can be seen that majority (80%) of the respondents are having knowledge about the concept of microfinance. Only 20% of the respondents are there who are not aware about the concept of microfinance.
Distribution of Respondents According to Their Knowledge of Micro-Finance

It is found from the study that mostly the respondents had come to know about the concept of microfinance from their friends (46.67%), 40% of the respondents came to know from their Neighbors, and around 23% of the respondents came to know from their relatives. On the other hand, it about 3 persons of the respondents were there who came know from SHG Representatives and others respectively. This is shown in figure 3.

Distribution of Respondents According to Their Knowledge about Schemes of Microfinance

It is inferred from the figure 4 that out of the total respondents 63% of them have awareness about the employment scheme of microfinance, followed by 30% of the respondents who are having knowledge of micro credit, yet another 13% of them are having knowledge about saving scheme and the rest of 13% only are having awareness about micro insurance.
Knowledge about SHGs

It can be seen in the figure 5, that maximum i.e. 97% of the respondents are having knowledge about SHGs and thus only 3% are not aware about the concept of SHGs.

Distribution of Respondents According To Their Training After Joining Shgs

Figure 6 reveals that, among the total respondents 70% of them got training after joining SHGs and only 30% of them are there who did not any training after joining the Self help groups.

Distribution of Respondents According To Their Satisfaction Level

Figure 7 reveals that out of the total respondents, majority i.e. 86% of the respondents are satisfied with the functioning of the group and thus only 13% are not satisfied with the functioning of the group. It reflects the best practices of the Self Help Groups being run by NABARD.
FINDINGS AND CONCLUSION

Based on the analysis of the primary data it has been found that no doubt the respondents are aware about the concept of microfinance and SHG-BLP, but they are not benefitting from these programmes, i.e. it is seen that they are either not getting training after joining the self help groups or they are not learning new skills after joining this programme. So steps should be taken to make the self-help group bank linkage programme qualitative and effective, so that more and more people are attractive towards this programme to make their livelihood better.

The training programs for the SHG members should be designed in such a manner, that, members can benefit out of their strengths and overcome their weakness and should provide special assistance for selection of procedure / service so that members can be in a position to perceive and respond to various profitable opportunities. The commercial banks should give wider publicity on the availability of the credit facilities that can be offered to the SHGs. Government should also play an important role in that and it can give information to the public through the District Development Authorities and the lead bank. The bank officials can give more information on the procedures in getting the loan, utilization of loan amount repayment and other related information in securing the credit. Simple procedures ensuring of no delay in sanctioning the required and appropriate amounts of loan should be there, only then this encouragement will be able to blossom the livelihoods of the poor and may thus enable the women to form more SHGs in their locality. Moreover, Government should also, make the rural people to realize that the SHGs are the main medium for rural employment generation, Encouragement and support by the Government will solve the problem of rural unemployment. The entrepreneurial abilities are realized by everyone and India needs rural entrepreneurs to solve the employment problems. This would thus pave a way for women empowerment in India.

On the other hand, it has been seen that maximum number of microfinance institutions have been set up in Madhya Pradesh and Maharashtra district and maximum number of branches has been set up in the West Bengal district. Thus, it can be inferred that a number of steps has been stepped up by the government to imprint and rear up the presence of micro finance institutions and their branches in different states and their respective districts in India. This will help the government to use SHG-BLP as an effective tool for linking the unbanked population to the banks in every state and district. In whole, it can be said that, indeed microfinance has been proving and can become a perfect tool for financial inclusion in India.

REFERENCES


ANALYSING TRANSPORTATION COST AND DURATION OF STAY OF TOURISTS

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ABSTRACT
Travel and tourism is the largest growing industry in the world, it also contributing handsome share in generating employment globally. It remains a main religious, recreational, social and business interests viz a viz human urge adventure, education, and entertainment. It results into economic development and has the potential to induce other sectors of the economy across synergistic through its backward and forward linkages. Along with other indices transportation is also a major segment of tourist activity across the globe. This study explores the tourist expenditure on transportation to Shahdra Shrief of District Rajouri of State J&K.

Keywords: Tourist; Mode; Transportation; Pattern; Expenditure

INTRODUCTION
Studies show that travel related characteristic is one of the most influential variables affecting tourism expenditure patterns. Studies in past across the world also shows tourist’s viewpoint that the expenditure amount is influenced by the characteristics of a trip and its utility. Travel related characteristics includes size of travelling party, length of stay, travel purpose/motive, previous visits, mode of travel, place of residence, type of accommodation, transportation mode, composition of travel group, etc.

OBJECTIVES
1. To know the mode of transportation of tourist visiting to Shahdra Shrief Shrine Rajouri J&K.
2. To explore the average expenditure of each tourist on transportation to Shahdra Shrief Shrine Rajouri J&K.

HYPOTHESIS
$H_0$: Mode of transportation of tourists and expenditure of tourists to Shahdra Shrief Shrine are two completely separate indices.

METHODOLOGY
Responses of 734 tourists have been gathered from the tourist visited to Shahdra Shrief Shrine. Data is analysed by using very basics statistical tool like percentage, frequency distribution and average, phi chart has been used with the help of SPSS and Excel.
REVIEW OF LITERATURE

Literature on the transportation of tourists across world is available in wide range of activities; few of studies have been discussed here under.

Kim W.G., Kim, T., Gazzoli, G., Park, Y,. Kim, S.H,.Park,S.S,. (2011), Studies the factor affecting travels expenditure of visitors in Macau. Tobit analysis was employed to examine the determinants of visitors’ travel related Expenditure categories. The findings disclosed that tourists who were married, had a higher education background and household income and were in a large party tended to spend more on total travel-related expenditures. Study also showed that independent tourists spent significantly more on meals, lodging, entertainment, gambling, local transportation and sightseeing. Study suggest that Macau tourism bureau should take full advantage of attracting more male travellers from mainland China, who generate higher revenues to tourism and hospitality firms. Another important implication to destination marketers is that Macau should shift its marketing efforts from its heavy reliance on group tourists from mainland China and Taiwan to independent travellers, who were found to make higher economic contributions to the Macau tourism industry.

Wang et al (2006) found that household income was a important factor in explaining tourist expenditures on eating's and in restaurants, and their findings were consistent with those of some previous studies.

As per reports of tourism statistics - expenditure, accommodation took up the largest share of the tourism budget of European residents. Accommodation took up 37% of tourism expenditure, while transport accounted for 32% and miscellaneous other costs for 31%. Talking about European tourists, the share of transport expenditure was higher by 10 percentage points for outbound trips than for domestic trips. The difference in the share of accommodation expenditure was less important (+6 percentage points for outbound trips).

On average, expenditure per trip was higher for trips for which the main accommodation was rented. The average cost of trips spent at hotels was EUR 564 (as compared to the overall average of EUR 353) while trips spent at an own holiday home cost EUR 167 and those spent at accommodation provided free of charge by friends or relatives cost EUR 155. For trips where the main means of accommodation was rented accommodation, the average expenditure per night on accommodation was EUR 43 – ranging from EUR 21 per night for trips spent mainly at campsites to EUR 56 for trips spent mainly at hotels.

According to Laesser and Crouch (2006) level of tourism expenditure is explained by the objective elements of any trip i.e. place of origin or country of residence, consumer perception, choice of destination, number of companion on the trip, total duration of the trip, mode of travel and type of accommodation, as well as by the trips subjective elements i.e. travel motivation.

Laesser and Crouch (2006) also investigated that the relationship between overall expenditures on travel and the characteristics of a trip (eg. duration of trip, type of accommodation, etc) and the reason for travel. Their finding shows that visitors who had different purpose i.e. conference or a beach holiday and different types of visitors i.e. group tours or individual tours had different expenditure patterns. However, Laesser and Crouch (2006) did not divide the expenditure into specific categories such as accommodation, transportation, food and beverages, etc. They analysed overall expenditure with regard to characteristics of a trip, the reasons for travel and the influences for travel.

Wilton and Nickerson (2006) found that, in order to conduct an economic impact study, detailed visitor expenditure data remains a key input, and it was also an important device for destination branding and tourism policy makers. The categories of visitor expenditure surveyed during visits in Montana included broad spending items; lodging, restaurant, bar, groceries, gasoline, entrance fees and campground. Their study found different expenditure patterns between first timers and repeated visitors: average daily expenditures of repeat visitors were higher than those of first-time visitors. Repeat visitors also stayed nearly two days longer than first-time visitors.
Tourism and travel leads to, many developmental activates in downtrodden and forbidden areas across the world. Tourism including travel has an impact in all areas where tourists visit. Tourist expenditure can be analysed by incorporating all major tourist indices which includes accommodation, transportation, dining, purchasing etc. In this section transportation related expenditure is analysed here under from the tourist who visit to Shahdra Shrief Shrine, Rajouri J&K.

**Mode of Transportation**

Mode of transportation remains a great concern for all visitors as Shrine is located in the interior of the foot hills of the Pir-Panjal in Thanamandi Tehsil of Rajouri. As this activity of transportation also determines the expenditure of Pilgrims to Shahdra thus their spending on transportation one way or another turn out to be the source of earning for transporters operating in Shahdra and Rajouri as well.

<table>
<thead>
<tr>
<th>Mode of transportation</th>
<th>Pilgrims</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus</td>
<td>222</td>
<td>30</td>
<td>30.2</td>
<td>30.2</td>
</tr>
<tr>
<td>Matador</td>
<td>42</td>
<td>5.7</td>
<td>5.7</td>
<td>36.0</td>
</tr>
<tr>
<td>Tata Sumo/Tempo Travel</td>
<td>221</td>
<td>30.1</td>
<td>30.1</td>
<td>66.1</td>
</tr>
<tr>
<td>Private Car</td>
<td>203</td>
<td>27.7</td>
<td>27.7</td>
<td>93.7</td>
</tr>
<tr>
<td>Any other mode</td>
<td>46</td>
<td>6.3</td>
<td>6.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>734</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 1. Mode of Transportation of Respondents**

<table>
<thead>
<tr>
<th>Expenditure incurred on Transportation</th>
<th>Pilgrims</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nothing</td>
<td>36</td>
<td>4.9</td>
<td>4.9</td>
<td>4.9</td>
</tr>
<tr>
<td>Rs. 100 - 500</td>
<td>382</td>
<td>52.0</td>
<td>52.0</td>
<td>56.9</td>
</tr>
<tr>
<td>Rs. 501-1000</td>
<td>88</td>
<td>12.0</td>
<td>12.0</td>
<td>68.9</td>
</tr>
<tr>
<td>Rs. 1001-1500</td>
<td>51</td>
<td>6.9</td>
<td>6.9</td>
<td>75.9</td>
</tr>
<tr>
<td>Rs. 1501-2000</td>
<td>60</td>
<td>8.2</td>
<td>8.2</td>
<td>84.1</td>
</tr>
<tr>
<td>Rs. 2001-5000</td>
<td>84</td>
<td>11.4</td>
<td>11.4</td>
<td>95.5</td>
</tr>
<tr>
<td>More than Rs. 5000</td>
<td>33</td>
<td>4.5</td>
<td>4.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>734</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
From the above table 1, it has been found that, almost 30% each of pilgrims travelled by through Bus and Tata Sumo/Tempo. Some local visitors also visit to the shrine by walking without using any mode (vehicle) for transportation. Another, section of devotees visits to Shrine with bare feet to show gesture of their faith and devotion, though their number is small but both of these group account 6% of the total. Besides them 27% pilgrims also travel through their own vehicles and remaining 6% travel through Matadors.

**Expenditure incurred on Transportation**

Distribution Table 2, shows that more than half of the pilgrims spend Rs. 100 to 500 on transportation, and 12% pay out Rs. 501 to 1000 for transportation and 11% spend Rs. 2001 to 5000. Beside them some pilgrims comprises of 7% and 8% of spend Rs. 1001 to 1500 and Rs. 1501 to 2000 on transportation related activities. On average maximum pilgrims spend Rs. 100 to 500 on transportation.

**Duration of the Trip**

Thousands of people visit to Shahdra Shrief Shrine throughout the year from State J&K and from different parts of the country. As bulk of the respondents belongs from the same area, therefore, majority of the respondents were on 1 day visit which represents 82% of the sample size. Table 3, shows that 13% visitors were on 2 days visit and 4% visitors were on 4 or >4 days journey. Only 2% of the total respondents comes under 3 days tour duration. Duration of visits which dominates respondent response was 1 day and least percentage comes under 3 days journey.

**Table 3. Duration of Trip**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Day</td>
<td>596</td>
<td>81.2</td>
<td>81.2</td>
<td>81.2</td>
</tr>
<tr>
<td>2 Days</td>
<td>93</td>
<td>12.7</td>
<td>12.7</td>
<td>93.9</td>
</tr>
<tr>
<td>3 Days</td>
<td>15</td>
<td>2.0</td>
<td>2.0</td>
<td>95.9</td>
</tr>
<tr>
<td>&gt;4 Days</td>
<td>30</td>
<td>4.1</td>
<td>4.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>734</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Average = 1 Days
Table 4 shows that majority of the pilgrims are on one day tour and they spend money on travel in a pattern Rs.100 to Rs.500, Rs.501 to Rs.1000, Rs. 1001 to Rs. 1500, Rs. 1501 to Rs. 2000, Rs.2,001 to Rs. 5,000 and more than 5,000 in a day and their percentage spending of one day visitors was found to be 83%, 72%, 72%, 82%, 88%, 79% 58% respectively. There are some visitors who did not spent on travel. Beside them there are pilgrims who are on two, three and four and more than four days tour and they spend 13%, 2% and 4% respectively on their tour.

Chi square test in above table also reveals that duration of the trip and spending on travelling has an association with each other’s which is significant as p < 0.05. The table also shows that chi-square value, is 61.02 (df=18, N=734), as p<0.05 is significant at 18 degree of freedom showing, that there is significant difference exists between duration of the tour and expenditure on their travelling.

CONCLUSION

Maximum tourist uses buses, tempo/tata sumos for travelling to Shahdra Shrief Shrine. There are also large segments of tourist who use personal car/vehicle to travel to Shahdra. Thus it has been proved that mode of transportation and their expenditure are not completely separate but dependent activities. It has also be found that more than 50% tourist expend Rs. 100 to 500 on transportation activity, remaining 12% spend Rs.500-1000, 11% Rs.2000 to 5000 ect. Average expenditure of each tourist on transportation to Shahdra is Rs. 300. It has also be found that more than 80% tourist stay only one day at Shahdra Shrief Shrine. Thus there is need to do something so that their duration of stay may increase which would result into more economic gain to the residents of Shahdra. As it also has been proved, that duration of the trip and spending on travelling has an association with each other.

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THE IMPACT OF ENVISIONETHICAL LEADERSHIP AND TRUST IN LEADER ON JOB SATISFACTION

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ABSTRACT

The aim of this study is to examine the impact of envision ethical leadership and trust in leader on job satisfaction. For this aim, in the theoretical part, ethical leadership, trust, trust in leader, and job satisfaction are explained. In the application part, a questionnaire including the measures of the ethical leadership, trust in leader and job satisfaction is distributed to middle level managers working in the member of Corporate Governance Association of Turkey companies applying corporate governance principles. It is found that perceived ethical leadership and trust in leader have a positive impact on job satisfaction, and trust in leader has a Mediating role between the relations perceived ethical leadership and job satisfaction.

Keywords: Ethical Leadership; Job Satisfaction; Trust; Trust in Leader

INTRODUCTION

Leadership within the boundaries of organizational studies has been emphasized by many researches. To reach the objective of affective governance in organizational circumstances, the leaders’ visions, missions and methods are very crucial in the theory of leadership. The process, through which leadership is exercised, increases or reduces the probability of wealth creation, not only for established organizations but also for the employees. For this reason, the exercised leadership behavior is crucial in forming and maintaining competitive advantage, sustainable profitability, and satisfactory employee performance. It should be noted here that leadership is an attribution which relies on the perception of the followers. For this reason leaders become leaders not because they are assigned by the organizations to certain departments to lead, but because they are accepted and perceived by their followers as a leader. Thus a leader should

Provide the followers vision, motivation, inspiration, integrity, transparency, optimism, trust, ethical standards and most important than all intellectual stimulation through charisma to

Accomplish these goals. Considering these aspects, existing literature provides us “trust,” as one of the main elements yielding to effective leadership in organizations. Studies draw attention to the importance of trust which fosters and enhances follower workout comes in relation to exercised leadership behaviors [1]-[4]. The implications of trust on both individual and organizational effectiveness have been mental programming of the people from differentiating

Environments show differentiating attributes, taking into account the cultural context within which leadership is exercised is crucial when attempting to understand mediating relationships with performance outcomes. Correspondingly, attributes that are consistent with one culture may not be consistent within the boundaries of another culture when thinking, the kind of leadership behavior that is accepted, enacted and effective. This culture-specific view, not only
Calls for the necessity for differences in management practices as well as expectations from the leaders, but also a deeper understanding on exploring the mediating role of trust in leader in collectivist cultures like Turkey. This study proposes that ethical leadership has an important effect on job satisfaction and trust in leader. Through exploring the mediating role of trust in leader, this study aims to provide a new perspective in contemporary leadership styles and the Formation of trust.

LITERATURE REVIEW

Definition of Leadership

The concept of leadership has long been of interest of many schools from philosophy to history, science to management. With more than 350 definitions attempting to define and emphasize the contextualized nature of leadership, the definition and conceptualization of leadership as a separate discipline has been difficult to distinguish. Leadership is different from management. Adopting a much broader perspective; “leadership is a process of interaction between leaders and followers where the leader attempts to influence followers to achieve a common goal” [6]-[7]. This interaction is multidimensional where both the leader and the follower affect each other. This influence drew attention to, can be assumed to be trust that a leader governs to influence subordinates, and subordinates influence the leader with their work outcomes (i.e.; job satisfaction) [8].

Job Satisfaction

Among the definitions of job satisfaction in literature, the widely used definition of job satisfaction has been defined by Locke (1976) as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience”[18]. Taking guidance from the theory, job satisfaction is a multidimensional psychological process, arising from the internal state of an individual’s feeling of satisfaction or dissatisfaction from the job. This internal state and as a result the attributed feeling, has affective (emotional) and behavioral and cognitive (evaluative) elements. Considering the factors related to individuals, individual’s loyalty to the Organization, experience, age and gender and education can be stated.

Trust In Leader

Consistent with Luhmann’s et al (1979) conceptualization, trust represents the level of confidence that one individual has in another to act in fair, ethical and predictable manner [29]. Showing similarities with interpersonal trust (defined by Nyhan and Marlowe et al. (1997 [29]) as the level of confidence that open individual has in another’s competence and his or her willingness to act in fair, ethical and predictable manner), trust in leader draw attention to the importance of The social exchange between parties, which differentiated for trust in leader as being the follower and the leader. In understanding trust in leader, the antecedents for trust in leader should be well defined. Considering differentiating theoretical perspectives in attempting to define the Antecedents of trust in leader, Dirks and Ferrin et al. (2002) [4], Zhu, Newman, Miao and Hooke et al. (2012) [30] noted that Organ, Podsakoff & McKenzie et al. (2006) [31], Burkeet al. (2007) [28]suggested frameworks that can not only define the antecedents of trust in leader but also develop interventions to provide trust between leader and the follower and in turn positively affect organizational work outcomes. In relation with the leadership styles being exercised, trust in leadership has been found to be a mediator between leadership styles and follower’s work outcomes.

Ethical Leadership

The decision making mechanism of ethical leaders relies on ethics and moral considerations. In other words, these leaders demonstrate and promote ethically legitimate conducts above all. The theory of ethical leadership suggests that these leaders demonstrate and promote the appropriateness of ethical behaviors through reward systems (reward and discipline). Taking a more transactional stand, ethical leaders demonstrate and promote ethics as a message through a proactive approach. Governing characteristics from various leadership frameworks like transactional, transformational and authentic
leadership styles, ethical leadership differentiates from these leadership frameworks by the priority it gives to ethics.

Trust

There has been a considerable research done in emphasizing the definition of trust throughout history. Gabarro & Anthony et al. (1978) defined trust as “the extent to which one person can expect predictability in the other’s behavior in terms of what is normally expected of a person Acting in good faith” [23]. While Griffin et al. (1967) defined trust as “having belief in someone or something without questioning, to achieve a desired goal in a risky situation”.

Drawing attention to the relationship between trust and risk (willingness to take risk), Griffin’s et al. (1967) definition of trust brought the extent to which a trustee is open to the actions of the other party [24]. Based on this dimension of trust, Mc Allister et al. (1995) defined trust as “the degree of which a person is confident in, and is willing to act on the basis of, the words, actions and decisions of another [25]. Drawing attention to the attempts to understand trust and the Manner in which trust can be promoted, scholars conceptualized trust differently due to the differentiating forms that it may take on (e.g. process, state, and traits) and due to differentiating levels it may exist in organizations (Team level, leadership level, and organizational level and Inter organizational level). Regarding this understanding, formation of trust may differentiate, depending on the level it may exist in organizations. For this reason, trust formation has been studied as an attribution process by some researchers like Ferrin and Dirks et al. (2003) [26].

RESEARCH DESIGN AND METHODOLOGY

The aim of this research is to examine the impact of perceived ethical leadership and trust in leader on job satisfaction, additionally, to analyze whether trust in leader has a mediating role between the perceived ethical leadership and job satisfaction relationship.

DATA COLLECTION PROCEDURE

The data collection procedure is done by a professional research company. The data is collected through assigned inquirers to visit the companies, applying corporate governance principles. In order to fulfill this task, the research company contacted the Corporate Governance Association of Turkey in order to reach the members of the organizations. Also through internet, the list of companies and the contact people are obtained.
CONCLUSION

Emphasizing the importance of leadership within the boundaries of organizational studies, exercised leadership behavior is crucial in forming and maintaining competitive advantage, sustainable profitability, and satisfactory employee performance. Providing trust, ethical and moral standards, motivation to pursue tasks and complying with employee job satisfaction and through advocating ideological values and visions, leadership enhances an organization. This study put forward that ethical leadership, by promoting and demonstrating ethical and moral conduct resulted in enhanced job satisfaction and trust in leader. Furthermore, this research put forward that trust in leader mediated the relationship between ethical leadership and job satisfaction partially. Regarding these findings, this research put forward that within the context of differentiating cultures, especially collectivist, eastern cultures like Turkey, where ethical and moral aspects are given high importance, ethical leadership styles by means of articulating a vision, providing individualized support and intellectual stimulation, and demonstration and promotion of ethical/moral conduct, build trust in leaders and foster follower work outcomes.

In summary, according to our sample, a leader seems to develop high degree of trust among his/her followers in order to elevate the effectiveness and efficiency of the organization that he / she work for. This effectiveness and efficiency can be fulfilled by high level of follower work outcomes; such as job satisfaction, job performance and lower rate of turnover. For this reason, developing a high level of trust in followers is a very important task to be fulfilled by the leader. On the other hand, a leader’s exercised leadership behavior is more important than the trust he/she tries to build in his/her followers. In other words, a leader’s strategy of exhibiting a leadership style is the key in elevating an organization’s effectiveness and efficiency. In this respect, this research might guide the leaders to define their strategies by exhibiting the specific leadership style that they should govern, causing high level of followers’ work outcomes. In this respect, this research proposes that ethical leadership could be recommended to be exercised, in order to reach the objectives of trust and enhanced follower work outcomes.

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ABSTRACT

In today’s era, digitalization has changed the way the businesses carry out their operations. The wave of digitalization, for instance, has enabled the business enterprises to manage their supply chain more efficiently and effectively, by making use of the existing digital landscape. The digital supply chains not only have the advantage of cutting down the accumulated cost of supply chain network but also have the advantage of reaching to their ultimate esteemed customers in terms of enhanced reliability, effectiveness and expeditiousness. The reaping benefits of this transformational model will be a blessing for the companies opting for this platform and will make the companies handicap not responding to the revolutions business era. The charismatic view of the proactive nature of management of Supply Chain using the digital platform, has received irresistible response from the business houses/companies, who are gushing towards the adoption of this gift of technology. The objective of our paper is to explore the companies engraving their supply chains with digital networks and building their business models in collaboration with the remodeling technology. We will also focus on studying the current ongoing issues of the supply chain management in the digital age and the challenges being faced by the companies opting this of remodeling of the supply chain. For the purpose of the study, mainly secondary data will be used i.e. concerned companies websites, journals, newspapers, articles, etc. But to explore further, an attempt will also be made to collect information by making a visit to companies, to understand their replica of supply chain model.

Keywords: Digitalization; Supply Chain; Transformational; Networks; Remodeling

INTRODUCTION

Supply chain management has become an important area of management of business enterprises. The concept supply chain implies the chain or the series of steps followed by the businesses to make their products available to the final consumers. For instance, first the product after the manufacturing goes from manufacturer to the distributor, who in turn passes on to the retailer and the retailer finally deliver it to the final consumer. This is termed as traditional supply chain, where there is physical flow of goods from one party to another and so on. But, with the changing time and with the updating technology, there is showering effect of technological upgradation on the business operations too. In other words, the effect of change has also entered into the management of supply chain networks by the companies. This is because of the ongoing era of the globalization, where the supply chain coordination of becoming global businesses has become a necessity for businesses but a harder to manage aspect for the businesses. Thus the need has arisen for management of supply chain by the companies for becoming more transparent which would help the companies to have real time information about each aspect, area or part of the supply chain. This whole chain of managing the supply chain in the digital world by the companies by adopting technology or networks and software, can be referred to as digital supply chain management or e-supply chain management. This digital revolution has made easier for the consumers to express their need and experiences about the products.
and services directly to the companies through networks. But the digital supply chain management has not less benefitted the businesses too, for whom the digital era technologies and softwares have emerged as a blessing to manage their supply chain networks nationally as well as internationally / globally. Thus, the companies which are recognizing the digital concept in their business operations for management of their supply chain will eliminate the supply chain process silos and will enjoy and embrace the fruit of increase visibility of their supply chains and will have a real time and better control by synchronized processes along the supply chain. This all will be possible for the companies by adoption of the new technologies which will enable the companies to have real time supply chain information and will ensure excellence in to the companies in every aspect of their operations of supply chain. In the whole, the digital aspect of the supply chain or the management of the supply chain networks by adoption of the updated information, communication and technology networks will be a boon for the companies by reducing their costs and by acting as a rising ladder in the ongoing competitive, globalised and digital era.

OBJECTIVES OF THE STUDY

Our primary objective of the study is to study the supply chain of the companies i.e. how companies are managing their supply chain in the global era and whether they are reaping benefits of the ICT or the digital platforms for conveniently and efficiently and effectively managing their supply chains. Thus our objectives of the study are as follows:

1. To study the companies using digital platforms
2. To study how those selected companies are managing supply chain

LITERATURE REVIEW

Not much study has been conducted in the field of digital supply chain management, but certain studies that has been made in the field of supply chain management is as follows. Griffin, Paul., and Thomas, Douglas.(1996).in their study about ‘Coordinated supply chain management’ concluded that independently managing facilities in a supply chain may prove poor for the companies, because of the opening up of the markets in the era of globalization which is adding complexity in the supply chains and thus with advances in communication and information and technology , the firms are having an opportunity for making savings in their logistics costs. Lee, Hau and Whang, Seungjin.(2001) in their study ‘E-Business and Supply Chain Integration concluded that the companies that will make use of e-business to redefine their supply chain integration will achieve significant increases in their efficiency and will gain competitive advantage over other companies. Chandra, Pankaj and Tirupati, Devanath (2002) in their paper titled ‘Managing Networks in the Emerging Networks-The story of Amul have studied the unique supply chain network and business model of the Amul. Swaminathan, Jayashankar (2006) in their study about Managing Supply Chains in India studied the opportunities and challenges faced by the companies in managing their supply chain. Alzubi, Haitham (2010)studied on about ‘Applying Electronic Supply Chain Management Using Multi-Agent System: A Managerial Perspective’ reviewed the recent trends of supply chain management in the perspective of e-commerce.

RESEARCH METHODOLOGY

For the purpose of our study, we have used secondary data i.e. we have chosen the companies which are renowned for their best supply chain management and have taken information from the their respective websites and related articles and brochures of companies and to explore further Primary data has also been utilized by visiting companies like Philips, Verka and Saffron Medicare Pvt. Ltd and interviewing from their respective supply chain managers to have an idea of how they are utilizing technology for managing their supply chain.

The Following Section will focus on the selected companies and their way of managing supply chains in the digital era.
Philips- Philips Company, a Netherland based company which in our lives is famous and known for its lighting business, is smartly managing its supply chain by mainly using ERP software i.e. Enterprise Resource Planning and thus they are not only conveniently and effectively managing their supply chain but also are reaping the benefits of efficiency in terms of reduced costs. The company said that with the help of ERP software, it has become easier for them to manage every aspect of supply chain, be it in the field of sales accounting, stock accounting or making estimates about the inventory level. Some of the areas where the company is reaping benefits are as follows:

1. Stock accounting has become easier for the company in the sense that they are having visibility of stocks at different depots and their consumption pattern.

2. For Sales Accounting, the managers can have a view of daily invoicing taking place across the country which helps in determining how much stock is consumed and how much is required to refill the stock levels.

3. For determining raw material consumption, ERP provides the company about the information of daily consumption of raw materials on daily basis which results in auto PO(Purchase order) creation for further ordering, thus making the company pro-active and managing their supply chain effectively.

This all has become possible for the company about having information about every aspect and part of supply chain by sitting at one place and using digital platform.

Verka- Verka Company which is known to us as a dairy product company has also not lagged behind for reaping the fruits of digital platform. Though, it is not at its advanced stage for adaptation of digital platforms, but still it has started using networks and softwares for order management. The verka company is using SAP and is mainly used by the company for order management. For example, earlier at verka plant they used to manage orders manually and generate invoice slips to different dealers. But now, with the help of software the order schedule making i.e. how much order has to be sent to which dealer and how many trucks are required to be sent at which place has become easier for the companies.

Saffron Medicare Pvt. Ltd.- It is a marketing company which gets its products manufactured from various manufactures as per their own banners. The company is using Marg software which has all the features of ERP. This software is helping the company for timely order fulfillment for various areas and has proved as an effective and efficient system for the company for managing its supply chain. For example, otherwise without this software the whole process of order management would have been time consuming and costly. Moreover, it also provides real time information to the company’s headquarter wise, about how much supply/order has been sent and from where payment has been received and so on. And thus, overall, as the company is able to get area wise reports regarding orders, it has prevented the company from delays in the order fulfillment.

Amul- Amul which was formed as a dairy co-operative movement in India and which had formed apex co-operative organization called Gujarat co-operative Milk Marketing Federation (GCMMF), is integrating its supply chain with the technology from many years. The earlier initiative was taken in the form of AMCUS(Automatic Milk Collection System Units) at village level which it has been utilizing to capture member information, milk fat content, volume collected and amount payable to each member. Then, it has also been using ERP software for effective market planning including promotion planning and distribution planning. This has enabled amul to connect its main office with other offices set up at different regions or states and thus those offices can continually update the records regarding sales and inventory levels, which will also be visible at its main office at Gujarat. Thus, the use of ERP has enabled Amul to have real time information about sales and inventory levels of every region where its offices are located. Moreover, for getting real-time location and vehicle activity, it has installed GPSAVL technology integrated with premier mapping technology on all its milk collection tankers, which provides the fleet managers of Amul the control that is required to
manage their daily milk collection operations. In a recent move, Amul has taken initiative to adapt to ‘Business Intelligent System’ which is a move taken by Amul to make its entire supply chain more transparent. This move has been planned the cooperative to be implemented in a phased manner and in overall three phases. Thus, this, digital platform, will not only help the federation to make its supply chain more transparent but will also be beneficial for the government while deciding and taking initiatives for providing grants and subsidies to the farmers.

**Mahindra’s-** Mahindra Company which was founded as a trading company and with time which forayed and diversified its business into many new areas like automotive, retail, rural finance etc, has also re-engineered its supply chain processes to reap the benefits of technology and manage its business effectively and efficiently in the globalised era. For this, the company has been utilizing softwares of digital platform like SAP’s APO, SRM, e-tracking etc. Adoption of these softwares has helped the company to reduce its overall costs for supply chain management apart from increasing the satisfaction of customers. This all has also helped the company to reduce its required inventory levels. Earlier, for example, the production scheduling and material procurement of the company was done by each of its plant respectively but with the adoption of digital platform i.e. by using APO (Advanced Planner and Optimiser), this has become easier for the company as this helped the company by generating the schedule regarding the materials supplies to the plants and also from on plant of the company to another plant. Thus, it helped the company to reduce its overall time for planning and scheduling to a great extent. To make its production scheduling more accurate and transparent, the company has also installed GPS in its trucks, for the purpose of e-tracking to carry out its production scheduling on the basis of inventory in transit rather than on the basis of vendor commitment. This not only helped the company to improve its product scheduling to avoid over production but also helped it to reduce its transit time by making aware the truck drivers who will no more can make un-necessary stop/delays in transportation. On the other hand, to keep an eye on the suppliers, which constitute an important element and part of the supply chains, the company introduced SRM module of the SAP software. This has made easier for the company to analyze the performance of its suppliers regularly in terms of how much order has been accepted by the suppliers and moreover the company can also have an eye on the shipping notifications for the materials in transit and so on.

**ITC-** ITC, a diversified portfolio of companies i.e. a company which has its presence in a number of businesses like tobacco, retailing, hotels, commodity export, hotels etc. is one of the companies which has made use of the digital platform in a different and smart way. For instance, ITC in its agribusiness has utilized the ICT platform in a smart way by the introduction of e-Choupal. Choupal implies village, so e-choupal is an initiative taken by the company to connect to villages through internet platform, and thus re-defining its agro-supply chain. In other words, this is a medium which is being used by the company through the creation of electronic portals in small villages, with the help of which farmers are able to get the latest information about the modern farming practices, market price, weather conditions. This has enabled the company to form a direct link with the farmers via e-portals thereby reducing multiple layers of supply chain. Thus, it has not only benefitted the farmers in terms of better prices and more profits, but also to the company in terms of proximity with the farmers and lower costs for management of its supply chain in agro-business. This whole initiative has been made possible with the blend of software applications i.e. CRM and SCM.

**Maruti Suzuki-** Maruti Suzuki Company, which has been considered best and which has always been favoured by Indian consumers, has been taking continuous efforts for integrating its supply chain to make it more effective and transparent. The company has been using e-Nagare system for managing its inventory level and for replicating the just-in-time inventory system of Japanese origin. This system has helped the company to achieve higher levels of operational effectiveness and thereby for reducing its inventory carrying costs. This electronic flow system that has been adapted has helped the Maruti to wholly and completely transform its supply chain. Not only this it has its fully automated warehouses which gives real time information to the company about loading-unloading and pick-up and carry of the equipments. Besides this it has also been using a combination of other programmes and softwares
like Unix Shell programming, Oracle, .Net and others to bring out more transparency in its supply chain. These all provides the company a real time information about the entire supply chain beginning from the order of the distributor to the production and finally upto the shipment. Not only this system is beneficial to the company but also to the distributors connected with company, as these softwares enable transfer of information regarding orders and dispatch status t the distributor too.

**Samsung** - Samsung Electronics, which is a leading Korean company and which is having its footprints in the global marketplace and which has been ranked 1st and best by the research firm-Gartner in the Asia pacific region for its best supply chain management globally, has been carrying out innovative projects to strengthen its supply chain. To move towards its vision of becoming a Global Value Creating company, the company has adopted an Integrated Global S-ERP System to standardize its business processes between the headquarters and the overseas bases. This system has enabled the company to augment its risk management activities by making it possible for the company to share its management information on a real-time basis. Not only this, the system has facilitated the management and monitoring of its business operations globally by providing it with the real-time information about every aspect of its supply chain, be it about the sales or other financial information. Thus, every employee has a real time information managed by this system anytime and thus has made possible for the company to respond to the dynamic global business environment on timely basis.

**FINDINGS AND CONCLUSION**

Thus, the phase of digitalization has changed the way of how the businesses/companies are managing their global businesses. It has come as a blessing for the companies for whom otherwise it would have been challenging and much difficult for managing their supply chain networks across different countries. The digital platform has enabled the companies to have real time information about their every aspect, part and element of the supply chain, for instance by sitting at one place we can have access to every information about stock levels at various places, number of orders pending and fulfilled at various place of business, number of goods or products in transit i.e. e-tracking has been made possible by adoption of GPS on the transportation vehicles of the companies and so on. No doubt, the companies have moved towards digitizing their supply chain to survive in the dynamic global era, but how well they are able to manage their supply chain makes a difference. For example, in the Asia pacific region Samsung was ranked 1st for management of its supply chain as it has been considered best for using practices like demand sensing and its shaping, segmentation and collaboration which helped it to manage the volatility in demand and thus delivering the company the best predicted results.

Therefore, in a whole we can conclude that the aspect of digitalization has emerged in the company’s supply chain as a transformational model which has changed the way businesses manage, plan and execute their every decisions across the supply chain. This model has not only come as a blessing for the companies but also for the consumers who can customize and fulfill their demands by sitting at their homes. For instance, the cyber store portal of amul enables the consumers to make order of amul products by sitting at their home. For all this, i.e for management of supply chain in the digital era, mainly ERP system is being used by the companies. It gives the new track to the businesses to run in a systematic way to handle each and every activity related to the business on a single track. Thus, indeed, the era of digitalization has come as a blessing and transformational model of the today’s era.

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PROBLEMS OF SMALL - SCALE AND COTTAGE INDUSTRIES IN INDIA
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EFFECTIVENESS OF 5S IMPLEMENTATION ON ORGANIZATIONS PERFORMANCE

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ABSTRACT

5S is a TQM technique used by organizations comes from five Japanese words; Seiri (sort), Seiton (set in order), Seiso (shine), Seiketsu (standardize), and Shitsuke (sustain). This system helps to organize a workplace for efficiency and decrease wasting and optimize quality and productivity via monitoring an organized environment. It also provides useful visual evidences to obtain more firm results. There is a real need for empirical studies in field of new management systems and their impact on company’s performance. As importance role of continuous improvement in today’s organizations, and lack of sufficient evidence to show the positive impact of 5S on organizational performance, this paper aims to identifying the effectiveness of 5S implementation on organizational performance and their attitude towards 5s. Surveying method is used and data collection is done by distributing questionnaire among general employees of the organizations which have implemented 5S techniques. The target organizations are chosen from different industries and diverse field of work. The results show that 5S is an effective tool for improvement of organizational performance, regardless of organization type, size, its production or its service. Consequently, 5S techniques would strongly support the objectives of organization to achieve continuous improvement and higher performance.

Keywords: 5S; Performance; Total Quality Management; Productivity

INTRODUCTION

Nowadays in this dynamic and technological world, the secret of surviving for any kind of organization is to be competitive and pioneer in its products or services. One of the main parts of this way to succeed is continuous improvement and increasing the quality of product or service. Usually, this improvement has been achieved through implementation of best practices which are chosen to meet a particular objective. With increasing of the competition in the world, two major challenges are in front of organizations’ managers: Firstly, in this competitive environment, managers have to make the best decisions and choose the best methods to achieve their objectives and not to lose very finite opportunities. Secondly, lack of knowledge is one of the most important problems of managers about familiarity with an appropriate method to successfully improve the performance of organization. In addition, the quality of performance also is vital to be evaluated and recognized. Such an evaluation can help managers to identify the improvement of performance. 5S is a way to improve the performance and organize the whole system which has been used first time by Japanese. It comes from five Japanese words start with S which is translated into English words to give the best explanation for them. As it will be discussed later, using 5S as a total quality management method is very effective and efficient for improvement of whole organization. It has dramatic impact on safety and environmental issues, loss of resources and many others that this study is going to investigate and prove( Arash Ghodrati, Norzima Zulkifli 2013).
OBJECTIVES OF THE STUDY

There are many practices in the world to improve the quality of products/services and performance of organizations, but generally companies looking for the best practice to implement and utilize for achieving their organizational goals and objectives easier, sooner and with less expenses.

This study aims to investigate the impact of 5S practices on employees as well as organizations performance. Accordingly, the main objective of the research of this research is:

1. To find out whether organisations following 5S TQM technique in their organisation.
2. To understand the benefits of 5S TQM implementation with respect to employee job performance.
3. To identify effectiveness of 5S implementation on the organization performance.

HYPOTHESIS FOR THE STUDY

H1: Implementation of 5S technique in organizations enhance systematic working process of organizations which leads to defect/error free products process and services.

LITERATURE REVIEW

5S in HRM- Dr. D.S. Uma and Mr. Aadharsh Kannan Oct-Dec 2010 highlighted in their article that 5S is required to be followed in HRM for the organization to reach the pinnacle of glory at the same time care should be taken so as not to impose it very rigidly on the employees. We are talking about an organization of professionals and not battalion of soldiers. Flexibility and freedom are the virtues that bring peace in a work atmosphere. Employers and managers must understand that and learn the art of deploying 5S in a more fun to do way so as to achieve the ultimate goal; Continual Improvement.

5S Model For Hotels- Dilek Acar Gürel (22 July, 2013) mention that in order to achieve quality and value objectives, hotels should integrate 5S components within a formal business model and thus take the synergistic advantageous. 5S enables all employees and managers, independent of the job title, to gain value-oriented thinking. Further, 5S supports the organizational integration quite essential for hotels. Based on quality pillars, 5S forms a robust ground for advanced quality systems and various innovations. This conceptual study offers an insight into 5S as a valuable business model with regard to hotels’ requirements. 5S model is analyzed as one of the methods which will satisfy the quality and value oriented management requirement of the hotels in place of the traditional applied practices.

5S Technique In The Activity Of Post-Sale Services In The Knowledge-Based Organization- Mihail Aurel Titu; Constantin Oprean and Daniel Grecu (January 2010) revealed that “5S” technique represents a fundamental technique which allows the enhancement of efficiency and productivity, while ensuring a pleasant organizational climate. After the interpretation of the results obtained in the Kaizen – 5S workshops, it has been confirmed that the implementation and application of the Kaizen concepts need no investments or major expenses, but only more attention paid to details and practical means to work intelligently. Philip B. Crosby introduced the concepts of ”Do it right first time ” and ”Quality is free” according to which ,, everything must be well done the first time and every time” and respectively ,, quality costs nothing – what costs is lack of quality”.

The Use of 5S in Healthcare Services- Fanny Y. F. Young September 2014 propose that 5S can be applied to healthcare services with beneficial effects such as cleaner, organized, efficient workplaces for enhanced safety and increased productivity; reduction of inventory and supply costs and recapturing of valuable spaces and minimizing overhead costs. Sustain is a key to success.

5S implementation and its effect on physical workload- Ayush Khandelwal, Prathik R., Rahul P. Kikani, Vigneshwaran Ramesh (September 2014) in his study indicated that the time consumed and energy expenditure was drastically reduced after the implementation of this methodology, which in turn had a positive effect on productivity. The analysis of the time consumed and energy expenditure for both the subjects after implementing the 5S organisational methodology clearly shows that this tool
has potential to deliver a positive impact on productivity. The results of the time study show that proper organisation and efficient material handling saves a considerable amount of time. The results of the energy analysis indicates to us that for a given work 5S methodology plays a vital role in saving energy, that is, after its implementation the energy required to carry out a particular activity would be less than the energy consumed before adopting 5S. The morale of the workers has been bolstered after the changes have been made, which certainly is a major factor for improvement in productivity.

Implementation of 5S management method for lean healthcare at a health center in Senegal: a qualitative study of staff perception- Shogo Kanamori, Seydou Sow, Marcia C. Castro5 Rui Matsuno, Akiko Tsuru and Masamine Jimba (April 2015) study participants indicated that, despite resource constraints and other demotivating factors present at the health center, the 5S program created changes in the work environment, including fewer unwanted items, improved orderliness, and improved labeling and directional indicators of service units. These efforts engendered changes in the quality of services (e.g. making services more efficient, patient-centered, and safe), and in the attitude and behavior of staff and patients.

A Study on Employee Opinion towards 5S Implementation in PGC Textile Corporation (P) Ltd, Tirupur- J. Shanmuganathan, S. Thiriveni Sripiya, A. S. SathishKumar (February 2014) conducted the study on 5s practices implemented in PCG Textile Corporation (p) Ltd, Tirupur. PGC Textile Corporation (P) Ltd is a garment manufacturing company which exports its products to national and international market especially to European countries. The company is more concern with quality standards and already got ISO 9000, ISO 14000 and SA 8000 related certification. At present, the company aims to improve productivity through quality improvement technique called 5S (Housekeeping method). 5S practice is one of the continuous improvement technique used to improve housekeeping, work efficiency, productivity and provide health and safety environment which leads to quality workplace. The five pillars of 5S commonly referred as (Sort, Set in order, Shine, Standardize, and Sustain). 5S is a process of carrying the work place systematically and gradually implementing housekeeping procedure to maintain structure and standardization in an organization. A well-organized workplace motivates people, in all levels of management to utilize various resources efficiently and effectively. The study is also focus with various activities adapted during implementation of 5S with the contribution and support by their employees. The article concludes on 5S methodology that needs to become an established practice in most of the industries with active support from the top management and employees. Understanding 5S and building a culture helps to develop a management strategy based on quality standards.

RESEARCH METHODOLOGY

An attempt has been made in this section to provide an insight on methods and assumptions used in the study to explain the procedure adopted in the research work and various steps that has been conducted. The study has followed descriptive research based on survey method. After investigating the implementation methods in literature review, it is realized that 5S has an effective impact on improvement of organization. Exhaustive literature review from national and international authors has been done to frame the hypothesis and to explore the variables which affect the systematic working process of the organizations. Secondary data collected from online databases like EBSCO, ProQuest, and Google, industry reports as available, newspapers, books and magazines. Literature has been reviewed and based on literature and a group discussion question has been framed. 10 Likert scaled questions based on 5s were asked from the employees from different organizations 450 employees from 23 companies responded to these questions. A structured questionnaire was administered to top management and general employees of the organisations, executives from various departments such as HR, sales and marketing, finance, manufacturing etc. have been taken into consideration. All attempts were made to conduct face to face interviews wherever possible. E-mail and telephonic interviews were also conducted with respondents.
Sampling method for this research study is based on simple random sampling. Simple random sampling is selected so that all samples of the same size have an equal chance of being selected from the entire population. It means that the questionnaires were distributed among employees of organization by random. 450 employees from 23 companies were surveyed to find the effectiveness of the 5s technique in the organizations. While surveying the general employees a care was taken to survey at least 5% of total employees of that particular unit of that company.

**DATA ANALYSIS AND INTERPRETATIONS**

Data analysis has an important role to verify the accuracy of hypothesis for each type of research. Today, for most researches that have relied on gathered information data, analysis has the most significant part of study. Now in this part, data collected from the real world will be analysed using SPSS software.

a) Reliability test has been carried out to test whether data is reliable for further tests or not by calculating α. Employees were asked 10 questions based on 5s system. 450 responses were found to be correct and analysed. This database tested for reliability. The Cronbach’s Alpha is .915 Cronbach alpha was also found by split half first 5 item have the Cronbach’s alpha as .815 and the second part (next 5 questions) has the Cronbach’s alpha as .909. There is a consensus that data is reliable if Cronbach alpha falls near .9. High Cronbach’s alpha means repetitive questions on the same issue as the questions has been asked on 5s system many of the responses, are but natural same.

b) Data was coded for Likert scaled questions to test the hypotheses. Hypothesis of the questions were tested by calculating t-value. The expected mean value of the responses is 5.5 as respondents have been asked to grade these questions. Table no.1 shows one sample t-test. Mean, std. deviation, std. error and t values have been shown in the table. Significance value with two tailed test have been shown in the last paragraph all 10 statements are statically significant at 1% level. The highest t-value is for the last statement i.e. in case of any problems/challenges there is SOP at place to handle it. It means people have written operation procedures which help them to solve the problem. The lowest t-test is for the statement (appointed personnel’s are given responsibilities to ensure that tools and machines are in good conditions) it clearly shows people have less interest in keeping the tools and machines in good conditions although statement is positive.

c) \[ Z = \frac{x-\mu}{s.d} \] where x is the mean and μ is the expected mean. This z value were calculated using one sample t-test using SPSS.

d) Confirmatory factor analysis has been done for question 1 to 10 for general employees. (Analysis has been done with R and lavaan) As mentioned in earlier sections employees were asked to grade 10 statements based on 5s systems that is Seri, Seiton, Seiso, Seiketsu and Shitsuke, these 5s were our predefined factors a confirmatory factor analysis was done as this researcher could not afford high cost commercial software’s for path analysis. R was learned using Lavaan library and a path was established as shown in Chart-1 and the relationship has been established as follows:

Seri<- Q.1  
Seiton<- Q2, Q3, Q4  
Seiso<- Q5, Q6, Q7  
Seiketsu<- Q8  
Shitsuke<- Q9, Q10
### Table 1. One-Sample Statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>T</th>
<th>Df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All employees at their respective workplaces or offices contribute in removing unnecessary items which are not required in day to day tasks.</td>
<td>450</td>
<td>7.77</td>
<td>2.471</td>
<td>.116</td>
<td>19.498</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>All the temporary repairs items are conveniently available at the work place.</td>
<td>450</td>
<td>7.50</td>
<td>2.794</td>
<td>.132</td>
<td>15.152</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>All the tools and machines are placed on designated places.</td>
<td>450</td>
<td>8.24</td>
<td>2.541</td>
<td>.120</td>
<td>22.854</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>All the materials are properly placed on racks &amp; marked for identification.</td>
<td>450</td>
<td>7.79</td>
<td>2.503</td>
<td>.118</td>
<td>19.399</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>Appointed personnel are given responsibilities to ensure that tools and machines are in good condition.</td>
<td>450</td>
<td>8.28</td>
<td>4.971</td>
<td>.234</td>
<td>11.873</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>The workplace is always clean and free from any clutter.</td>
<td>450</td>
<td>7.92</td>
<td>2.455</td>
<td>.116</td>
<td>20.952</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>All working places are painted and access to cleaning is excellent.</td>
<td>450</td>
<td>8.15</td>
<td>2.461</td>
<td>.116</td>
<td>22.810</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>All routines for cleaning are scheduled with a system</td>
<td>450</td>
<td>7.97</td>
<td>2.399</td>
<td>.113</td>
<td>21.872</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>All the instructions and procedures are regularly updated and published on designated billboards, signage areas that are visible to personnel</td>
<td>450</td>
<td>8.42</td>
<td>2.130</td>
<td>.100</td>
<td>29.098</td>
<td>449</td>
<td>.000</td>
</tr>
<tr>
<td>In case of any problems/challenges there is SOP at place to handle it</td>
<td>450</td>
<td>8.60</td>
<td>2.126</td>
<td>.100</td>
<td>30.975</td>
<td>449</td>
<td>.000</td>
</tr>
</tbody>
</table>

The estimate for these paths have been shown in table- 2.1 estimates for q1,q2,q5,q8 and q9 have not been calculated by system, q1 and q8 have only one latent variable for each. q2 q5 and q9 have errors as shown in chart-1, q5 has the highest error (19.52). q5 states that appointed personnel are given responsibilities to ensure that all tools and machines are in good condition this appears to be a case of highest controversy among employees, the next highest error in q2 which states that all temporary repair items are conveniently available at work place. Besides these two statements (including these two) the relationship between hidden factors and variables are statistically significant at 1% level. The estimates and variances among latent variables have been shown in tables: 2.1 and 2.2 Table- 2.0 says Lavaan first normally after 110 iteration. T-value for Chi square is .000. RMSEA (root mean square error of approximation) is 0.125 which statistically significant at1% level which means the model is reliable. The relationship between latent variables well established as z-values are very high.
Chart 1. lavaan (0.5-20) converged normally after 110 iterations

Table 2.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
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<tr>
<td>Number of observations</td>
<td>450</td>
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<tr>
<td>Estimator</td>
<td>ML</td>
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<tr>
<td>Minimum Function Test Statistic</td>
<td>217.171</td>
</tr>
<tr>
<td>Degrees of freedom</td>
<td>27</td>
</tr>
<tr>
<td>P-value (Chi-square)</td>
<td>0.000</td>
</tr>
<tr>
<td>Model test baseline model:</td>
<td></td>
</tr>
<tr>
<td>Minimum Function Test Statistic</td>
<td>4082.682</td>
</tr>
<tr>
<td>Degrees of freedom</td>
<td>45</td>
</tr>
<tr>
<td>P-value</td>
<td>0.000</td>
</tr>
<tr>
<td>User model versus baseline model:</td>
<td></td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>0.953</td>
</tr>
<tr>
<td>Tucker-Lewis Index (TLI)</td>
<td>0.922</td>
</tr>
<tr>
<td>Log likelihood and Information Criteria:</td>
<td></td>
</tr>
<tr>
<td>Log likelihood user model (H0)</td>
<td>-8753.977</td>
</tr>
<tr>
<td>Log likelihood unrestricted model (H1)</td>
<td>-8645.391</td>
</tr>
<tr>
<td>Number of free parameters</td>
<td>28</td>
</tr>
<tr>
<td>Akaike (AIC)</td>
<td>17563.954</td>
</tr>
<tr>
<td>Bayesian (BIC)</td>
<td>17679.013</td>
</tr>
<tr>
<td>Sample-size adjusted Bayesian (BIC)</td>
<td>17590.151</td>
</tr>
</tbody>
</table>
Root Mean Square Error of Approximation:

<table>
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<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMSEA</td>
<td>0.125</td>
</tr>
<tr>
<td>90 Percent Confidence Interval</td>
<td>0.110 0.141</td>
</tr>
<tr>
<td>P-value RMSEA &lt;= 0.05</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Standardized Root Mean Square Residual:

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRMR</td>
<td>0.030</td>
</tr>
</tbody>
</table>

**Table 2.1. Estimates of CFA**

Parameter Estimates:

| Latent Variables | Estimate | Std.Err | Z-value | P (>|z|) |
|------------------|----------|---------|---------|---------|
| Seiri =~ q1      | 1.000    |         |         |         |
| Seiton =~ q2     | 1.000    |         |         |         |
| q3                | 1.122    | 0.050   | 22.659  | 0.000   |
| q4                | 1.030    | 0.050   | 20.760  | 0.000   |
| q5                | 1.000    |         |         |         |
| q6                | 0.986    | 0.096   | 10.314  | 0.000   |
| q7                | 0.940    | 0.093   | 10.157  | 0.000   |
| Seiketsu =~ q8   | 1.000    |         |         |         |
| q9                | 1.000    |         |         |         |
| q10               | 0.952    | 0.048   | 19.625  | 0.000   |

Covariances:

| Latent Variables | Estimate | Std.Err | Z-value | P (>|z|) |
|------------------|----------|---------|---------|---------|
| Seiri ~ Seiton   | 4.602    | 0.381   | 12.082  | 0.000   |
| Seiton Seiso     | 4.603    | 0.555   | 8.296   | 0.000   |
| Seiketsu shitsuke | 4.363   | 0.346   | 12.593  | 0.000   |
| shitsuke         | 3.091    | 0.285   | 10.828  | 0.000   |
Seitons
Seiso  4.547  0.564  8.064  0.000
Seiketsu  4.225  0.359  11.766  0.000
Shitsuke  2.805  0.279  10.051  0.000

Seiketsu
Seiketsu  4.877  0.576  8.470  0.000
Shitsuke  3.262  0.416  7.841  0.000

Shitsuke
Shitsuke  3.094  0.280  11.058  0.000

Table 2.2

Variances:

|   | Estimate | Std.Err | Z-value | P (>|z|) |
|---|----------|---------|---------|--------|
| q1 | 0.000    |         |         |        |
| q2 | 3.201    | 0.230   | 13.924  | 0.000  |
| q3 | 0.667    | 0.084   | 7.958   | 0.000  |
| q4 | 1.388    | 0.113   | 12.267  | 0.000  |
| q5 | 19.520   | 1.320   | 14.792  | 0.000  |
| q6 | 1.015    | 0.103   | 9.874   | 0.000  |
| q7 | 1.509    | 0.123   | 12.235  | 0.000  |
| q8 | 0.000    |         |         |        |
| q9 | 0.932    | 0.148   | 6.313   | 0.000  |
| q10| 1.253    | 0.147   | 8.506   | 0.000  |
| Seiri | 6.092 | 0.406   | 15.000  | 0.000  |
| Seiton | 4.587 | 0.481   | 9.537   | 0.000  |
| Seiso | 5.136   | 1.028   | 4.997   | 0.000  |
| Seiketsu | 5.742  | 0.383   | 15.000  | 0.000  |
| Shitsuke | 3.596  | 0.324   | 11.086  | 0.000  |

FINDINGS OF THE RESEARCH

Individual analyses of twenty three organizations successfully showed that 5S implementation has a positive impact on performance of organization. Implementation of 5S is an effective way to improve and promote the organizational performance level. 450 employees was taken into consideration from diverse field of operations and from different department for the research and found employees are positively agreed for the questions asked on 5s in a simple language though they are not fully aware of 5s technical terms. Study analysed that 5s has positive effect on employees as well as organisational performance but there is lack of awareness among employees except few high tech firm who are known for TQM implementation and few top managers from both SMEs as well as from high tech firms. SMEs need to focus on 5s technique of quality of quality management system. Another result comes out from the research is that employees are not feeling 100% responsible for 5s implementation this might be due lack of awareness and training for 5s. The objectives of the research that is
organisations are implementing 5s technique and its benefit in overall organisations performance is found to be positive, organisations in targeted sample are implementing 5s, increases employees and organisations performance.

CONCLUSIONS/RECOMMENDATION
During research process, after getting familiar with 5S practice, its implementation and its benefits for industrial organizations, the results showed that the technique is very useful, applicable and beneficial But it also shows that some organizations are implementing 5s in bits not as whole strategy/policy because of this employees are not recognising the importance and benefits of 5s tool that’s why they show less interest towards their role in 5s implementation. However research found another fact that more than manufacturing sector its service sectors who are not realising the benefits of 5s in their working process. It could be concluded that 5S is a useful quality management tool causes to improve employee performance in any organization without any limitation on different kinds of products or services and organisations need to consider it as a part of their organisation strategy.

FUTURE STUDY
According to the results, future researches can be conducted on comparative study of 5S effects on performance in similar organizations, review requirements of the implementation and deployment of 5S practice, and review of the key success factors for organizations that have been successful in implementing of 5S and other quality management systems. The methodology used in this research can be extended for more factors by involving more experts to get more accurate results. Future research also can be applied for any other industry and organization to achieve best form of relationship among directional indicators and overall performance and so on. Studying success factors and their effects on organizations or projects can be investigated and all details which will result in competitive advantage of company are also recommended for future study. Researches also recommend detail study of manufacturing and service sector separately for 5s implementation and its effectiveness on overall performance. A detailed qualitative research need to be done on the employees perceptions for 5s and their awareness for the same.

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ABSTRACT

Nudge had been used in industry knowingly or unknowingly, to study same car marketing industry was chosen. The main issue resolved by Nudge is that it makes the user feel importance, remove confusions in decision making, makes features appeap beneficial and useful in perception. Nudges are present everywhere product we use as being a part of product and choice architecture. The aim of study was to find Nudges in cars features, how it adds value perception in cars marketing and predict nudge effectiveness from factors in same.

Keywords: Nudge; Cars; Look; Feel; Do Good Nudges

INTRODUCTION

Nudge Theory is a concept in behavioural science, political science and economics which argues that positive reinforcement and indirect suggestions to try to achieve non forced compliance can influence the motives, incentives and decision making of groups and individuals alike at least as effective if not more effective that direct instruction, legislation or enforcement.

A nudge is a choice architecture that alters people’s behaviour in a predictable way without forbidding any options or significant changing their economic incentives. To be counted as pure nudge, the intervention must be easy and cheap to avoid. (Richard Thaler and Cass Sunstein (2008))

The features on cars or on marketing tools are choices which act as Nudge ,Nudges remove the biases, makes decision making easier and act till the subtlety remains on same and competitors have not caught up in market.

LITERATURE REVIEW

Thaler and Sunstein (2008) explain that humans have biases and we blunder often in making decisions, have temptations, follow sometimes herd mentality. They have given examples of nudges in automobile field mainly in safety area, vehicle features, and vehicle and insurance choices. The short
form of NUDGE: iNcentives, Understanding mappings, Defaults Give feedback, Expect errors, structured complex choices.

Hansen & Jaspersen (2013) thinking as per Kahneman noble laureate is either automatic (Type 1) or reflective (Type 2), transparent and non-transparent.

Ly, Mazar, Zhao& Soman (March 2013) talk about factors like operational cost, bottlenecks, reach, adoption, risk, user habits etc. involved should be looked into in nudges.

Dolan, Hallsworth, Halpers, King, Metcalfe & Vlaev (March 2, 2010) came out with a frame work of called MINDSPACE framework of influences.

Camilleri & Larrick (2013) state in automobile field use of nudges in labels scales.

As per Kaul (2010) experimental marketing seeks to make consumer experience richer by multiple facilities and senses.

As per author Kapoor (2004) in liberalised era brand loyalty does not exists only perceived value loyalty exits. The author mentions about a new segment Look, Feel and do good.

**IMPORTANCE AND OBJECTIVE OF PROPOSED INVESTIGATION**

All car manufacturers are using choice architecture as USP (Unique selling proposition) on the products they are selling, the intention of the study is to search for following:

1. To find how some of these choices can acts as nudges in cars.
2. To predict the effectiveness of nudges from factors on nudges.

**RESEARCH METHODOLOGY**

The research methodology adopted for the study comprised of following:

- Descriptive research is based on secondary data on Nudge, literature reviews on the topic and on observations in car market.
- Quantitative research based on field survey via structured questionnaire on nudges in cars in 5 districts of Maharashtra Mumbai, Pune, Nashik, Aurangabad and Nagpur. The sample was chosen based convenience sampling on new car consumers found in showrooms and societies. The questionnaire was administered to 490 new car consumers in urban areas of these 5 districts.
- Parametric testing used with SPSS software as sample used are some to some extent random

**Reliability Statistics**

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>Cronbach's Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.833</td>
<td>0.785</td>
<td>63</td>
</tr>
</tbody>
</table>

In the study 63 variables were studied, Cronbach’s alpha value 0.833 was seen in the study, for the standardised items Cronbach’s alpha 0.785 was seen for the refined scales as reliable and consistent. As Cronbach’s alpha value above 0.8 is considered to be reliable for basic research, hence data collected is demonstrating highly reliability.
### T Test – Hypothesis testing One-Sample Test

<table>
<thead>
<tr>
<th>T Test Value = 3</th>
<th>Remark (H0: μ=3; H1: μ&gt;3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>There are Nudges in cars</strong></td>
<td>P value=0.00 is less than α= 0.05, t value 39.15 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
</tr>
<tr>
<td>39.158</td>
<td>489</td>
</tr>
<tr>
<td><strong>Nudges features are Beneficial</strong></td>
<td>P value=0.00 is less than α= 0.05, t value 37.04 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
</tr>
<tr>
<td>37.048</td>
<td>489</td>
</tr>
<tr>
<td><strong>Nudges Features removes bottleneck</strong></td>
<td>P value=0.00 is less than α= 0.05, t value 24.47 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
</tr>
<tr>
<td>24.473</td>
<td>489</td>
</tr>
<tr>
<td><strong>Nudges features makes life/work easier</strong></td>
<td>P value=0.00 is less than α= 0.05, t value 28.63 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
</tr>
<tr>
<td>28.637</td>
<td>489</td>
</tr>
<tr>
<td><strong>Nudges features will last long</strong></td>
<td>P value=0.00 is less than α= 0.05, t value 22.67 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
</tr>
<tr>
<td>22.676</td>
<td>489</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>if known earlier on</strong></td>
<td><strong>19.862</strong></td>
</tr>
<tr>
<td><strong>the nudge features</strong></td>
<td><strong>19.862</strong></td>
</tr>
<tr>
<td><strong>your decision will</strong></td>
<td><strong>19.862</strong></td>
</tr>
<tr>
<td><strong>remain same</strong></td>
<td><strong>19.862</strong></td>
</tr>
</tbody>
</table>

P value = 0.00 is less than α = 0.05, t value 19.86 very high than table value 1.96. Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true.

| **People want**         | **28.012** | **489** | **0.00** | **1.07959** | **1.0039** **1.1553** |
| **more nudges features**| **28.012** | **489** | **0.00** | **1.07959** | **1.0039** **1.1553** |
| **in cars.**            | **28.012** | **489** | **0.00** | **1.07959** | **1.0039** **1.1553** |

P value = 0.00 is less than α = 0.05, t value 28.01 very high than table value 1.96. Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true.

| **Nudge features**      | **33.133** | **489** | **0.00** | **1.10000** | **1.0348** **1.1652** |
| **increase the Value of**| **33.133** | **489** | **0.00** | **1.10000** | **1.0348** **1.1652** |
| **car in terms of look** | **33.133** | **489** | **0.00** | **1.10000** | **1.0348** **1.1652** |
| **good**                | **33.133** | **489** | **0.00** | **1.10000** | **1.0348** **1.1652** |

P value = 0.00 is less than α = 0.05, t value 33.13 very high than table value 1.96. Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true.

| **Nudge features**      | **39.607** | **489** | **0.00** | **1.17143** | **1.1133** **1.2295** |
| **increase the Value of**| **39.607** | **489** | **0.00** | **1.17143** | **1.1133** **1.2295** |
| **car in terms of feel** | **39.607** | **489** | **0.00** | **1.17143** | **1.1133** **1.2295** |
| **good**                | **39.607** | **489** | **0.00** | **1.17143** | **1.1133** **1.2295** |

P value = 0.00 is less than α = 0.05, t value 39.60 very high than table value 1.96. Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true.

| **Nudges features**     | **36.057** | **489** | **0.00** | **1.17755** | **1.1134** **1.2417** |
| **increase the Value of**| **36.057** | **489** | **0.00** | **1.17755** | **1.1134** **1.2417** |
| **car in terms of do**   | **36.057** | **489** | **0.00** | **1.17755** | **1.1134** **1.2417** |
| **good**                | **36.057** | **489** | **0.00** | **1.17755** | **1.1134** **1.2417** |

P value = 0.00 is less than α = 0.05, t value 36.05 very high than table value 1.96. Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true.
Hypothesis H1 is true

Effectiveness of Nudges features can be increased by higher education
- 29.755
- 489
- .000
- 1.02041
- .9530
- 1.0878
- P value=0.00 is less than α= 0.05, t value 29.75 very high than table value 1.96, Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true

Effectiveness of Nudges features can be increased by a Movement. (Campaign)
- 20.679
- 489
- .000
- .80816
- .7314
- .8850
- P value=0.00 is less than α= 0.05, t value 20.67 very high than table value 1.96, Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true

Effectiveness of Nudges features can be increased by a regulation.
- 30.226
- 489
- .000
- 1.06735
- .9980
- 1.1367
- P value=0.00 is less than α= 0.05, t value 30.22 very high than table value 1.96, Hence null Hypothesis H0 is rejected & alternate Hypothesis H1 is true

t distribution approaches Z distribution with large sample size, compared value of t will be same as Z value. p value in all above is found to be 0.00 (two tailed) which is less than 0.05, t test values also be very high, we can conclude from above to reject null hypothesis,(Null hypothesis being H0: µ=3; alternate hypothesis H1: µ>3), making alternate hypothesis to be true, hence we can say that nudges are there is cars, people find nudges to be benifical in cars, the nudges remove fears and confusions in cars, nudges makes life easier for car drivers, nudges as people will last long in cars, even if people are told of nudge effect of features on cars they will still go for these nudge features in cars, people want more and more such nudge features on cars, nudge features increases the value of cars in perceptions of look good, feel good and do good (safety), the effectiveness of nudge features can be increased by higher education, movements promoting same (social campaigns) and by government regulations.
<table>
<thead>
<tr>
<th>Importance of a look good feature like Price in purchase of car</th>
<th>( t )</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
<th>95% Confidence Interval of the Difference</th>
<th>Remark (( H_0: \mu=4; H_1: \mu&lt;4 ))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importance of a look good feature like Colour in purchase of car</td>
<td>-45.970</td>
<td>489</td>
<td>.000</td>
<td>-1.92245</td>
<td>-2.0046 (-1.8403)</td>
<td>P value=0.00 is less than ( \alpha=0.05 ), ( t ) value 45.97 very high than table value 1.96, Hence null Hypothesis ( H_0 ) is rejected &amp; alternate Hypothesis ( H_1 ) is true</td>
</tr>
<tr>
<td>Importance of a look good feature like display in purchase of car</td>
<td>-31.427</td>
<td>489</td>
<td>.000</td>
<td>-1.30204</td>
<td>-1.3834 (-1.2206)</td>
<td>P value=0.00 is less than ( \alpha=0.05 ), ( t ) value 31.42 very high than table value 1.96, Hence null Hypothesis ( H_0 ) is rejected &amp; alternate Hypothesis ( H_1 ) is true</td>
</tr>
<tr>
<td>Importance of a look good feature like personality endorsement in purchase of car</td>
<td>-10.239</td>
<td>489</td>
<td>.000</td>
<td>-1.54286</td>
<td>-1.6470 (-.4387)</td>
<td>P value=0.00 is less than ( \alpha=0.05 ), ( t ) value 10.23 very high than table value 1.96, Hence null Hypothesis ( H_0 ) is rejected &amp; alternate Hypothesis ( H_1 ) is true</td>
</tr>
<tr>
<td>Importance of a look good feature like green tag / sticker in purchase of car</td>
<td>-6.477</td>
<td>489</td>
<td>.000</td>
<td>-1.41224</td>
<td>-1.5373 (-.2872)</td>
<td>P value=0.00 is less than ( \alpha=0.05 ), ( t ) value 6.477 very high than table value 1.96, Hence null Hypothesis ( H_0 ) is rejected &amp; alternate Hypothesis ( H_1 ) is true</td>
</tr>
<tr>
<td>Importance of a look good feature like car as a safe mode of transport in</td>
<td>-14.004</td>
<td>489</td>
<td>.000</td>
<td>-1.75510</td>
<td>-.8610 -.6492)</td>
<td>P value=0.00 is less than ( \alpha=0.05 ), ( t ) value 14.00 very high than table value 1.96, Hence null Hypothesis ( H_0 ) is rejected &amp; alternate Hypothesis ( H_1 ) is true</td>
</tr>
<tr>
<td>Importance of a look good feature like car as a safe mode of transport in</td>
<td>-44.227</td>
<td>489</td>
<td>.000</td>
<td>-2.00000</td>
<td>-2.0889 (-1.9111)</td>
<td>P value=0.00 is less than ( \alpha=0.05 ), ( t ) value 44.22 very high than table value 1.96, Hence null Hypothesis</td>
</tr>
<tr>
<td>Feature</td>
<td>Importance</td>
<td>df</td>
<td>P</td>
<td>t</td>
<td>H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>-------------</td>
<td>-----</td>
<td>-----</td>
<td>------</td>
<td>-----------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Purchase of Car</td>
<td>-51.929</td>
<td>489</td>
<td>.000</td>
<td>-2.08980</td>
<td>P value=0.00 is less than α= 0.05, t value 51.92 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of feel good feature like steering features in purchase of car</td>
<td>-33.336</td>
<td>489</td>
<td>.000</td>
<td>-1.60204</td>
<td>P value=0.00 is less than α= 0.05, t value 33.33 very high, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of feel good feature like parking assist features in purchase of car</td>
<td>-24.354</td>
<td>489</td>
<td>.000</td>
<td>-1.31633</td>
<td>P value=0.00 is less than α= 0.05, t value 24.35 very high, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of feel good feature like keyless entry features in purchase of car</td>
<td>-19.293</td>
<td>489</td>
<td>.000</td>
<td>-1.11837</td>
<td>P value=0.00 is less than α= 0.05, t value 19.29 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of feel good feature like button start features in purchase of car</td>
<td>-18.539</td>
<td>489</td>
<td>.000</td>
<td>-1.13265</td>
<td>P value=0.00 is less than α= 0.05, t value 18.53 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of feel good feature like LED light features in purchase of car</td>
<td>-20.682</td>
<td>489</td>
<td>.000</td>
<td>-1.19592</td>
<td>P value=0.00 is less than α= 0.05, t value 20.68 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of feel good feature like LED light features in purchase of car</td>
<td>-38.355</td>
<td>489</td>
<td>.000</td>
<td>-1.84898</td>
<td>P value=0.00 is less than α= 0.05, t value 20.68 very high than table value 1.96, Hence null Hypothesis H0 is rejected &amp; alternate Hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Feature Feature like</td>
<td>Importance of</td>
<td>t</td>
<td>P</td>
<td>Feature like</td>
<td>Importance of</td>
<td>t</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------</td>
<td>---</td>
<td>---</td>
<td>----------------</td>
<td>---------------</td>
<td>---</td>
</tr>
<tr>
<td>multitasking features in purchase of car</td>
<td>-27.749</td>
<td>489</td>
<td>0.00</td>
<td>-1.28163</td>
<td>-1.3724</td>
<td>-1.1909</td>
</tr>
<tr>
<td>feel good feature like follow me home head lamp features in purchase of car</td>
<td>-48.159</td>
<td>489</td>
<td>0.00</td>
<td>-1.87551</td>
<td>-1.9520</td>
<td>-1.7990</td>
</tr>
<tr>
<td>feel good feature like fuel price difference (Petrol / diesel / cng) features in purchase of car</td>
<td>-45.095</td>
<td>489</td>
<td>0.00</td>
<td>-1.85918</td>
<td>-1.9402</td>
<td>-1.7782</td>
</tr>
<tr>
<td>feel good feature like resale value features in purchase of car</td>
<td>-32.714</td>
<td>489</td>
<td>0.00</td>
<td>-1.64082</td>
<td>-1.7394</td>
<td>-1.5423</td>
</tr>
<tr>
<td>feel good feature like showroom ambience features in purchase of car</td>
<td>-20.328</td>
<td>489</td>
<td>0.00</td>
<td>-1.00612</td>
<td>-1.1034</td>
<td>-0.9089</td>
</tr>
<tr>
<td>feel good feature like advertisement features in purchase of car</td>
<td>-22.147</td>
<td>489</td>
<td>0.00</td>
<td>-1.06122</td>
<td>-1.1554</td>
<td>-0.9671</td>
</tr>
</tbody>
</table>
## Importance of a Feel Good Feature in Purchase of Car

<table>
<thead>
<tr>
<th>Feature Description</th>
<th>T-Value</th>
<th>P-Value</th>
<th>Effect Size</th>
<th>Confidence Interval</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signboard features</td>
<td>-15.589</td>
<td>.000</td>
<td>-.74490</td>
<td>(-.8388, -.6510)</td>
<td>H1 is true</td>
</tr>
<tr>
<td>Mileage sticker</td>
<td>-24.187</td>
<td>.000</td>
<td>-1.19796</td>
<td>(-1.2953, -1.1006)</td>
<td>H1 is true</td>
</tr>
<tr>
<td>Endorsement</td>
<td>-33.167</td>
<td>.000</td>
<td>-1.53878</td>
<td>(-1.6299, -1.4476)</td>
<td>H1 is true</td>
</tr>
<tr>
<td>Comparative</td>
<td>-43.929</td>
<td>.000</td>
<td>-1.63061</td>
<td>(-1.7035, -1.5577)</td>
<td>H1 is true</td>
</tr>
<tr>
<td>Labels on spares</td>
<td>-24.323</td>
<td>.000</td>
<td>-1.18367</td>
<td>(-1.2793, -1.0881)</td>
<td>H1 is true</td>
</tr>
<tr>
<td>Double a.c.</td>
<td>-16.960</td>
<td>.000</td>
<td>-.85714</td>
<td>(-.9564, -.7578)</td>
<td>H1 is true</td>
</tr>
<tr>
<td>Others</td>
<td>-47.451</td>
<td>.000</td>
<td>-1.85306</td>
<td>(-1.9298, -1.7763)</td>
<td>H1 is true</td>
</tr>
<tr>
<td>Importance of a do good feature like space and head height features in purchase of car</td>
<td>-47.475</td>
<td>489</td>
<td>.000</td>
<td>-2.08367</td>
<td>-2.1699</td>
</tr>
<tr>
<td>Importance of a do good feature like horn features in purchase of car</td>
<td>-55.139</td>
<td>489</td>
<td>.000</td>
<td>-2.17143</td>
<td>-2.2488</td>
</tr>
<tr>
<td>Importance of a do good feature like airbag features in purchase</td>
<td>-51.904</td>
<td>489</td>
<td>.000</td>
<td>-2.11020</td>
<td>-2.1901</td>
</tr>
<tr>
<td>Importance of a do good feature like seat belt indicator features in purchase</td>
<td>-38.409</td>
<td>489</td>
<td>.000</td>
<td>-1.86531</td>
<td>-1.9607</td>
</tr>
<tr>
<td>Importance of a do good feature like safety child seat features in purchase of car</td>
<td>-56.599</td>
<td>489</td>
<td>.000</td>
<td>-2.24082</td>
<td>-2.3186</td>
</tr>
<tr>
<td>Importance of a do good feature like taller body features in</td>
<td>-34.493</td>
<td>489</td>
<td>.000</td>
<td>-1.66122</td>
<td>-1.7559</td>
</tr>
<tr>
<td>Feature Description</td>
<td>t Value</td>
<td>df</td>
<td>P Value</td>
<td>Conclusion</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>----</td>
<td>---------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td>Purchase of car</td>
<td>-51.051</td>
<td>489</td>
<td>0.000</td>
<td>H0 is rejected &amp; alternate hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of a do good feature like warranty/extended warranty features in purchase of car</td>
<td>-43.309</td>
<td>489</td>
<td>0.000</td>
<td>H0 is rejected &amp; alternate hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of a do good feature like free insurance features in purchase of car</td>
<td>-54.850</td>
<td>489</td>
<td>0.000</td>
<td>H0 is rejected &amp; alternate hypothesis H1 is true</td>
<td></td>
</tr>
<tr>
<td>Importance of a do good feature like tubeless tire features in purchase of car</td>
<td>-56.126</td>
<td>489</td>
<td>0.000</td>
<td>H0 is rejected &amp; alternate hypothesis H1 is true</td>
<td></td>
</tr>
</tbody>
</table>

P value in all above is found to be 0.00 (two tailed) which is less than 0.05, t test values also be very high, we can conclude from above to reject null hypothesis, (Null hypothesis being H0: μ=4; alternate hypothesis H1: μ<4), making alternate hypothesis to be true. In look good features in cars price, colour of car, display of cars, personality endorsement, green tag/stickers and car as safer mode of transport are important. In feel good features like steering (power steering, adjustable steering, AMT), keyless entry, parking assist, driving modes, button start, LED light, multitasking (GPS, music system, s.m.s, tele-call, navigation etc.), follow me home headlamp, price difference between fuel prices and engine technology, resale value, EMI scheme, show room ambience, advertisement, signboard, mileage stickers, endorsement by family and friends, comparative with other cars, labels on spare parts, double air conditioner, interior space and head lamp are important features. In do good features(safety) like horn, airbags, seatbelt indicator, safety child seat, braking features, taller body, warranty, free insurance, distance meter, tubeless tires are important features.
Regression Analysis

### Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nudges - car</td>
<td>4.1918</td>
<td>0.67374</td>
<td>490</td>
</tr>
<tr>
<td>Age</td>
<td>2.4551</td>
<td>1.03863</td>
<td>490</td>
</tr>
<tr>
<td>Sex</td>
<td>1.0714</td>
<td>0.25780</td>
<td>490</td>
</tr>
<tr>
<td>Education</td>
<td>2.4816</td>
<td>0.63364</td>
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### Correlation analysis and single tail test

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<th>Purchased when</th>
<th>Vehicle no.</th>
<th>Finance</th>
<th>Car size</th>
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<th>Nudge-Value-feel</th>
<th>Nudge value do good</th>
<th>Nudges-Education</th>
<th>Nudges increase - Movement</th>
<th>Nudges increase –regulation</th>
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<tr>
<td>Pearson Correlation</td>
<td>1.000</td>
<td>0.194</td>
<td>-0.067</td>
<td>0.071</td>
<td>0.281</td>
<td>0.228</td>
<td>0.134</td>
<td>0.073</td>
<td>0.012</td>
<td>0.380</td>
<td>0.389</td>
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<td>0.256</td>
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<td>1.000</td>
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<td>0.120</td>
<td>0.454</td>
<td>0.244</td>
<td>0.367</td>
<td>0.099</td>
<td>0.172</td>
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<td>0.245</td>
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<td>1.000</td>
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<td>0.053</td>
<td>-0.024</td>
<td>-0.023</td>
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<td>0.103</td>
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<td>0.135</td>
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<tr>
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<td>0.062</td>
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<table>
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<tr>
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<th>Nudges increase - Movement</th>
<th>Nudges increase –regulation</th>
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<td>0.180</td>
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<td>0.135</td>
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<td>0.146</td>
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<tr>
<td>Annual Income</td>
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<td>0.097</td>
<td>0.173</td>
<td>0.146</td>
</tr>
<tr>
<td>Purchased when</td>
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<td>0.024</td>
<td>0.058</td>
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<td>0.132</td>
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<td>Nudge-Value-Look</td>
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<td>0.082</td>
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<td>Nudges-Education</td>
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<td>0.132</td>
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</tr>
<tr>
<td>Nudges increase - Movement</td>
<td>0.132</td>
<td>0.132</td>
<td>0.132</td>
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</tr>
<tr>
<td>Nudges increase –regulation</td>
<td>0.132</td>
<td>0.132</td>
<td>0.132</td>
<td>0.132</td>
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</table>
Correlation analysis between nudges there in cars and other factors (Nudges increase - regulation, Sex, Finance, Car size, Education, Purchased when, Nudges-value do good, Age, Nudge-Value-Look, Vehicle no., Nudges increase - Movement, Annual Income, Nudges-Education, Nudge-Value-feel) shows that there is some degree of correlations between the variables, the negative correlation shows that increase in one can lead to reduction in other, the p value where the correlations are there is less than 0.05 (the assumed level of significance) @ 0.00 in most where some degree of correlation there.

Anova

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<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
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<th>Sig.</th>
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<td>14</td>
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<td>.000⁵</td>
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<td>Residual</td>
<td>152.101</td>
<td>475</td>
<td>0.320</td>
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<tr>
<td>Total</td>
<td>221.967</td>
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<td></td>
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<td></td>
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</tbody>
</table>


The hypothesis being in regression equation,

H0 : b0=b1=b2……b14=0=R²=0; i.e. predictable variables are same.

H1 : all b>0, R²>0; i.e. all the predictable variables are not zero.

The F statistics value in above anova F 14-∞ as per table is 1.6 and found actual is 15.585 which is quite high and p value 0.00 shows high level of significance, null hypothesis H0 is rejected, i.e. H1 alternate hypothesis is true variation, dependent variable can be explained by any variation in predictor variables.
## Abhinav International Monthly Refereed Journal of Research In Management & Technology

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Correlations</th>
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<td>Beta</td>
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<td>Zero-order</td>
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<td>1</td>
<td>(Constant)</td>
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<td>Sex</td>
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<td>0.047</td>
<td>0.048</td>
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<td>0.041</td>
<td>0.266</td>
<td>5.587</td>
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</tbody>
</table>

**Note:** Dependent Variable: Nudges - car

The regression equation can be written as:

Nudges there in car = 1.478-0.004 Age -0.007Sex -0.109Education +0.226 Annual income +0.115 Purchased when -0.026Vehicle no. +0.029 Finance -0.052 Car size +0.044 Nudge value look +0.226 Nudge value feel +0.058 Nudge value do good -0.012 Nudge increase by education +0.024 Nudge increase by movement +0.229 Nudge increase by regulation.

t value = 5.587 -0.0143 Age -0.064 Sex -2.466 Education +5.502 Annual income +2.832 Purchased when -0.419 Vehicle no. +0.801 Finance -2.476 Car size -0.927 Nudge value look +4.255 Nudge value feel +1.396 Nudge value do good -0.276 Nudge increase by education +0.670 Nudge increase by movement +5.587 Nudge increase by regulation.

p value = 0.00 +0.886 Age +0.949 Sex +0.014 Education +0.00 Annual income +0.005 Purchased when +0.675 Vehicle no. +0.424 Finance +0.014 Car size +0.354 Nudge value look +0.00 Nudge value feel +0.163 Nudge value do good +0.782 Nudge increase by education +0.503 Nudge increase by movement +0.00 Nudge increase by regulation.

Which shows that the nudges in cars are more sensitive to changes in annual income, purchased when, feel nudges and regulation as they have higher constants in the regression equation.
CONCLUSION

From the analysis of the above data we can conclude that, there are nudge features in cars, which are beneficial to us as they remove our confusions in decision making and make life and work easier. People perceive that these nudges will last long, people want more such nudges. People also say that if they knew nudges change our behaviour they will still follow herd mentality and their decision will remain same. These nudges in car add value in car in terms of look, feel and do good (safety). The effectiveness of these nudge features can be increased by higher education, movement (social campaign) and by government regulation. The regression analysis shows that we can predict the effectiveness of nudges. From above analysis we can say that Nudges when put on 7ps (marketing mix) of marketing, change a traditional marketed product to value and retention focused marketed product by improving value perception in look, feel and do good perception.

The main issue resolved by Nudge is that it makes the user feel importance, remove confusions in decision making, makes features appear beneficial and useful in perception. The heart of Nudge is product and feature innovations and necessity is mother of all inventions. To consumers and manufacturers of cars the study of nudges in automobile field is important so they become aware on technology their or choices there for them to know and satisfy their hidden needs.

REFERENCES

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A STUDY OF NPA MANAGEMENT AT BANK OF MAHARASHTRA NASHIK DISTRICT

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ABSTRACT
The financial health of bank is measured mainly by the contribution of Performing assets and Non performing Asset attributed in banks based on current and previous years poor credit appraisal mechanism. The rising NPAs in banks has significant impact on banks performance the lesser the NPA more sound is the banks financial position. NPA reflects the quality of the loans advances made by banks. Now a day NPA becomes major problem in all banks. Public sector banks figure are in the debate not only because they are in dominant position in banking industries. But also since they have much larger NPAs compared with the private sector bank. Since the impact of NPA is on Profitability of Bank recovery of NPA is a crucial task and needs efforts & skill to design & implement effective polities. The banks and financial institutions have to take initiative to reduce NPAs in a time bound strategic approach. The research focuses on the recovery measures & policies implemented by Bank of Maharashtra to lessen the degree of loss suffered due to NPA. For the recovery of NPA bank uses tools like Lok Adalat, DRT, & SARFEASI ACT 2002. Bank prefers one time settlement scheme for non performing borrowers.

Keywords: NPA; Securitization; Profitability

INTRODUCTION
NPA of banks are the biggest hurdles in the way of socio-economic development of India. NPA in Indian banking system is increasing day by day. It affects the financial performance of the bank as it puts burden of provision and recovery efforts. A vigorous effort has to be made by the banks to strengthen their internal control and risk management system and to setup early warning signals for timely detection and action. The intensity of problem of NPA is increased due to the issue of legal reforms this is an area which requires urgent consideration as the present system substantially delays in arriving at a legal solution of a dispute which is simply not tenable. NPAs may create many problems. Some of the problems are like owner do not receive a market return on their capital. Depositors do not receive a market return on savings. Non-performing loans optimize bad investment. Non-performing loans may bubble over the banking system and the liquidity gets hampered.
OBJECTIVE OF THE STUDY

1. To study the trend of Non-Performing Asset at the bank for the period 2011-2014.
2. To analyze the categories of NPA at bank of Maharashtra for the period of 2011-2014.
3. To study recovery methods of Securitization of Non-Performing Assets and methods introduced by RBI to facilitate recovery in the year 2014-15.

SCOPE OF THE STUDY

1. The study of NPA is restricted to the banking operations of Bank of Maharashtra, Zonal Office, Nasik.
2. This study ensures the ups and down of NPA of all 87 Nasik branches, and it’s effects on financial viability and profitability of a Nasik Zone.
3. The business of banking consists of borrowing and lending. Bank act as financial intermediaries between savers (lenders) and investor (borrowers) by accepting deposit of money from the large number of the customer and the lending a major portion of accumulated "POOL" of money to those who wish to borrow.

RESEARCH METHODOLOGY

Type of Research
All data collected through secondary sources. Analysis and interpretation was done with the help of secondary data and hence it is the Descriptive type of research.

DATA COLLECTION
The data available for the project was in the form of concrete facts, figures as well as verbal information regarding the facts and figures. Secondary data was the main source of getting information. The default cases studied and analyzed were in the form of record files with the bank. Moreover, Loan wise NPA classification consolidated summary as on 2011-2015s. Balance sheet proved to be a concrete source to get the exact figure for loans and NPA. The balance sheet also proved to be of help in getting the profile of the bank. Circulars issued by the Head office, Circulars issued by the RBI are also helpful for the project.

Meaning of NPA
An asset is classified as Non-Performing Assets (NPA) if interest or installment of principal due remains unpaid for more than 180 days. However, with effect from March-2004, default status would be given to borrower if dues are not paid for 90 days. If any advances or credit facility granted by a bank to a borrower becomes non-performing, then bank will have to treat all the advances/credit facilities granted to that borrower as non-performing without having any regard to the fact that there may still exist certain advances/credit facilities having performing status.

Definition of NPA
An asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank.

A non performing asset (NPA) is a loan or an advance where;

i. interest and/ or installment of principal remain overdue for a period of more than 90 days in respect of a term loan,

ii. the account remains ‘out of order’ as indicated at paragraph 2.2 below, in respect of an Overdraft/Cash Credit (OD/CC),
iii. the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,

iv. the installment of principal or interest thereon remains overdue for two crop seasons for short duration crops,

v. the installment of principal or interest thereon remains overdue for one crop season for long duration crops,

vi. The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of guidelines on securitization dated February 1, 2006.

vii. in respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

In case of interest payments, banks should, classify an account as NPA only if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter.

‘Out Of Order’ Status

An account should be treated as ‘out of order’ if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit/drawing power, but there are no credits continuously for 90 days as on the date of Balance Sheet or credits are not enough to cover the interest debited during the same period, these accounts should be treated as ‘out of order’.

‘Overdue’

Any amount due to the bank under any credit facility is ‘overdue’ if it is not paid on the due date fixed by the bank.

Assets Classification

The assets are classified into the following broad groups, viz.

- Standard Assets
- Sub-standard Assets
- Doubtful Assets
- Loss Assets

Standard Assets

A Standard Asset is one which does not disclose any problems and which does not carry more than normal risk attached to the business. Such an asset should not be an NPA.

Sub-Standard Assets

(i) An asset is classified as sub-standard if it remained NPA for a period less than or equal to 12 months. In such cases, the current net worth of the borrowers or guarantors or the current market value of the security charged is not enough to ensure recovery of the dues to the banks in full.

In other words, such assets have well defined credit weaknesses that jeopardize the liquidation of the debt and are characterized by the distinct possibility that the banks will sustain some loss, if deficiencies are not corrected.

(ii) An asset where the terms-of the loan agreement regarding interest and principal have been rescheduled after commencement of production should be classified as sub-standard and
should remain in such category for at least 12 months of satisfactory performance under the rescheduled terms.

In other words, the classification of an asset should not be upgraded merely as a result of rescheduling, unless there is satisfactory compliance of this condition.

**Doubtful Assets**

An asset is classified as doubtful, if it has remained NPA for more than 12 months. A loan classified as doubtful has all the weaknesses inherent as that classified as sub-standard, with the added characteristic that the weaknesses make collection or liquidation in full, highly questionable and improbable.

**Loss Assets**

A loss asset is one where loss has been identified by the bank or internal or external auditors or by the Co-operation Department or by the Reserve Bank of India inspection but the amount has not been written off, wholly or partly.

In other words, such an asset is considered un-collectible and of such little value that its continuance as a bankable asset is not warranted although there may be some salvage or recovery value.

**Table 1. NPA position of Bank of Maharashtra Zonal Office**

<table>
<thead>
<tr>
<th>Year</th>
<th>GNPA/ TA %</th>
<th>Sub-standard asset</th>
<th>Doubtful Asset</th>
<th>Loss asset</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>7.73</td>
<td>67.34</td>
<td>22.38</td>
<td>10.28</td>
</tr>
<tr>
<td>2012-13</td>
<td>6.61</td>
<td>57.46</td>
<td>29.56</td>
<td>12.98</td>
</tr>
<tr>
<td>2013-14</td>
<td>5.23</td>
<td>27.97</td>
<td>61.67</td>
<td>10.36</td>
</tr>
<tr>
<td>2014-15</td>
<td>6.39</td>
<td>44.76</td>
<td>44.86</td>
<td>10.38</td>
</tr>
</tbody>
</table>

**Source:** Internal records of the Bank of Maharashtra Zonal Office

The above table shows that the percentage of gross NPA to gross advances has been considerably increased in the year 2011 viz 7.73% and has successfully gone down in the year 2013 viz 5.23%. The percentage of gross NPA to gross advances changes from 5.23% to 6.39% which is the result of increase in the gross advances in the year 2014. There is 1.16% increase in NPA level in the year 2014. Such increase is not favorable for the bank. Increase in the NPA level is unfavorable for bank as it directly affects the profitability and needs more provisional requirements.

In the year 2011-2012 NPA in the category of Sub-Standard assets is highest i.e. 67.34% as compared to the year 2012-2013, 2013-2014 & 2014-2015. In the year 2012-2013 NPA in the category of Doubtful assets is highest i.e. 61.67% as compared to the year 2011-2012, 2013-2014 & 2014-2015. In the year 2012-2013 NPA in the category of Loss assets is highest i.e. 12.98% as compared to the year 2011-12 2013-2014 & 2014-2015. The bank suffer the losses in spite of the recovery measures taken to reduce NPA. In the year 2012 the bank has more NPA in the category of loss assets as compared to rest of the years.

**Table 2. Provision of Gross NPA at Bank of Maharashtra zonal office, Nasik**

<table>
<thead>
<tr>
<th>Year</th>
<th>GROSS...</th>
<th>PROVI...</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>147.84</td>
<td>42.8</td>
</tr>
<tr>
<td>2012</td>
<td>139.92</td>
<td>45.09</td>
</tr>
<tr>
<td>2013</td>
<td>143.74</td>
<td>50.36</td>
</tr>
<tr>
<td>2014</td>
<td>203.37</td>
<td>68.63</td>
</tr>
</tbody>
</table>

**Source:** Internal Records Of The Bank Of Maharashtra Zonal Office

**interpretation:**

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Gross NPA is highest in the year 2014-15 viz Rs. 203.37 crores which is unfavourable for Bank. Gross NPA level has been lowest in the year 2012-13 viz Rs. 139.92 crores. The above graph shows that the provisions made as per statutory requirement was unable to cover the loss of bank due to NPA.

**Table 3.** 13(2) notice issued to NPA a/cs and NPA amount at Bank of Maharashtra zonal office, Nasik

<table>
<thead>
<tr>
<th>YEAR</th>
<th>No. Of NPA A/CS</th>
<th>AMOUNT (in lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>36</td>
<td>1214</td>
</tr>
<tr>
<td>2012-13</td>
<td>50</td>
<td>1973</td>
</tr>
<tr>
<td>2013-14</td>
<td>66</td>
<td>2714</td>
</tr>
<tr>
<td>2014-15</td>
<td>101</td>
<td>6147</td>
</tr>
</tbody>
</table>

**Source:** Internal records of the Bank of Maharashtra Zonal Office

**Interpretation:** The numbers of NPA A/Cs were increasing from the year 2011-12 to 2014-15. The amounts blocked in the NPA were also increases year by year. The bank has taken the effective measures to recover NPA under SARFEASI ACT 2002 issuing Notice 13(2).

**Table 4.** NPA position of Bank of Maharashtra Zonal Office, Nasik in the year 2014-15

<table>
<thead>
<tr>
<th>AREA</th>
<th>No. of Branches</th>
<th>NPA (in cr)</th>
<th>Total Advances</th>
<th>%NPA /Advances</th>
</tr>
</thead>
<tbody>
<tr>
<td>URBAN</td>
<td>17</td>
<td>81.9</td>
<td>1391.94</td>
<td>5.88</td>
</tr>
<tr>
<td>SEMI-URBAN</td>
<td>13</td>
<td>24.91</td>
<td>372.07</td>
<td>6.69</td>
</tr>
<tr>
<td>RURAL</td>
<td>56</td>
<td>95.51</td>
<td>1418.2</td>
<td>6.73</td>
</tr>
<tr>
<td>TOTAL</td>
<td>86</td>
<td>202.32</td>
<td>3182.21</td>
<td>6.36</td>
</tr>
</tbody>
</table>

% of NPA in urban area of BoM Nasik zone is lower as compared to semi-urban & Rural area. Agriculture loan NPA contributes more to the Rural area. NPA level is increased due to natural calamities like untimely rains, hailstorm, etc because of this main crop of Nasik District pomegranate and grapes are badly affected throughout the last 3 years.

**Compromise Settlement and One Time Settlement (OTS)**

The bank is also taking innovative initiatives in recovery management. One of the important initiatives taken by bank in tackling the problem of raising NPA’s is settlement of Accounts by OTS /compromise. Bank is aware that some of the cases deserve sympathetic consideration as a default may be due to circumstances beyond the control of borrower. Bank has formulated clear cut policy framework to settle the Accounts by compromise/OTS. While doing so bank waives certain portion of the loan and recovers balance amount from the borrower. Bank has resorted to various model called M0, M1, M2, M3, M4 and M5 for quick settlement and resolution of loan defaulters. The model rests on size of advance, availability of security, time required for recovery by legal action, and discounted value of money recovered in short span of time.

OTS MODEL M0 (sanction limit upto Rs. 5 Lakhs and security value between 0% to 133% of Ledger Balance)

<table>
<thead>
<tr>
<th>Outstanding Ledger Balance</th>
<th>Minimum Expected Recovery(MER) as per the scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upto Rs. 1 lakh</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sub-Standard: 75% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Doubtful: 60% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Loss: 50% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Written Off: 40% of o/s Led. Bal.</td>
</tr>
<tr>
<td>Above Rs. 1 lakh up to Rs. 3 lakhs</td>
<td>Sub-Standard: 100% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Doubtful: 80% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Loss: 60% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Written Off: 50% of o/s Led. Bal.</td>
</tr>
<tr>
<td>Above Rs. 3 lakhs up to Rs. 5</td>
<td>Sub-Standard: 100% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Doubtful: 70% of o/s Led. Bal.</td>
</tr>
<tr>
<td></td>
<td>Loss: 60% of o/s Led. Bal.</td>
</tr>
</tbody>
</table>
lakhs | unapplied interest calculated as per policy.

OTS MODEL M1 (sanction limit upto Rs.10 Lakhs and security value between 0% to 133% of Ledger Balance)

<table>
<thead>
<tr>
<th>Outstanding Ledger Balance</th>
<th>Minimum Recovery as per the scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Asset Class</td>
</tr>
<tr>
<td></td>
<td>Sub-Standard</td>
</tr>
<tr>
<td>Above Rs. 2 lakh upto Rs. 5 lakhs</td>
<td>100% of o/s Led. Bal.</td>
</tr>
<tr>
<td>Above Rs. 5 lakhs upto Rs. 10 lakhs</td>
<td>100% of o/s Led. Bal. plus 25% of unapplied interest calculated as per policy.</td>
</tr>
</tbody>
</table>

OTS MODEL M2 (sanction limit upto Rs. 10 lakhs and security value above 133% of Ledger Balance)

<table>
<thead>
<tr>
<th>Outstanding Ledger Balance</th>
<th>Minimum Recovery as per the scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Asset Class</td>
</tr>
<tr>
<td></td>
<td>Sub-Standard</td>
</tr>
<tr>
<td>Upto Rs. 2 lakh</td>
<td>100% of o/s Led. Bal.</td>
</tr>
<tr>
<td>Above Rs. 2 lakh upto Rs. 5 lakhs</td>
<td>100% of o/s Led. Bal. + 25% of unapplied interest.</td>
</tr>
<tr>
<td>Above Rs. 5 lakhs upto Rs. 10 lakhs</td>
<td>100% of o/s Led. Bal. plus 35% of unapplied interest calculated as per policy.</td>
</tr>
</tbody>
</table>

OTS MODEL M3 (sanction limit upto Rs. 10 lakhs)

<table>
<thead>
<tr>
<th>Sr No.</th>
<th>Range of Score</th>
<th>Minimum Expected Recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>96 to 100</td>
<td>O/s Ledger Bal. + 50% u.a.int + 75% other exp.</td>
</tr>
<tr>
<td>2</td>
<td>86 to 95</td>
<td>O/s Ledger Bal. + 40% u.a.int + 50% other exp.</td>
</tr>
<tr>
<td>3</td>
<td>76 to 85</td>
<td>O/s Ledger Bal. + 30% u.a.int + 40% other exp.</td>
</tr>
<tr>
<td>4</td>
<td>66 to 75</td>
<td>O/s Ledger Bal. + 25% u.a.int + 25% other exp.</td>
</tr>
<tr>
<td>5</td>
<td>56 to 65</td>
<td>O/s Ledger Bal. + 10% other exp.</td>
</tr>
<tr>
<td>6</td>
<td>46 to 55</td>
<td>75% Ledger Bal. + 25% other exp.</td>
</tr>
<tr>
<td>7</td>
<td>36 to 45</td>
<td>60% Ledger Bal. + 25% other exp.</td>
</tr>
<tr>
<td>8</td>
<td>Upto 35</td>
<td>50% Ledger Bal. + 25% other exp.</td>
</tr>
</tbody>
</table>

Model m4 is for MSME doubtful asset & Model m5 is for MSME loss assets

In the year 2014-15 by using OTS Model M0 the amount of NPA recovered is 146.18 lacs from the year 2013-14 to 2014 to 2015.41.82% recovery of the accounts having outstanding ledger balance upto 5 lacs is done. Whereas recovery made under OTS Model M1 & M2 is 584.08 lacs which is good achievement for the year 2014-15
Action Taken Before DRT– Progress from 01.04.2014-31.03.2015:

In the year 2014-2015 38 cases filed before DRT had outstanding Ledger Balance 1691.37 lacs and recovered 1286.19 lacs.

CONCLUSION

NON-PERFORMING ASSETS is like a black spot on diamond. They affect the profit of bank and also the financial health of bank. This NPA have number of effect on banks working. The non-performing assets reduce of substantial portion from the profitability of the bank’s balance sheet. The management of NPA’S is very crucial from the banks point as non performing assets if not managed with due diligence and sincerity can turn the bank insolvent. The prudential norms for asset classification, income recognition and provisioning introduced by the RBI have helped in reflecting the true financial health of the banks.

Bank of Maharashtra has sound credit appraisal system and also sound recovery policy. It is having separate Department for credit monitoring where they take care of potential NPA. In the year 2012 the bank has more NPA in the category of loss assets as compared to rest of the years. The amount of NPA significantly increased from the year 2011-12 to 2014-15 at Bank of Maharashtra, Zonal office, Nasik. The provisions made as per statutory requirement was unable to cover the loss of bank due to NPA. Bank should give more emphasis on managing NPA of agricultural loan because its NPA level is higher than other segments.

The increase in the number of NPA accounts indirectly points towards the inefficiency and casual approach of bank officials while sanctioning loan as well as failure to recover the loan or interest accrued on it.
NPA level is increased due to natural calamities like untimely rains, hailstorm, etc because of this main crop of Nasik District pomegranate and grapes are badly affected throughout the last 3 years. Other factors responsible for growths of NPA are poor credit monitoring, willful default, etc. For the recovery of NPA bank uses tools like Lok Adalat, DRT, & SARFEASI ACT 2002. One of the important initiatives taken by bank in tackling the problem of raising NPA’s is settlement of Accounts by OTS /compromise.

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ABSTRACT
Globalisation has made us more vulnerable. It creates a world without borders, and makes us painfully aware of the limitations of our present instruments, and of politics, to meet its challenges. - ANNA LINDH, SWEDISH POLITICIAN

Globalisation – the assimilation of world markets and mass sharing of information – has left nearly no part of life in the 21st century impervious. Market firms are endangered at home by antagonism coming from multinationals and challenged by the opportunities available due to globalisation. Globalisation for these budding market firms thus means responding successfully to these two challenges.

The worldwide movement toward economic, financial, trade and communications integrations is what we call globalisation of the market firms. Globalisation implies the aperture of local and nationalistic perspectives to a broader outlook of an interrelated and inter-reliant world market with free transfer of capital, goods, and services across national frontiers.

The advance of globalisation has not been a smooth or a pain-free process. Globalisation poses major challenges that will have to be addressed by governments, civil society, and other policy actors. The changes it has caused, or is perceived to have caused, have spurred a destructive warns “race to the bottom,” as advanced nations are forced to weaken labour and environmental standards to compete with less-regulated producers in developing nations. In contemporary life, globalisation’s innumerable effects, not all of which are positive which can be cultural erosion, unemployment and unstability, increased global competition and thus, it has been used as an excuse to avoid searching for new paths to cooperate in maintaining the overall interest of the countries and people.

Keywords: Globalisation; Inequality; GDP; poverty; Nation’s Market

INTRODUCTION
Globalisation is one of the important issues that have captured the mind's eye of thinkers belonging to various scholastic disciplines. The expansion and predictability of globalisation was talked upon by observant thinkers, as diverse as Marx and Vivekananda in the previous centuries. It has been renowned as a process of easier and accelerated international sharing of commodities, persons, capital and knowledge, which includes ideas, techniques and culture. With hi-tech advances facilitating transport and communications, the processes of production, consumption and even waste disposal have taken global dimensions.

Thus, as in the case of many electronic goods, a technology may be developed in Europe and put to manufacture by an American firm in China and exported to various countries and the waste dumped in Africa.

But it is also necessary to note that while trans-national interactions are certain, and most would agree that it is also enviable, the nature of the transactions critically depend on institutions and on ideas and
beliefs, which influence national and global policies. The current phase of globalization, which may be traced for its origins to the 1980s, is therefore distinct from the previous phases as it is characterized by a distinguishing set of features and influences.

OBJECTIVES OF THE STUDY

Each plan in our life is governed by some aims or objectives. Any work without an objective is worthless. So for every work objective should be specific and focused. This project is not an exception. The objective of this study is to aware the mass about the now-increasing concept of globalisation leading nation’s market towards the destruction and its various reasons and challenges to Globalisation.

RESEARCH METHODOLOGY

The paper is based on the secondary data. The data is collected from the published corporate reports, journals, websites etc.

Globalisation Risks

Globalisation may offer enterprises, exciting new opportunities for growth in emerging markets, but it can also bring in a complex assortment of operational risks due to the increased trade among nations. The challenge is that without the right road and rail network (infrastructure) in place, to confront these risks, international projects can bring to a halt, an organization and lead to the biggest end result of all i.e. putting the company out of market.

EPPM- Enterprise Project Portfolio Management Set Up And Its Report- “INVESTING IN THE UNKNOWN” is a new report shaped by The EPPM Board that explores five major challenges brought in due to global project delivery. Twisted for EPPM professionals, the report examines the challenges of operating across borders, and details the role of EPPM solutions in maintaining effective visibility and control.

- A jerky risk profile: Risks frequently involve greater levels of uncertainty that affects the capital investments as the risks become more and more strategic. The augmented scale of globalised operations is in line by the enlarged level of risk, ranging from fluctuations in interest and foreign exchange rates to supply chain piracy. Organizations, therefore, need access to an all-inclusive risk framework, and the capability to analyze different scenes and represent specific risks and costing options, all that are available.

- Dictatorial changes become hurdles: Ever Changing regulations and local policies have a dramatic impact on the prosperity of cross-border dealings, heightening uncertainty in rapid-growth markets. By adopting a multi-national platform for managing the project portfolio, greater forecasting can be gained into the procedures for overcoming regional barriers as well as for developing suitable plans for contingency.

- Cultural and Regional Differences: When operations are separated by thousands of miles, international time zones, and cultural and religious differences, managing the workforces is a testing challenge. To cope up with the cultural and religious differences, the central organization should be able to refine the management of the portfolios and should create an
infrastructure that helps to maintain the variety of global teams along with empowering local delivery.

- Limited Resources: Increased struggle for home ability often, results in skills shortages in key functions. This gives rise to bigger demand for successful scheduling processes in addition to vibrant capabilities for resource management. As the tools exist to support the activities for resource management, the trick is to appraise intelligence from a consolidated global perception. EPPM provides a structure for adopting the aforesaid perspective and for matching the risks of sole projects across the portfolio.

- Flexibility and Problem Responsiveness: The mounting interdependence of intercontinental value chains makes the penalty of major systemic disruptions that are relatively difficult to manage. Increased visibility into value chain performances, and processes for creating a mutual two-way flow of information are the essential ingredients for retaining elasticity and responsiveness. Additionally, executives should be able to choose the category and regularity of statistics they assess and zoom in on any critical obstacles.

Thus we can say that EPPM is very much essential for a market that is multi-national or we can say the one which is globalised. To succeed in globalised market, organisations must control challenges and risks at the managerial level. As a result of which, EPPM technologies, that facilitate a more integrated, top-down approach to supervise projects and resources, are becoming critical components in most of the strategies of globalisation.

**Managing the Risks Born Because of Globalisation**

Globalisation is a high-ranking modern topic that throws light on the growing interdependence between various countries, nations worldwide, necessitating managers to aptly incorporate the upcoming and influential trend of globalisation within their administrative and managerial strategies. The speed of modern globalization is often accredited to development of technology in field of communication and transportation, tasking managers with correctly leveraging these technologies through the internal working of the organisation. Multinational companies cumulatively utilize almost half of the world's populace, creating a need for managers with strong worldwide wakefulness.

Managers should recognize that a number of processes can be executed across the world and globally, while others ought to be done in a localized fashion to adhere to each region's religions, culture, tastes, preferences and customs. Critics of globalization mention the way with which it motivates global culture over the ones that are established in domestic ones, along with the pessimistic effects of the environment that result out of the extension of business areas. Being mindful of the potential opportunities in a global economy, along with knowledge of how to localise the particular opportunity in the particular area and bypassing the negatives in the foreign marketplace, can acquire huge worth for the efficient and effective managers.

**Emerging Challenges of Globalisation**

While the puzzlement will persist to reign and uncertainty is the only certainty of the future that would be there, it would be sensibly safe to estimate that the global business environment will be affected by three major challenges:

**1st Major Challenge – The China**

Where “BRICs”, Brazil, Russia, India and China, and other key emerging economic players will keep on to blow global business, China will be way ahead in terms of its influence on almost every conceivable facet of the planet one can think of, which can besport, finance and forex policy, tourism, energy, commodity prices, climate, geopolitics, trade, infrastructure, etc.

As compared, China’s economy is still small as of the every other nation but its involvement to global GDP growth is considerably high and it is very much predictable to see China, with the more
increased GDP involvement. Other country’s multinationals are looking to China for earnings to counterbalance the losses that are expected to make in the possible recession, if arises.

Considering the two economies, INDIA and CHINA, the question is no longer the same as previous that whether economies can “de-couple” from the India, but it will be how the process of “overturn coupling” – India’s reliance on China and other emerging markets – will occur.

2nd Major Challenge – Poverty and Inequality

Poverty or inequality is hardly a new term. The main facets today are that inequality seems to be increasing everywhere, and especially, it is much more visible to the masses in this present scene. Though there are heartening statistics in respect of poverty and inequality reduction, especially in East Asia, the fact remains same that, somewhere in the region of more than half of the world’s population, are still too deprived to contribute in the global market economy. More dramatically, about a third of the world’s population does not have access to clean drinking water or proper sanitation.

The dilemma of the poor stands in increasingly visible contrast to the plenty of the very rich. There is a yawning chasm between the rich and the poor, but even among the “haves”, as contrasting to the “have-nots”, there are growing and gaping disparities between those having a hell-of-a lot-and-more-and-more and those having less-and-less. From a progressive self-centeredness outlook, market strategies should aspire of empowering the “aspiring” classes and at dropping the scale of inequalities.

3rd Major Challenge – A Green Agenda

The environment issue is another comprehensive recent transformation. Today, environment is a key strategy and a rising strategy priority. Where the public firms, in environment as well as so many other issues, is adhered to at a snail’s pace, gradually more the schema is being motivated by futurist business houses that is heading towards the issue of protecting and flourishing the nation’s environment. The expression “SUSTAINABLE” has been incorporated in the oratory, strategy and consciousness of almost every business. As with poverty and inequality, it is probably the case that the private sector may have the most contribution to make in the face of the environmental challenge, like the real example can be illustrated of India’s Reliance Industry’s power section, that strives to preserve and uphold natural resources and reduce the environmental impact of its products and services throughout their lifecycle in order to be a responsible corporate citizen. The imperative of reliance power is to use natural resources efficiently to leave a minimal carbon footprint and impact on biodiversity, through innovative green technologies and business practices. Not any of these challenges are alarming abstractedly on the sphere. These are very much a reality today.
Globalisation of Indian Market And Its Related Consequences

Human olden times have had many episodes of movement of people, thoughts and merchandise, which includes globalisation of bank loans, neo-liberalism across national borders. The colonial era, saw big movement of persons and capital and the production processes which became trans-national with enlarged prominence on extraction and foreign trade. In the early 1980s, many of the Latin American countries, after an epoch of reputable growth and industrialization of decades, ran into a debt-crisis, which made it practically unfeasible to carry on with the policy of self-reliant expansion, which allowed many mounting countries to continue on their path of independent development but also made them more susceptible to exterior actions. The hike in interest rates in the United States precipitated the Latin American debt crisis.

Thus what began as the globalization of bank loans by the IMF and The World Bank in the 1970s for stabilisation and structural adjustment that crystallized in the 1980s into the globalization of direct and portfolio investment and the consolidation of global commodity markets?

India entered the present phase of globalization with the financial crisis and subsequent structural adjustment loans in 1991. India’s policy adjustments have been dawdling and partial. But the fundamental grounds have been the same namely, reduced role of the state, de-emphasis on independent or autonomous development and amnesia of the earlier policy objective of relative financial fairness.

Consequences of The New Global Order And Ideas

The urbanized countries may have supposed that globalisation would unlock the markets for goods and services and lead to job-creation. But the fact was that on contrary to the expectations, globalisation started to bring greater benefits to the developing countries from the late 1990s. Some countries, who underwent a sore decade of modification and cry off in incomes, began to list positive rates of growth in the late nineties. Latin American countries, which had witnessed a lost decade of growth in the eighties, also started to recover in the late nineties.

But the most stunning success has been witnessed by China and India in the last ten years, after a sustained period of escalation of nearly two decades as monitored by the increasing GDP in terms of purchasing power parity (PPP). Most of the companies in India and China are state-owned which have grown immensely in dimension and are counted amongst the large global players. Both the countries have now a major number of persons figuring in a list of world’s billionaires.

Not only is this, but also the developing countries not based on weak foundations. Both China and India have continued to be one of the highest scoring countries in text of domestic saving and investment over the previous decade. Exterior indebtedness is low and well within manageable levels. Investment in field of infrastructure and education is rising, though not ample in India, which shall allow the great working strength in these countries to stay ready for action.

The existing crisis of globalisation have been sought to be addressed with a frame of mind that remains entrenched in past ideas, that are becoming all the time more irrelevant in a globalised world. Evils have grown and taken on worldwide magnitude and they cannot be resolved successfully from perspectives of ‘national interests’. The problem of inequality, which is brought up due to movement of labour and the nonexistence of cross-national economic transfers, do not let valuable resolution of the catastrophe faced by a number of countries. Similarly, it is not at all promising to maintain debt-driven high spending in one part of the world by consecutive export surpluses and wealth outflows in additional parts of the sphere for a sizeable phase of occasion.

An another issue that is emerging is the rising income and wealth inequalities can no longer be brushed under the carpet of growth fundamentalism. The world nowadays is producing enough, to meet comprehensive essential requirements of every global citizen. Yet in the country inequalities are on the rise.
CONCLUSION

Thus, globalisation now is a forceful process that is unlikely to be reversed. This future policy alternatives for various countries and their markets have thus to be analysed at the global level with free trade of goods and services, free movement of capital, technology and skills and with improvement in transportation and communication skills.

The financial crisis and the subsequent response have only tinted the harms of free-markets and incentive systems within markets. There is once again a call for regulation. The problem may be addressed by agreeing to narrow actions and systems that are adopted and effectively implemented by all countries. Perhaps we need an alternative world-view based on equality, justice and cooperation and to overcome the challenges and risks caused because of globalisation. This would help the markets to turn the globalisation process of the mutually assured destruction into a high gained process.

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AN APPRAISAL OF CORPORATE TAX IN INDIA: A SELF ASSESSMENT

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ABSTRACT
The primary objective of the Government is to bring overall development of society in India. The analysis of effectiveness of income tax department towards its operational flow is the primary objective of this study. This study tries to focus on various aspects of corporate tax and its growth. This study examines the performance of corporate tax during the last decades. Data has been collected from secondary sources. The various reports and documents of CAG of India, Ministry of Finance, Income Tax Act, 1961, Finance Act and various annual budgets, pertaining the period from 2001-02 to 2015-16 has been used for detail analysis. It is found that both direct and indirect tax has showed a positive trend but corporate tax contributed a steady revenue flow to our government in every year. The buoyancy coefficient of corporate tax has indicated a positive response with growth of GDP during the study period and it also focused on Pre assessment corporate tax collection, which was greater than post assessment collection during the last decades. The present study has pointed out that there should be necessary policy reforms, better tax administration and simplification of the filing procedure, which influence the corporate tax revenue. Appeals and complaints settlement mechanism should expedite. Cost of collection should be reduced by reducing administrative cost or adopting more information technology enable system.

Keywords: Income Tax; Tax Buoyancy; Corporate Tax

INTRODUCTION
The primary objective of the Government is to bring overall development of society in India. It should consider not only on traditional function (defense, maintenance of law and order) but to consider welfare and developmental activities. Everybody of our country has gone through the budgets. Our government makes various planning and estimate regarding the amount which is to be incurred on various heads. Before discussing these above factors, we have to know the source of money to be incurred on above heads. The major source of income of Government is tax. Tax is a fee charged by a Government on a product, income or activity. Our Government raises finance for public necessities through tax. It has been divided into direct tax and indirect tax. Direct tax includes those taxes which are paid by the person on whom these are levied. While indirect tax are levied on person but paid by another (i.e. the impact and incidence of tax falls on different persons). Direct tax consist a major portion in total tax revenue. Corporate tax is a part of direct tax which provides almost steady inflow of revenue to our government. The industrialization process in India has an important role in generating tax revenue from corporates during the past years.
OBJECTIVES OF THE STUDY

The main purpose of this study is to examine the functional aspects of corporate tax in India during last decades with following objectives.

1. To study the growth of corporate tax revenue during the period of study
2. To focus on the performance of income tax administration
3. To make recommendation to improve corporate taxation in India in the light of the findings of the study

LITERATURE REVIEW

It is the most debated topic in all over the world. There are many studies have been made covering different aspects of income tax structure which includes personal income tax, capital gain taxation, agricultural taxation, efficiency of income tax administration etc. Several studies also have been carried out earlier for estimating the buoyancy and trends in Central taxes including Personal Income Tax. A few of them have been outlined below:

M. Q. Dalvi, M. M. Ansari (1985) [1]: The study attempts to study the fiscal performance of the Centre and the States in India within the framework of their taxation powers. It also focuses upon estimating the elasticity and buoyancy coefficients of different taxes for the period 1960-61. The study employs regression method for estimating buoyancy and elasticity coefficients. The study had found out that proportionate revenue generation capacity was more of these taxes in response to increase in income.

Kaldor (1956) [2]: was invited by the government of India in 1955 to review personal and business tax in the Indian tax system with a view to augmenting resources for the second five year plan. He found that prevailing taxation system in India at that time was inefficient and inequitable. He recommended the introduction of an annual tax on wealth, taxation of capital gains, a general gift tax and a personal expenditure tax for broadening the tax base.

Aggarwal (1971) [3]: analysed the impact of corporate taxes on retained profits of a concern and performance of corporate sector in India. He also analysed its impact on public policy. The study covered the period from 1960-61 to 1967-68 and was based on data collected from RBI Bulletins. He highlighted that tax structure was not conductive for growth of corporate sector.

Rao (1980) [4]: attempted to study corporate tax system and tested the hypothesis that there was zero shifting of the incidence of corporate taxation in the Indian context. The period covered for the study was from 1950-51 to 1965-66 and data covered 21 selected industries. The study revealed that lower tax rates for priority sector failed to achieve higher capital formation in that sector. It was found that in majority of industries, tax was neither shifted to the consumers nor to the labour.

Mittal (1988) [5]: tried to outline the impact of corporate and personal income tax policy on saving and investment behaviour in India during the period 1970-71 to 1985-1986. She observed that effective corporate tax rates were lower as compared to statutory corporate tax rates indicating that people had availed benefit of various tax incentives under the Act. In the end, the researcher suggested that it was preferable to have higher corporate tax rates with higher depreciation and investment allowance rather than lower corporate tax rates with lower allowances.

Maji (1990) [6]: attempted to study the evolution of corporate taxation, corporate tax structure, the impact of corporate tax on corporate growth, shifting of corporate tax and various incentive provisions granted to corporate bodies. The study highlighted that frequent changes in the corporate tax system were introduced in the face of resource constraint. On the question of shifting, it was held that tax burden had been shifted to whole economic system.

Jain (1991) [7]: undertook a study on corporate saving behaviour in order to identify how taxation provisions influenced corporate saving decisions. The effect was studied both at aggregated level (macro level) and disaggregated level (micro level) for the period 1960-61 to 1985-86. Twelve
companies from three industries were selected for this purpose. The study showed that corporate savings as a percentage of GDP reduced from 9.1 per cent in 1950-51 to 8.5 per cent in 1987-88. In the end, study suggested for reduction in tax rates, downward revision of fiscal incentives, increase in depreciation rates and taxation of dividends in the hands of shareholders rather than companies.

Upendra M (2008) [8] in his article entitled “Degree of Tax Buoyancy in India: An Empirical Study has put his opinion that the average propensity to tax is declining with the increase in Gross Domestic Product during post tax reform period. Thus the estimates of gross tax buoyancy during pre and post-tax reform periods are not stable.

V Rani (2011) [9] in her article entitled “Taxation of Income in India: a study of post liberalization period” expressed her view regarding taxation of Income in India during post liberalisation period and policy perspective in this regard. It has analysed the growth of income tax revenue, performance of Income Tax Department and perception of tax professionals regarding Income Tax System in India.

IMPORTANT OF THE STUDY

Tax system of India has come a long way, dating back to the colonial era till now. A number of committees have been constituted from time to time to suggest changes in the existing tax structure. Corporate Tax deserves significant attention in a developing economy because it is one of the major sources of finance. The literature review of this study reveals that most of the researches on corporate tax were limited to weaknesses of Income Tax System, tax structure, capital gains taxation, tax incentives, compliance cost, unaccounted income etc. However, it has evaluated that existing studies are either limited in scope or sufficient period has elapsed since these were conducted. Hence, the present study entitled “An Appraisal of Corporate Tax in India: A Self-Assessment” is being undertaken.

RESEARCH METHODOLOGY

The present study is based on secondary data. It has gone through various reports and documents of CAG of India, Ministry of Finance, Income Tax Act, 1961, Finance Act and various annual budgets, pertaining the period from 2001-02 to 2012-13. For some aspect the data has been used from 2001-02 to 2007-08 due to non-availability. The analysis of data collected has been made by using some statistical tools such as simple frequencies, percentages, averages, simple growth rate, compound annual growth rate (CAGR), buoyancy coefficient etc.

ANALYSIS AND INTERPRETATION

The reforms of income tax had made several proposals for improving Income Tax revenue. These reforms were primarily associated with enhance of tax revenue by enlarging tax base, encouraging voluntary tax compliance and simplifying procedural rules. This present study has focused on functional aspect of corporate tax in India.

Indian Tax Structure

Income tax can be categorized in two parts viz. Personal Income Tax and Corporate Tax. Income tax levied on individuals, Hindu undivided families (HUFs), firms, association of persons (AOPs), body of individuals (BOIs), local authorities and artificial juridical persons is called Personal Income Tax and income tax levied on companies is called Corporate Tax. Table 1 presents revenue collected from the various direct & indirect taxes and their respective share in total tax revenue of the central Government.
Table 1. Direct and Indirect Tax Revenue Of Central Govt. (Amount in Crores)

<table>
<thead>
<tr>
<th>Year</th>
<th>Personal Income Tax</th>
<th>Corporate tax</th>
<th>Wealth Tax</th>
<th>Total</th>
<th>Excise Duty</th>
<th>Custom Duty</th>
<th>Service Tax</th>
<th>Total Major Tax Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>32004</td>
<td>36609</td>
<td>585</td>
<td>69198</td>
<td>73206</td>
<td>40096</td>
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<td>117863</td>
</tr>
<tr>
<td>2002-03</td>
<td>36866</td>
<td>46722</td>
<td>50</td>
<td>83088</td>
<td>82310</td>
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<td>604</td>
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<tr>
<td>2007-08</td>
<td>118962</td>
<td>192911</td>
<td>340</td>
<td>312213</td>
<td>122711</td>
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</tr>
<tr>
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<td>389</td>
<td>331818</td>
<td>104141</td>
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<td>244725</td>
<td>305</td>
<td>378603</td>
<td>102991</td>
<td>83224</td>
<td>52423</td>
<td>247377</td>
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<td>2010-11</td>
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<td>298686</td>
<td>308</td>
<td>446935</td>
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<td>1008</td>
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<td>426079</td>
<td>950</td>
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<td>470628</td>
<td>950</td>
<td>798945</td>
<td>229808</td>
<td>208336</td>
<td>209794</td>
<td>647918</td>
</tr>
</tbody>
</table>

Note: *Represents Budgeted or Estimated data

Source: Union Budget and Economic Survey, Government of India

Table 1 shows that significance change of various taxes revenue during the study period. The above table shows that share of personal income tax in total major tax revenue of the Central Government increased from 17.10 per cent in 2001-02 to 22.62 per cent in 2015-16. Share of corporate tax in total major tax revenue of the Government showed an increasing trend throughout the study period. It has increased from 19.58 per cent in 2001-02 to 32.53 per cent in 2015-16. On the opposite side, share of major indirect taxes i.e. excise duty and customs duty has declined from 38.66 per cent and 21.43 per cent in 2001-02 to 15.88 per cent and 14.40 per cent respectively in 2015-16. The share of total direct taxes increased from 37.00 per cent in 2001-02 to 55.22 per cent in 2015-16, whereas the share of indirect taxes decreased from 63.00 per cent in 2001-02 to 44.78 per cent in 2015-16. The overall tax generation from corporate sectors has recorded a significant growth than others.

Growth In Corporate Tax Revenue

Table 2. Growth In Corporate Tax Revenue (Rs in crores)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>GI</th>
<th>Growth YoY</th>
<th>Amount</th>
<th>GI</th>
<th>Growth YoY</th>
<th>Amount</th>
<th>GI</th>
<th>Growth YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>36609</td>
<td>100</td>
<td>0</td>
<td>68613</td>
<td>100</td>
<td>0</td>
<td>187061</td>
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<tr>
<td>2002-03</td>
<td>48172</td>
<td>126.12</td>
<td>25.12</td>
<td>83038</td>
<td>121.02</td>
<td>21.02</td>
<td>216265</td>
<td>115.61</td>
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<tr>
<td>2004-05</td>
<td>82690</td>
<td>130.08</td>
<td>30.08</td>
<td>131948</td>
<td>125.73</td>
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<td>1032110</td>
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<td>16.52</td>
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<td>2013-14</td>
<td>394678</td>
<td>110.76</td>
<td>10.76</td>
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<td>13.24</td>
<td>1446883</td>
<td>115.94</td>
<td>15.94</td>
</tr>
</tbody>
</table>

Note: *Represents budgeted or estimated data for year 2014-15 & 2015-16

Source: Union Budget and Economic Survey, Government of India
Table 2 shows that total tax revenue of central Government increased from Rs.187061 crore in 2001-02 to Rs. 1032110 crore in 2012-13 at a compound annual growth rate (CAGR) of 15.30 per cent and at a covariance 52.45 percent. Revenue from corporate tax has increased from Rs. 36690 crore in 2001-02 to Rs.356326 crore in 2012-13 at a CAGR of 20.88. Thus, corporate tax has increased at a higher CAGR as compared to the total tax revenue.

**Tax Buoyancy**

Tax buoyancy is an indicator to measure efficiency of revenue mobilisation in relation to growth in GDP. The growth of tax is compared with the growth of GDP of a Nation. When the growth of tax revenue is more than growth of GDP, it implies that the growth of tax revenue shows a positive response to revenue mobilization and technically it termed as tax buoyant. High tax buoyancy indicates the built-in-flexibility in the tax structure. It is computed by dividing the percentage change in tax revenue by the percentage change in GDP over the period.

**Table 3. Tax Buoyancy (Rs. in crores)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Corporate tax</th>
<th>Total income Tax</th>
<th>GDP at Factor Cost</th>
<th>Buoyancy co-efficient</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Corporate tax</td>
</tr>
<tr>
<td>2001-02</td>
<td>36609</td>
<td>66813</td>
<td>2472052</td>
<td>-</td>
</tr>
<tr>
<td>2002-03</td>
<td>16372</td>
<td>93038</td>
<td>2570690</td>
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</tr>
<tr>
<td>2003-04</td>
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<td>2005-06</td>
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<td>311873</td>
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<tr>
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<td>637535</td>
<td>5741791</td>
<td>2.27</td>
</tr>
</tbody>
</table>

**Source:** Union Budget and Economic Survey, Government of India

The above table shows the tax buoyancy co-efficient in response to corporate tax and total income tax in order to comparison. Buoyancy co-efficient is Nil in 2001-02, because this year has been taken as base year for the study period. Table 6.3 reveals that buoyancy coefficient of income tax decreased from 5.27 in 2002-03 to 3.02 in 2013-14. But it was greater than 1 during the study period. It was greater than 2 in 9 years out of 12 years which indicates a responsive tax revenue flow in India. Corporate tax buoyancy coefficient was greater than 1 during study period and it was greater than 2 in 9 years out of 12 years. It shows that growth of corporate tax revenue is more than double times than growth in GDP in maximum years. If we compare with Total Income tax growth rate, then the past record also indicates that in maximum cases Corporate tax growth rate is more than growth of Total Income Tax in response to buoyancy co-efficient.

**Growth in Tax Base**

The base of income tax structure is a crucial factor affecting the tax revenue. Government has tried to achieve it through introduction of economic criterion for filing income tax return in 1997-98 (withdrawn in 2006-07), expansion of TDS base, introduction of Annual Information System etc.

Table 4 highlights that total number of corporate assesses increased from 3.49 lakh in 2001-02 to 4.98 lakh in 2007-08 at a CAGR of 5.21 per cent. Assesses belonging to taxable income “above Rs.10 lakh” increased from 0.34 lakh in 2001-02 to 0.59 lakh in 2007-08 by registering CAGR of 8.09 per cent. Further, assesses having income “Rs. 2 lakh- 10 lakh” increased from 1.22 lakh to 1.21 lakh at a
CAGR of -0.12 per cent showing negative growth. Assesseees having “below Rs. 2lakh” increased from 1.91 lakh to 3.16 lakh at a CAGR of 7.46 per cent during the corresponding period.

### Table 4. Income -Wise Number of Corporate Assesses (Number in lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Below Rs.2 lakh</th>
<th>Rs. 2 lakh-10 lakh</th>
<th>Above Rs.10 lakh</th>
<th>Search &amp; seizure</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>1.91</td>
<td>1.22</td>
<td>0.34</td>
<td>0.02</td>
<td>3.49</td>
</tr>
<tr>
<td>2002-03</td>
<td>1.83</td>
<td>1.29</td>
<td>0.39</td>
<td>0.14</td>
<td>3.65</td>
</tr>
<tr>
<td>2003-04</td>
<td>2</td>
<td>1.25</td>
<td>0.44</td>
<td>0.03</td>
<td>3.72</td>
</tr>
<tr>
<td>2004-05</td>
<td>2.05</td>
<td>1.19</td>
<td>0.54</td>
<td>0.02</td>
<td>3.8</td>
</tr>
<tr>
<td>2005-06</td>
<td>1.99</td>
<td>1.24</td>
<td>0.68</td>
<td>0.02</td>
<td>3.93</td>
</tr>
<tr>
<td>2006-07</td>
<td>2.05</td>
<td>1.25</td>
<td>0.68</td>
<td>0.02</td>
<td>4</td>
</tr>
<tr>
<td>2007-08</td>
<td>3.16</td>
<td>1.21</td>
<td>0.59</td>
<td>0.02</td>
<td>4.98</td>
</tr>
<tr>
<td>CAGR</td>
<td>7.46</td>
<td>-0.12</td>
<td>8.19</td>
<td>0.00</td>
<td>5.21</td>
</tr>
</tbody>
</table>

**Note:** The data from 2008-09 onwards is not available for detail analysis. Therefore the study has been limited to the period 2001-02 to 2007-08 in this particular aspect.

**Source:** Union Budget and Economic Survey, Government of India

### Table 5. Comparative Position of Actual Receipts and Budget Estimates (Rs. in crores)

<table>
<thead>
<tr>
<th>Year</th>
<th>Budgeted Estimates</th>
<th>Actual Collections</th>
<th>Variations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Corporate tax</td>
<td>Total</td>
<td>Corporate tax</td>
</tr>
<tr>
<td>2001-02</td>
<td>44200</td>
<td>84800</td>
<td>36609</td>
</tr>
<tr>
<td>2002-03</td>
<td>48616</td>
<td>91140</td>
<td>46172</td>
</tr>
<tr>
<td>2003-04</td>
<td>51499</td>
<td>95569</td>
<td>63562</td>
</tr>
<tr>
<td>2004-05</td>
<td>88436</td>
<td>139365</td>
<td>82680</td>
</tr>
<tr>
<td>2005-06</td>
<td>110573</td>
<td>176812</td>
<td>101277</td>
</tr>
<tr>
<td>2006-07</td>
<td>133010</td>
<td>210419</td>
<td>144318</td>
</tr>
<tr>
<td>2007-08</td>
<td>168401</td>
<td>267175</td>
<td>192911</td>
</tr>
<tr>
<td>2008-09</td>
<td>226361</td>
<td>364675</td>
<td>213395</td>
</tr>
<tr>
<td>2009-10</td>
<td>256725</td>
<td>369575</td>
<td>244725</td>
</tr>
<tr>
<td>2010-11</td>
<td>301331</td>
<td>429397</td>
<td>298688</td>
</tr>
<tr>
<td>2011-12</td>
<td>359990</td>
<td>532016</td>
<td>323224</td>
</tr>
<tr>
<td>2012-13</td>
<td>373227</td>
<td>569013</td>
<td>356326</td>
</tr>
<tr>
<td>2013-14</td>
<td>419520</td>
<td>668109</td>
<td>394678</td>
</tr>
<tr>
<td>2014-15</td>
<td>426079</td>
<td>704678</td>
<td>N.A</td>
</tr>
<tr>
<td>2015-16</td>
<td>470628</td>
<td>797995</td>
<td>N.A</td>
</tr>
</tbody>
</table>

**Source:** Union Budget and Economic Survey, Government of India

Table 5 shows that actual collection of corporate tax and total income tax were more than budget estimates in 2003-04, 2006-07 and 2007-08, but in rest of years it showed a negative variance between actual collection and budget estimates. This situation implies that either there is an inefficiency of Income of Tax Department in realizing the tax revenue from public and corporates or improper budget
estimation of Tax revenue. Therefore, the administrative effectiveness should be required for bringing corporate tax efficiencies in India. It also stated that corporate income tax shows highest negative variation in period 2011-12 and highest positive variation in period 2007-08.

Corporate Tax Collection at Pre Assessment And Post Assessment Stage

Corporate tax is chargeable for every assessment year in respect of the total income of the previous year at the rates prescribed in the annual Finance Act. The Act provides for a very comprehensive assessment procedure whereby tax can be collected at pre assessment stage and post assessment stage. Tax at pre- assessment stage is collected by way of deduction of tax at source (TDS), advance tax and self-assessment tax. Post assessment collection is the additional demand arising after assessment.

Table 6. Collection of Corporate Income Tax At Pre Assessment And Post Assessment Stage

<table>
<thead>
<tr>
<th>year</th>
<th>Pre assessment</th>
<th>post assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tax deducted at source</td>
<td>Advance tax</td>
</tr>
<tr>
<td>2001-02</td>
<td>8948</td>
<td>27293</td>
</tr>
<tr>
<td>2002-03</td>
<td>8961</td>
<td>40625</td>
</tr>
<tr>
<td>2003-04</td>
<td>11934</td>
<td>49004</td>
</tr>
<tr>
<td>2004-05</td>
<td>14654</td>
<td>73934</td>
</tr>
<tr>
<td>2005-06</td>
<td>21429</td>
<td>66625</td>
</tr>
<tr>
<td>2006-07</td>
<td>29048</td>
<td>96568</td>
</tr>
<tr>
<td>2007-08</td>
<td>44148</td>
<td>128105</td>
</tr>
<tr>
<td>Mean</td>
<td>19874.57</td>
<td>68879.14</td>
</tr>
<tr>
<td>CAGR</td>
<td>25.61</td>
<td>24.72</td>
</tr>
</tbody>
</table>

Note: The data from 2008-09 onwards is not available for detail analysis. Therefore the study has been limited to the period 2001-02 to 2007-08 in this particular aspect.

Source: Union Budget and Economic Survey, Government of India

Table 6 show that a major portion of gross collection from corporate tax (on an average of Rs. 94351 crores has been realised at pre assessment stage. Collection at pre assessment stage was maximum in 2007-08. It can be noticed that advance tax contributed maximum at pre assessment stage followed by TDS and self-assessment throughout the study period. The average percentage share of collection from regular assessment remained higher as compared to other receipts in case of post assessment collection during the corresponding period except in 2004-05 and 2007-08. The absolute collection of tax from different modes has shown an upward trend during the study period. The maximum CAGR has been shown by collection from self-assessment at pre assessment stage (26.63%) and other receipts (29.56%) at post assessment stage.

Cost of Collection of Corporate Tax

The Income Tax department of India incurs some cost for enforcement and administration of tax and higher cost reduces net revenue available with Government for development purpose. Thus, there is a need to control the cost of tax collection. Table 6.7 presents year-wise total cost of collection, cost per rupee of tax collected and cost per assesse.

Table 7 reveals that overall cost of collection of income tax increased from Rs. 993 crore in 2001-02 to Rs. 1551 crore in 2007-08 showing a CAGR of 6.58 per cent. Cost of collection per assesse in case of corporate tax had increased from Rs. 3295 in 2001-02 to Rs. 4157 in 2007-08.
Table 7. Cost of Collection of Corporate Income Tax

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost of Collection (Rs. in crores)</th>
<th>Cost (Rs.) Per assess</th>
<th>Cost(paise) per rupee of tax collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate tax</td>
<td>Total</td>
<td>Corporate tax</td>
<td>Total</td>
</tr>
<tr>
<td>2001-02</td>
<td>115</td>
<td>993</td>
<td>3295</td>
</tr>
<tr>
<td>2002-03</td>
<td>121</td>
<td>1048</td>
<td>3315</td>
</tr>
<tr>
<td>2003-04</td>
<td>129</td>
<td>1108</td>
<td>3468</td>
</tr>
<tr>
<td>2004-05</td>
<td>141</td>
<td>1218</td>
<td>3711</td>
</tr>
<tr>
<td>2005-06</td>
<td>147</td>
<td>1101</td>
<td>3740</td>
</tr>
<tr>
<td>2006-07</td>
<td>162</td>
<td>1216</td>
<td>4050</td>
</tr>
<tr>
<td>2007-08</td>
<td>207</td>
<td>1551</td>
<td>4157</td>
</tr>
<tr>
<td>CAGR</td>
<td>8.76</td>
<td>6.58</td>
<td>3.38</td>
</tr>
</tbody>
</table>

Source: Union Budget and Economic Survey, Government of India

Arrears of Tax Demand

The Act provides that when any tax, interest, penalty, fine or any other sum is payable in consequence of any order, a notice of demand shall be served upon the assessee. The amount which remains unpaid becomes arrear. Table 8 shows the arrears of corporate tax in this regard.

Table 8. Arrears of Tax Demand (Rs. in crores)

<table>
<thead>
<tr>
<th>Year</th>
<th>Tax demand</th>
<th>Tax remaining uncollected</th>
<th>percentage of arrears to tax demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate tax</td>
<td>Total</td>
<td>Corporate tax</td>
<td>Total</td>
</tr>
<tr>
<td>2001-02</td>
<td>79147</td>
<td>158790</td>
<td>42538</td>
</tr>
<tr>
<td>2002-03</td>
<td>81229</td>
<td>150676</td>
<td>35057</td>
</tr>
<tr>
<td>2003-04</td>
<td>101193</td>
<td>192966</td>
<td>37631</td>
</tr>
<tr>
<td>2004-05</td>
<td>121884</td>
<td>255129</td>
<td>39204</td>
</tr>
<tr>
<td>2005-06</td>
<td>156375</td>
<td>252649</td>
<td>55098</td>
</tr>
<tr>
<td>2006-07</td>
<td>209001</td>
<td>335821</td>
<td>64883</td>
</tr>
<tr>
<td>2007-08</td>
<td>261575</td>
<td>419850</td>
<td>68662</td>
</tr>
<tr>
<td>CAGR</td>
<td>18.62</td>
<td>14.90</td>
<td>7.08</td>
</tr>
</tbody>
</table>

Source: Union Budget and Economic Survey, Government of India

Table 8 highlights that the arrear of total tax demand increased from Rs. 90177 crore in 2001-02 to Rs. 124274 crore in 2007-08 registering a CAGR of 4.69per cent. Arrear in case of corporate tax increased from Rs. 42538 crore in 2001-02 to Rs. 68662 crore in 2007-08.

CONCLUSION

After going through detail analysis of data during the mentioned period i.e. 2001-02 to 2012-13, it is time to summarize it all. The present study shows the significance change of various taxes revenue during the study period. Both personal and corporate tax revenue contribute a major portion of total revenue in our country. The growth of corporate tax revenue shows a positive trend during the study period which indicates a growth signal for our country. The socio-economic objectives can fulfill in a better way in the light of corporate tax growth scenario. Apart from these, the buoyancy coefficient of corporate tax has indicated a positive response with growth of GDP. The present study shows that actual collection of corporate tax and total income tax were more than budget estimates in 2003-04, 2006-07 and 2007-08, but in rest of years it showed a negative variance between actual collection and budget estimates. This situation implies two possible situation i) there is an inefficiency of Income of Tax Department in realizing the tax revenue from public and corporates or ii) improper budget estimation of tax revenue. Further analysis of tax collection has summarized that Pre assessment corporate tax collection was greater than post assessment collection during the study period. Corporate
assessee having taxable income below 2 lakhs has increased satisfactory during the study period, but there is no significant change in other taxable assessee. Cost of collection per assessee and arrears of tax demand also showed a positive trend.

RECOMMENDATIONS

Only detection of disease cannot cure it, so we have to take necessary steps for its betterment. After analyzing the functional aspects of corporate tax we have recommend some measures as follows:

1. Necessary care should be taken to increase corporate tax at appropriate level with the help of policy reforms and tax administration.
2. Encouraging the people to pay tax by simplifying the filing procedure and awareness.
3. Budget estimate of taxation should be done more scientifically and continuous so that we can compare actual revenue with budgeted revenue in effective way.
4. Appeals and complaints settlement mechanism should expedite.
5. Cost of collection should be reduced by reducing administrative cost or adopting more information technology enable system.
6. There is a need to tackle tax evasion and corruption for improving tax compliance.

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ABSTRACT

Shivamrut Dudh Uthpadak Sahakari Sangh Maryadit provides employment opportunities to the farmers & their family. Labour welfare is the measures which aims at promoting the physical, psychological and general well-being of the working class population. It converts all natural resources or raw material into valuable wealth to some it is the prime basic condition for all human existence and so one can always say that "labour created man himself. History & growth of labour welfare facilities the origin of labour welfare. Labour welfare on India before the First World War was one humanitarian basic by costlier who made efforts to improve the condition of workless life. All these facilities were stopped during & after First World War. This industrial unrest brought unemployment & poverty so gov't. promotes itself to take active market in the labour welfare.

Keywords: Labour Welfare

INTRODUCTION

Labour plays an important role in the industrial production industry is the perfect example of where one can find the meaning if five M's i.e. money, material, machin, man and method. Which come together to achieve common goal. India being under developed country has been paying more attention towards the welfare, labour is the source of all wealth and economy assets the meaning of labour welfare is the measures which aims at promoting the physical, psychological and general well being of the working class population.

It converts all natural resources or raw material into valuable wealth to some it is the prime basic condition for all human existence and so one can always say that "labour created man himself. History & growth of labour welfare facilities the origin of labour welfare. Labour welfare on India before the first world war was one humanitarian basic by costlier who made efforts to improve the condition of workless life. All these facilities were stopped during & after First World War.

This industrial unrest brought unemployment & poverty so gov't. promotes itself to take active market in the labour welfare. Till Second World War there was a great progress in the field of labour welfare but it was not sufficient as per resource availability.

HYPOTHESIS

The main aim behind selecting this topic is to suggest the employees of every organisation to provide more attention towards the employees. Looking after the welfare of workers help to motivate them & hence results in harmonious relations which lead to increase in quality & quantity of the product workers at last are the real assets of each and every organisation. In any country let it be fully developed or underdeveloped if man is neglected development is not taken place. The basic difference between these two is developed countries pay more attention towards. Need of common man than the
underdeveloped countries. Thus looking after the welfare or labours help the country to developed in Industrial field.

RESEARCH METHODOLOGY

Necessity for Research Methodology

The importance of research methodology became necessary because

1. Today's business world.
2. Operate in world of uncertainly operate
3. Operate for survival.
4. Has increases competition & growth.

Importance of Research Methodology

1. It reduces risk.
2. Gives systematic information.
3. Helps in taking sound decision in correct time.
4. Sound decision making.

Source of Data Collection

The research is most important job for a researcher because it should be accurate adequate and un-based data collection technique should be define as questionnaire, interview, case study and observation study.

These are mainly the sauce of data collection. These are as follows:

I] Primary source of data

1. Researcher himself collects primary data he uses following sources
   2. Case study
   3. Direct & personal observation
   4. Interview method.
   5. Local sources
   6. Questionnaire method

2] Second source of data.

1. The information is collected indirectly it is collected from two types of sources
   2. Personal document i.e. diaries, letters etc.
   3. Public document i.e. books, records reports, newspapers etc.

Methodology

To understand welfare activities provided by Shivamrut Dudh Utpadak Sangh study was carried out in following steps,

First step:- To study the welfare activities in shivamrut dudh utpadak co-op ltd. Akluj. It was necessary to collect general information of organization such as history, products, strength, turnover and functional structure of the company.

Second step:- In the study of welfare activities it was mandatory to know thoroughly about various welfare activities as per factory act.
Third step:- There is a need of interaction with the management to know about statutory facilities and also employees view regarding facilities as per factory act 1948.

Fourth step:- In this steps the part of study to various information regarding non-statutory welfare activities provided by company.

Fifth step:- In this part of study to collect information regarding workers health and provisions provided by company.

Sixth step:- In this step working views were collected regarding their suggestions.

Observation

Management of Shlvamrut Dudh Utpadak Co-op Ltd. has given their views on welfare activities to their workers Shlvamrut has provided the labours with following

Non-statutory facilities

Management is producing following allowances to their staff and workers

1. Medical allowances
2. House rent allowances
3. Leave travel allowances
4. Housing facilities.

In the company management is fully satisfied non-statutory and statutory facilities and getting good co operation from the workers.

Statutory Facilities

Manager in the personal and administration is looking for welfare and discipline in the factory it is found good co-operation and co-ordination among workers the facilities provided by the company to the labour is satisfying.

As every individual has different opinion, hence they gave different views on welfare activities provided by the company.

- Cleanliness
- Ventilation & temperature
- Drinking water
- Latrine & Urinals
- Restroom
- Lighting
- First aid box
- Spittoons

FINDINGS

During my work at Shivamrut Dudh Utpadak Co-op Ltd. the information was gathered with the help of questionnaire and also exact idea about the labour welfare facilities the questionnaire put to the responder were simple and answers were In ”yes” and ”no”. The company has got very good status and identification in the field of industrial region. The interpersonal relationship among employees and managerial staff are cordial and much beyond the expectation. The reward and incentive schemes implemented in the company incite employees for the better productivity. As the employees feel
themselves full secured which avoids absenteeism. Safety awareness is created among the employees. The company has got its own man power development plant which keeps the

Employee continuously motivated towards thee work and it also increase the skill of worker working at shop floor. The labour welfare facilities provided in the company are very adequate in nature as the moral of employees are very high.

SUGGESTIONS AND RECOMMENDATIONS

Though treatment facilities are provided to the workers of Shivamrut Dudh Utpadak Co-op Ltd. however workers are also satisfied with present welfare activities but still need to extend the level of excellency.

Following points are suggested for improvement of the company provide canteen facilities and transport facilities for those employers who are residing in akluj area for their convenience. This will save a lot of time of the workers thus adding unto the production time of the workers.

The company provided housing loan which is not adequate to meet present requirements of workers. The company should introduce the scheme to the children of workers acquiring higher education, medical facilities in company requires improvements, if the company has a paid doctor who can regularly examine employees their family members suggestions scheme needs to improve and the workers should awarded for valuable suggestions.

CONCLUSION

Shivamrut Dudh Utpadak Sangh Ltd. is known for its harmonious relations and for the welfare facilities to the workers. I got adequate opportunity for study of welfare activities undertaken by this company; there are very efficient personals and administration staff who always study the needs of the workers. It is a frailty of the personal dept. Company is making higher turnover every year.

Its workers clearly indicate that they are happy form the welfare measures. Company offers various statutory and non-statutory welfare activities to the workers. The co-operation between workers and management is good.

I have study the functions of personnel management in welfare activities. Since the subject is very vast it is not possible to cover all aspects in short span of time. Shivamrut Dudh Utpadak Sahakari Co-op Ltd. Akluj believes growth of workers is linked with growth of company.

REFERENCES


PROBLEMS OF SMALL - SCALE AND COTTAGE INDUSTRIES IN INDIA

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ABSTRACT

The small scale and cottage industries face number of problems. As a result many small scale units turn sick and a large number have to close down. The magnitude of sickness among the small-sector units would be clear from the fact that at the end of March 2013, as many as 2, 49,903 of these units were sick and an amount of rupees 12,799cr was blocked in them. Let us now consider the main problem that the small scale units have to face.

Keywords: Finance and Credit; Scarcity; State Financial Corporation

INTRODUCTION

Finance and Credit

The scarcity of finance and credit is the main obstacle in the development of small scale units. The position of cottage and village industries in this regard is even worse. The capital base of the small industrial is usually very weak science they generally have partnership or single ownership. The artisans or craftsmen running cottage industries either run their business with whatever capital they possess or take credit from the mahajan or the traders who supply the raw material to them. In many cases, such credit is obtained on a very high rate of interest and is thus exploitative in character. The small-scale industries are somewhat better placed. However, the profit earned by them is often not enough for investment purpose.

The government of India recognized the importance of credit flow for the development of the small-scale sector and this was a major motivation for bank nationalization setting up of SFCs (state financial corporation) and SIDBI etc. banks were mandated to provide 40 percent of their lending to the priority sector comprising of agriculture, small-scale industry, small roads and water transport operators, small business etc. Although banks have met the priority sector lending targets on papers, their reluctance to lend to SSI units continues on accounts of, what they allege: (1) low recovery rates from the small firms and (2) higher cost of lending to the small firms. Moreover, s noted by Sebastian Morris, banks insist on collateral against the spirit of Reserve banks guidelines. The market value of collateral could be s high as five times the value of the outstanding loans or credit limit. The position of the SSI units in the economic reform phase (the period since1991) has grown worse as, in a bid to meet the conditionality’s under the structural adjustment programme; the government tries to cut down the expenditure. This, in turn, brought about severe credit restrictions. This put the small firm in, what Sebastian Morris calls, a ’triple bind’ – (1) the first bind is normal effects of credit squeeze which all firms suffer; (2) the second bind is significant and large bias against lending to small firms (with the result that the axe falls first and more severely on the small firms);and (3) the third bind is that the large firms facing a credit squeeze and having market links with small part of their difficulties to the small firms pass on part of their difficulties to the small firms by delaying payments to them or insisting on advance payment/shortening credit to them when they sell.
OBJECTIVES

1. To find the level of problems of small scale industries.
2. To know the level of development measures of small scale industries.
3. To know about how they can enhance the level of productivity
4. To study how the problems of small scale industry will improve.

Infrastructural Constraints

In their survey of 1,063 firms, Keshav Das and Sebastian Morris found that as many as 716 firms (or more than 67 per cent) said that they faced significant infrastructural problems. This is very large and confirms the well recognize and popular conceptualization that many productive activities are constrained by inadequate physical infrastructure. The more severe constraint is power. Captive generation at reasonable cost is out of question for small firms. Therefore, they have to depend on State Electricity Boards for meeting their requirements which do not supply regular and adequate power. Moreover because of rampant corruption, many small scale industrialists are forced to make private deals with the electricity officials; otherwise they face a danger of tampering with their meters by the electricians. Transportation and communication infrastructures are also universal constraints. In many SSI units (particularly those related to beverages, tobacco and related products, printing and publishing, basic chemicals paint and varnishes, and drugs and medicines), water supply is fast emerging as an important infrastructural constraint.

Inverted Tariff Structure and Raw Material Availability

As noted earlier, small scale industries contribute significantly to the export earning of the country. Many of these industries use imported raw material and intermediate goods. According to Sebastian Morris, despite imports liberalizations during 1990’s, the tariffs on material like steel, copper and many ferrous metals, plastics, many chemicals, paper etc. remains high in comparison to manufactured goods (other than consumer goods ). This has created the problem of a significant ‘inversion’ in tariff structure, which specifically hurts the small firms science they are more labour using and have high material-to-output ratios.

Small scale industries that use local raw material also face a number of problems. For instance, the handloom industry depends for its requirement of cotton on local traders. These traders often supply cotton on the condition that the weavers sell the cloth only to them when it is ready. Thus, the weavers are subjected to double exploitation at the hands of the traders. The traders sell cotton to them at high prices and purchase the ready cloth on low prices.

Machines and Other Equipment

Machinery and other equipments in many small industries has grown obsolescent. On account of this reason while their cost of production are high, the quality is inferior as compared to the small scale units. Moreover, the small scale units often do not care about the changing tastes and fashions of the people. Accordingly, modernization and rationalization are urgently required in small scale industries.

Problems of Marketing

One of the main problems faced by the small scale units is in the field of marketing. These units often do not possess any marketing organization and consequently their product compare unfavorably with the quality of products of the large scale industries. Therefore, they suffer from a competitive disadvantage. Because of the shortage of capital and financial resources, these units do not have adequate ‘staying capacity’ and are often forced to sell their products at unremunerated prices.

To save small scale units from competition from large scale units the government has reserved certain items for the small scale sector. The Trade Development Authority and the state trading corporation help the small scale industries in organizing their sales. The National Small Industries Corporation set
up in 1955 is also helping the small scale units in obtaining government orders and locating export markets.

**Delayed Payments**

Most of the small scale industries associations’ complaint about the hardships the small entrepreneurs go through an account of delayed payments by large firms and government departments. Table 7.13 of Sebastian Morris’s study shows that, on an average, the small firms provide 40 days credit to the buyers of their goods and services. But on their principal inputs they get only 14 days credit. In fact, the small firms have very little bargaining power in the markets they operate. On the purchase side, since they buy raw materials and components in small lots, they do not have much bargaining power that is large oligopolistic and monopolistic firms producing materials like steel, plastic, glass, copper etc. at times, they even have to make advance payment to have an assurance of supply. On the other hand, the small firms, when they sell to wholesalers and other firms are often forced to offer extended credit periods. Especially in the dealing with other large firms as subcontractors, this is a major problem. As far as delays in payments from government departments against goods supplied to them under governments purchase programme is concerned, these delays are on account of the cumbersome and complex procedures and rampant corruption in these departments.

**Problem Of Sickness**

There has been an increase of as much as 221 percent in the number of sick micro and small enterprises (MSEs) in a matter of just three years- from 77,723 as at end-march 2010 to 2,49,903 as at end-march 2013. Their outstanding loans have risen by nearly 145 percent over this period, from Rs 5,233 crore to Rs 12,800 crore. Of the 2,49,903 sick MSEs as at end march 2013, only 4,599 units with outstanding credit of Rs 3,926 crore have been found to be potentially viable. This shows that as many as 2,32,525 MSEs are not viable (or potentially viable). This is a serious cause of concern. According to the inter-ministerial committee for Accelerating Manufacturing in Micro, small and medium enterprises sector.“MSMEs, as individuals and collective entities, lack the abilities of the larger enterprises to advocate on economic and functional issues, and therefore come adversely on the receiving end of the unexpected actions of the stakeholders, including the state machinery…..a complex and unfriendly business ecosystem pushes small entrepreneurs towards the informal and unregistered segment, which is growing faster than the organized segment by more than five times, and already accounts for over 95 percent of all MSMEs.”

**Poor Database**

Another weak link in the chain is the inadequate database for the small scale sector. There are two major sources of information on the small scale sector, viz. Small Industries Development Organization (SIDO) and Central Statistical Organization (CSO). Complete information for the small scale sectors whole is not available from any of these sources. The industrial census data, as available from SIDO, pertain to the reference years 1972, 1987-1988 and 2001-2002 which could be used as benchmarks; however, to arrive at current estimates, necessary adjustments are required to made. The estimates worked out by SIDO every year on the small scale sector, i.e., number of units, employment and production, are subject to limitations, being based on partial returns. CSO data provides coverage of the VSI sector through various surveys. These surveys however, do not distinguish small scale units on the basis of investments in plants and machinery (conducted by NSSO) and provide data for establishments operating with less than 10 workers, i.e., non factory sector units which are not covered in the annual survey of industries (ASI) by CSO. It is not possible to segregate information from these surveys for the small scale industries (sub-sector) from the total VSI sector. Moreover, these surveys are conducted at an interval of 5 years and, as such, the estimate for other years (the years other than the survey year) are -essentially extrapolations. Information through such surveys is available for these years 1978-79, 1984-85, 1989-90 and 1994-95. As correctly pointed out SIDBI report,
Other Problems

In addition to the problems enumerated above, the small scale industries face a number of other problems like insufficient management, unchanging and unresponsive production pattern, burden of local taxes, competition from large scale industries, etc.

According to seventh five year plan, growth of the small scale and village industries has been constrained by a number of factors” including technological obsolescence, inadequate and irregular supply of raw materials, lack of organized market channels, imperfect knowledge of market conditions, unorganized nature of operations, inadequate availability of credit, constraints of infrastructure facilities including power etc. and deficient managerial and technical skills. There has been a lack of effective coordination among the various support organizations set up over the period for the promotion and development of these industries. Quality consciousness has not been generated to the desired level despite various measures taken in this regard. Some of the fiscal policies pursued have resulted in unintended splitting up of these capacities into uneconomic operations and have inhibited there smooth transfer to the medium sector. All these constraints have resulted in a skewed cost structure placing this sector at a disadvantage vis-à-vis the large industries, both in the domestic and export markets”.

Adverse Effect Of Economic Reforms And Globalization

The decade of 1990s was marked by considerable deregulation of industrial economy through delicensing and reservations,’ opening up’ the industrial sector to both internal and external competition, lowering of tariffs, removal of quantitative restrictions etc. these’ reforms’ have had an adverse effect on the small scale sector. Cheaper and better quality imported goods are posing a serious threat to small scale units operating in various industries like chemicals, silk, automotive, toys, sports, footwear etc. the most serious threat is being posed by cheap Chinese imports as the so called china price(which is a rock bottom price) is forcing a many small scaled units to close down. For e.g. since the imports of toys started in 1999-2000 the Indian toys industry has been through a torrid time.

A study conducted by associated chamber of commerce and industry( ASSOCHAM)points out that between 2001-12, overall toy imports into India increased at a CAGR (compound annual growth rate) of 25.21% (imports from china and Italy in this period increased at a CAGR of 30% and 38.6% respectively). S a result , near by 40% of Indian toy makers have already closed down in last 5 years and 20% are on the verge to close as far as the gift segment of the ceramic industry is concerned almost 80% of the domestic ceramic industries has been wiped out by Chinese imports. These examples can be multiplied while the cost of production in china are indeed very less as compared to India (because of large economy of scale ), it no doubt true that china is resorting to “dumping” to wipe out competitors in other markets.

CONCLUSION

There is an urgent need for evolving a regular system for upgradation and collection of data on the ssi(small scale industry) sector in view of rapid growth and substantial contribution of the ssi sector. New units come up every year for different line of production while existing units either diversifies of expand or in certain cases closed down. upkeep of the latest information is critical for policy decisions.

REFERENCES

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