



Management Guru: Journal of Management Research

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PEER REVIEWED

International Journal

- ➔ **The Inappropriate Geographical Locations of Capital Cities in India and their Adverse Effects on Urban Population**
- ➔ **Competency Model in Recruitment for Sports Organization**
- ➔ **Accounting Standard in India**
- ➔ **Educational Status of Scheduled Tribes in India**
- ➔ **Historical Perspective of Banking**
- ➔ **A Study on Competency Mapping and Assessment for Performance in Sports Management**
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THE INAPPROPRIATE GEOGRAPHICAL LOCATIONS OF CAPITAL CITIES IN INDIA AND THEIR ADVERSE EFFECTS ON URBAN POPULATION

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ABSTRACT

A simple look at the political map of India and the States within would bring out an important characteristic "Capital cities are located in one corner of the State and not centrally located". To highlight the point, take a look at the locations of Mumbai, Bangalore, Chennai, Kolkata and Srinagar, the capitals of major States and the location of New Delhi in India. Nearly 80% of the population is suffering from living at a great distance from the capital. For any trivial job connected with the Government, one has to travel on an average of 250 Kms, that is at least a day and has to spend a lot on travel, stay, meals. This one-way traffic is avoidable but political will is necessary. Some time back Gujrat and recently Andhra Pradesh have given some relief by bringing up new capitals. Location of any capital affects the population at large. Transport, residential accommodations, road traffic congestion, time wasted on up and down journeys, a heavy concentration of educational institutions, water supply, sanitation and many other problems get accumulated. Unless the political parties and social organizations realize the tremendous loss of energy, money, manpower and time, no solution would be arrived at. Geography and history can not be changed. India has come out of scarcity of a) water b) food c) electricity d) gas e) milk and many other areas. There are many ways through which this crisis of harmful growth of urban areas can be resolved. There would be initial objections, demonstrations, agitations, oppositions. The Government should handle these peacefully and by discussing across the table.

Keywords: Capitals, geographical location, government institutions, political will, congestion, common man, transport, urban problems

1. INTRODUCTION

Immediately after independence, in 1947, the big cities were considered as jewels. Comparatively big and high rise buildings, city transport, suburban railway locals, high employment potential, wide roads etc were the features of lopsided development of big cities during British Raj. New Government faced very urgent and serious problems. Food, water, famine, energy, illiteracy, poverty, roads and many more problems to address and solutions to be arrived at. In addition to these, social problems like the caste system, religious and political differences were also increasing. All the development programs were focused on basic needs as said earlier. Unless the basic needs of the population at large are fulfilled, planned development gets ignored. This paper is not on historical developments so let me come to the main issue under consideration. This paper refers to India after 70 years of independence. To tackle the issue of urban development it is essential to resolve the issue of the flow of rural population to big cities, mainly the Capitals of the States and the Capital of India, New Delhi with proper planning. This issue is subdivided into sections, each dealing with separate topics each

having its importance. Each topic is essential for the results to be felt. It may take a decade or so for the common man to enjoy the changes and the reforms. The topics are dealt with separately but the sequence followed does not show priority.

2. Objectives of the paper:

1. To reveal the inappropriateness in the selection of location of capital cities.
2. To highlight the problems of increasing density of population in capital cities
3. To show the lack of Strategic planning in the selection of capital cities

3. Major Issues related to Inappropriate Location of Capital Cities

3.1. Location of Institutions of Higher Education

Presently most sought after ‘Indian Institute of Technology’ (IITs) ‘Indian Institute of Management (IIMs) are located in thickly populated cities which are funded by the Central Government and the students have to pay very little as compared to the total expenditure involved. Tuition fees, hostel rents, mess charges are heavily subsidised by the government. A student has to pass a tough entrance examination and interview to get admission in these institutions. All the educational facilities laboratories, libraries, books, practicals are provided on the campuses. There is no need to have these IITs and IIMs in big cities. If these are established in small towns and small cities the students’ studies, career, prospects and future avenues will not get affected. For teaching and non-teaching staff if residential quarters are provided, during the service period, good faculty, even from foreign universities, would be available. This would in a way encourage other basic amenities like shops, traders, restaurants, cinema halls, recreation centres, sports facilities etc to come around for business. Other important features which would need consideration are i) good internet facility b) road / rly / air connections c) planned housing and city roads. These would attract other necessities like schooling, road transport, banks, posts, hospitals, doctors, etc to do their business. Locations of these institutions do not contribute to its ranking on all India basis. A recent survey (2019) of IITs, IIMs and Universities clearly shows a different picture than general conception.

The list of best 10 Universities of India shows[1] Varanasi, Aligarh, Pune, and Visakhapatnam which are not the Capitals. In the best 10 IITs one finds Kanpur, Pilani, Guwahati, Varanasi and Tiruchirapalli. Zone Wise Best multidisciplinary Universities are West (Pune and Symbiosis), East (Jadavpur and Calcutta), North (Banasthali and Amity), South (Manipal and Amrita Vishwa). This again shows the absence of Capitals. The point that emerges is locating institutions of higher education in Capitals does not play any significant role.

Suggestion: In future, the IITs, IIMs, and other research laboratories be located at district places or small towns.

3.2. Locations of High Courts

Central and State Governments together comprise more than 50% of litigants. In India, village level, taluka level, district level courts, tribunals etc are available. These generally deal with disputes regarding land, revenue, tenant-landlord, bank loans, debtors, creditors, employer-employee, civil, criminal etc. As per the rules, regulations, statutes, laws prevailing, the disputes are sorted out for magistrates or judges. One can, if not happy with the decision, go to the higher authorities. Then one can go to the High Court and finally to the Supreme Court. The Supreme Court functions only in New Delhi. The different States have one/two /three

High Courts in the Capitals and other big cities depending upon the population or depending upon the political will of the government prevailing. Take for example the State of Maharashtra where it has three high courts, Mumbai, Nagpur, and Aurangabad. With a population of nearly 10 crores, even three high courts are not adequate. At all India levels, thousands of cases are pending for more than five years or so for lack of timely judgements. Clients, on both sides, are expected to spend thousands of rupees on court fees, transport fees of their advocates and most importantly time to get so-called justice. Consider the expenses, time, stress, tension and agony involved. The government also spends crores of rupees on salaries, allowances, establishment, rent, construction of buildings etc but the public at large is always unhappy. Even after paying income and other taxes, the concerned parties have to pay in terms of time and money. This entire exercise is avoidable by having more benches of high courts at district levels. The government would, if implemented properly, not only save money but would get additional revenue. Judiciary and Government are two different arms of the system. In fact laws, decisions, actions taken by the government are always subject to prevailing law and its interpretation by the courts. This action would also result in less congestion in big cities and fewer expenses for both parties. This could also enhance confidence in the government machinery.

Suggestion: Each district be allocated one High Court

3.3. Headquarters of State and Central Projects and Establishments

Just because civil facilities are available at Capitals of the States, headquarters of so many establishments are thrust on the Capitals. There is no logic and logistics in locating headquarters of Central / Western / Reserve Bank / Life Insurance Corporation of India/ Banks and many other establishments in Mumbai. They are employers of thousands of employees. A similar situation prevails in Delhi, Bangalore, Chennai, Kolkata and many other capitals. Exceptions would always be there. Locating such offices in Capitals should have some genuine justification which would stand in the court of law. Consider the vast expanse of Central/ Western/ Southern / Eastern railways, each of them separately, and just visualize the discomfort and injustice done to the passengers with some grievances. If proper authority and accountability are generated at other places it would be a great service to the public at large. With the internet facility, after pre-training and practical hands-on training with the working staff, it would give a tremendous boost to the smooth and efficient working.

Suggestion: For locating the Head office of private or public companies the permission of Government, central or state, be made mandatory.

3.4 Natural Environment

All the capital cities are facing the problem of a high rise in land prices. Every piece of land whichever was available earlier was converted into a housing complex. In the process trees, forests, lakes, hills and hillocks have vanished from the city landscape. Bangalore which was supposed to be the city of lakes no longer enjoys that adjective. Land sharks have eaten the surrounding areas and water is polluted with garbage and waste material. Mumbai, which has an annual rainfall of about 2500 mms going to the sea, gets water from the lake Tansa, Bhatsa about 70 kms from the city. Now the State Government is thinking of bringing water from Koyna Dam meant for power generation, about 750 meters above the sea level and about 250 Kms away from Mumbai. This is just because the population of Mumbai has reached nearly 1.5 crores. Trees, Jungles and water embankments have vanished to accommodate housing complexes, railway lines and roads. A demon has

emerged in the form of disposal of solid waste and drainage. The situations in Kolkata, Chennai, Old Delhi and many other cities are no different. Formerly nearby small villages, towns and open spaces were used as dumping grounds for waste by these big cities. Now people living in those areas resist such wet and dry waste dumping in their areas. The waste generated is a great challenge to the environment. This leads to polluted water supply, contagious diseases, defecation in open areas, throwing waste anywhere, roads and lanes becoming smaller and smaller, parking on pavements making pedestrians victims etc. Planting trees is not even a 5% contribution to maintain a clean environment.

These problems are man-made and generated by unplanned growth of Capitals and other big cities. The solution might need some legislation to guarantee unpolluted water supply and clean air to the population.

Suggestion: Existing government machinery be empowered to take serious actions against the defaulters

3.5 Modern Bio Techno Science

The advances in these fields are bound to affect the everyday life of any citizen. Just consider the present 2020 wristwatches used. They have already gone below our skin. They are recording your blood pressure, heartbeats, steps, energy consumptions in calories, blood sugar and the oximeter to tell you about oxygen level. These modern gadgets could diagnose your heart condition, your blood group, your DNA and everything else. This data is stored in a distant place not known to you. So these gadgets know you better than you know yourself. The recent research tells you through these gadgets how much stress and strain your brain can or can not sustain. So it may be in the next 20 years or so you would be judged by these meters first then the discussion across the table would follow. This data makes your educational qualification as 'just additional data'. This important aspect comes to the fore while the selection of candidates is made for any job. Apart from the results of written and aptitude tests this data plays a vital role. The point to be stressed is to keep updated about the new research while planning a project.

Suggestion: New subject is introduced at the junior college level to make the students aware of the advances in bio-techno-sciences. This is updated every three years.

3.6. Age of Retirement, longevity and the serious issue of Senior citizens.

Before independence, that is before 1947 the average lifespan of citizens then, was about 42 years. Now in 2020, it is about 65 years or so. Age of retirement from any service has changed from 52 to 55 to 58 to 60 and even to 65 in some cases. In big cities, average tenements were one room and kitchen with common toilets and even baths. During the last five to six decades the pattern has changed to two rooms, kitchen, self-contained toilet and bath for a middle-class family. But in general, the old pattern continues. Cost of owning a one-room /two rooms / three rooms flat etc being very high, a family has to accommodate the aged parents some way or the other. This has led to further congestion in the cities without having any solution of providing a decent life to the aged. Even if this large population, nearly 15%, is taken out of big cities it would be a big relief to the congestion. This, of course, needs proper preparation, providing proper amenities, healthcare, recreation, internet etc. This would provide the double benefit of reducing city congestion and giving better living conditions to the aged.

To prepare an Army officer, an Air force pilot / navigator or a naval officer crores of rupees are spent but on an average these personnel would retire at an early age of 52 to 55. Their services could easily be used for the next 10 years or so . This important issue needs consideration.

Suggestion: New policy be designed, enacted and implemented with immediate effect

3.7. Training to Personnel in Bureaucracy and Political Leadership

CoronaVirus 19 pandemic has unknowingly given a tremendous boost to the use of the internet. Right from primary school to university education the students, teachers, non-teaching staff and the policymakers are forced to understand basic training and utility of the internet. This has also made the staff working in the supply of electricity, internet facilities appreciate the importance of continuity in supply and the impact of interruptions. This has forced the bureaucracy and the policymakers to act expeditiously to the needs of education and training.

Suggestion: This should be a continuous process and not only for disaster management.

3.8 Bifurcation of States

Political map of India has drastically changed since independence. The states were separated based on languages. One language one state was the principle followed. Location of the capital was not given any importance. Again during the last 70 years, some reformation took place. This gave rise to the creation of new States like Haryana, Jharkhand, Chattisgarh, Telangana etc. This has in a way helped the administration as New Capitals are located in the centre of the States. The author of this paper is of the view that ignoring linguistic considerations the big States like Maharashtra, Karnataka, Gujrat, Rajasthan, Madhya Pradesh be divided into two each giving priority to the administration and logistics. It is likely in the near future some further changes may be necessary.

Mumbai is no longer an industrial town. Most of the manufacturing industries like textile mills, chemical and pharmaceutical industries have shifted outside Mumbai. Thanks to labour unions and their leaders for making the local population jobless and also homeless. The land would fetch more profit than balancing between labour strikes and their leaders. Importance of Mumbai as a port has also been reduced due to the JNPT, a new port. So the city is now catering to the service sector. A similar situation prevails in Chennai and Kolkata. Despite these radical changes, the main administrative offices of the State Governments are located in thickly populated areas. This results in road, rail, traffic congestion. In these Capital cities to reach the airport one needs to spend huge amounts in terms of money and time. Bangalore, Hyderabad and Ahmedabad are no different in these aspects. One can imagine the plight of an ordinary citizen, who has to bear travel, stay, meals and on top of it the time without losing the focus on his work to be done. The author of this paper, therefore, suggests

Administrative Reformation of the States: Consider the data given in the table below.

Table 1: Total area, population, per capita energy consumption and the location of the Capital

(India Census 2011)[3]

Sr No	State	Capital	Population in millions	The area in sq kms	New Capital for new State (Hypothetical)
1.	Rajasthan	Jaipur	56.507	342239	Jodhpur
2.	Maharashtra	Mumbai	96.878	307713	Nagpur

3.	Gujarat	Gandhinagar	50.671	196204	Rajkot
4.	Karnataka	Bangalore	52.850	191791	Dharwad
5.	Tamil Nadu	Chennai	62.605	130058	Madurai
6.	West Bengal	Kolkata	80.176	88732	Jalpaiguri
7.	Uttar Pradesh	Lucknow	166.197	240928	
8.	Bihar	Patna	82.998	94161	



Figure 1: Map of India where star indicates approximate locations of new capitals of some states[3]

This transformation is vital to the proper growth of the urban population. When Hindi language could have three-four States why deny the same justice to other languages. But this new pattern is not based on language. This is to make the administration smooth, and citizen-friendly. This certainly would require great planning, discipline, vision and of course finance. But if a proper survey is conducted on the pros and cons of the reform it would certainly result in great savings on account of time, money, decision making, quick disposal of cases and most importantly less of corruption. Just imagine when a complainant goes to any capital of the concerned State a) the clerk concerned is on leave b) decision is at higher level c) the minister concerned is not available d) office not functional due to some strike/hartal e) proper authority does not have the competence to decide the matter f) corruption etc are the causes for him or her to stay for few more days in the capital, although not affordable from any angle.

Suggestion: This step is likely to be very sensitive. Emphasis is made on administrative reforms and likely gains to the public at large.

3.9. Changes in the constitution, legal System, Political Impact, Social imbalance etc

The points mentioned above have so many administrative, implementation, legal, financial, social, political considerations that first and foremost would be to make them palatable to the public at large. This would need educating political, social leadership. Some orientation courses, lectures and practicals followed by sample surveys, will have to be designed to convince the government machinery to understand the importance of proposed changes. Such types of exercises have been done in the past for census, health hazards, agriculture, family planning, public toilets, compulsory primary education, literacy etc. If these initial steps are taken without giving any political colour the proposed changes would be acceptable to the population at large. Even if the middle class is convinced about the utility of this change it would be sufficient . This has been proved by Shri Arvind Kejriwal of New Delhi. He won the Delhi assembly elections twice convincingly on one point agenda of " Protests against Corruption and Gender Violence " . In fact, the unexpected triumph of the ragtag party AAP(Aam Adami Party) in the Delhi Assembly elections must be attributed to the fervent support and encouragement of Middle class.(Vinod Mehta, `Editor Unplugged ' Penguin Viking 2014, pp 176-177) Suggestion: Government departments should have the necessary expertise in the matter of strategic planning.

3.10 Breeding Centres of anti social elements,crimes and other social evils.

Overcrowding in the cities will generate centers of antisocial activities, crimes, drugs etc. This would endanger civil life and a safe environment. If we look around the cities like New York, Chicago, it will provide ample proof for the ill-effects of overcrowding. (` Becoming Michelle Obama' the wife of the first African-American Black President of USA, Barack Obama, Penguin Random House.) , Fortunately for India there is no skin colour discrimination.

. But we have other social divides like languages, religion, caste etc which divides the society into multiple sections.

Suggestion: Do not allow this problem to generate and allow breeding centers to grow.

4. Conclusion-

In conclusion, the author would like to quote:

How wonderful it is that nobody needs to wait a single moment before starting to improve the world.

Annie Frank [4]

The Government will have to form a committee of experts, to understand the issue, steps to be taken on priority basis and submit a report within the time frame.

Urban development in India is highly concentrated in New Delhi and the capitals of the states in India, This concentration of power and amenities must be distributed over all the 595 districts to achieve better urban development in the near future.

5. Suggestions and Recommendations:

1. In future, the IITs, IIMs, and other research laboratories be located at district places or small towns.
2. Each district be allocated one High Court

3. For locating the Head office of private or public companies the permission of Government- central or state, be made mandatory.
4. Existing government machinery be empowered to take serious actions against the defaulters
5. New subject is introduced at the junior college level to make the students aware of the advances in bio-techno-sciences. This is updated every three years.
6. New policy be designed, enacted and implemented with immediate effect
7. This should be a continuous process and not only for disaster management.
8. This step-Bifurcation of States is likely to be very sensitive. Emphasis is made on administrative reforms and likely gains to the public at large.
9. Government departments should have the necessary expertise in the matter of strategic issues.
10. Do not allow the problem social divide to generate and allow breeding centers to grow.

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COMPETENCY MODEL IN RECRUITMENT FOR SPORTS ORGANIZATION

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“Competency Models are position Models which are at the heart of every Competency-based HR application. A Competency Model is a GIGO (garbage-in-garbage-out) Test Factory. In spite of timely administration intricacies and sophistication, if the Models are not accurate and do not represent the relative position, the purpose of the Model is doomed. The basis of generating Competency Models are processes. Thus the questions that need to be raised are: (a) What does the Employee have to be able to do? (b) What does the Employee have to know in order to do it? If the Flow Charts of the Job processes are laid, determining of Competencies is easier. If the Competencies are not related to the specific process step then the Model is not valid”. (Dr Seema Sanghvi, 2005)

UNDERSTANDING THE COMPETENCY MODEL FRAMEWORK

Sources of Competency Information:

For the sake of convenience we shall follow the top-down approach and from general to specific in filtering the sources of Competency Information.

- By assumption – certain Competencies are assumed to be present in every employee. These are closely related to conditions of employment addressing behavior, ethics and work habits. Attitude affects the job and correlates to performance. Honesty is a Competency essential for all jobs. It would be ideal for all employees to compete psychological honesty tests before being hired. Training on ethics and business controls need to be inculcated during the Orientation Training. These Competencies are assumed to be traits that every employee possesses.
- By Law – ‘as per the laws of the land’ must be the guiding principle for the Organization. Government and its Regulatory Agencies create requirements that apply to all employees. These are great potential sources for Competency of all employees. All employees requires not only knowledge of the Regulations but an understanding of how to comply with them and report the results. Regulations also provide a source of position Competencies. The cost of non-compliance can be very costly.
- By Industry – Indian Industries are known to devise their own required professional Competencies for their employees, workable Competency Models and follow a particular Assessment approach. Certification program are great source of Competencies for employees.

Equally powerful are the other sources of information for developing a Competency Model.

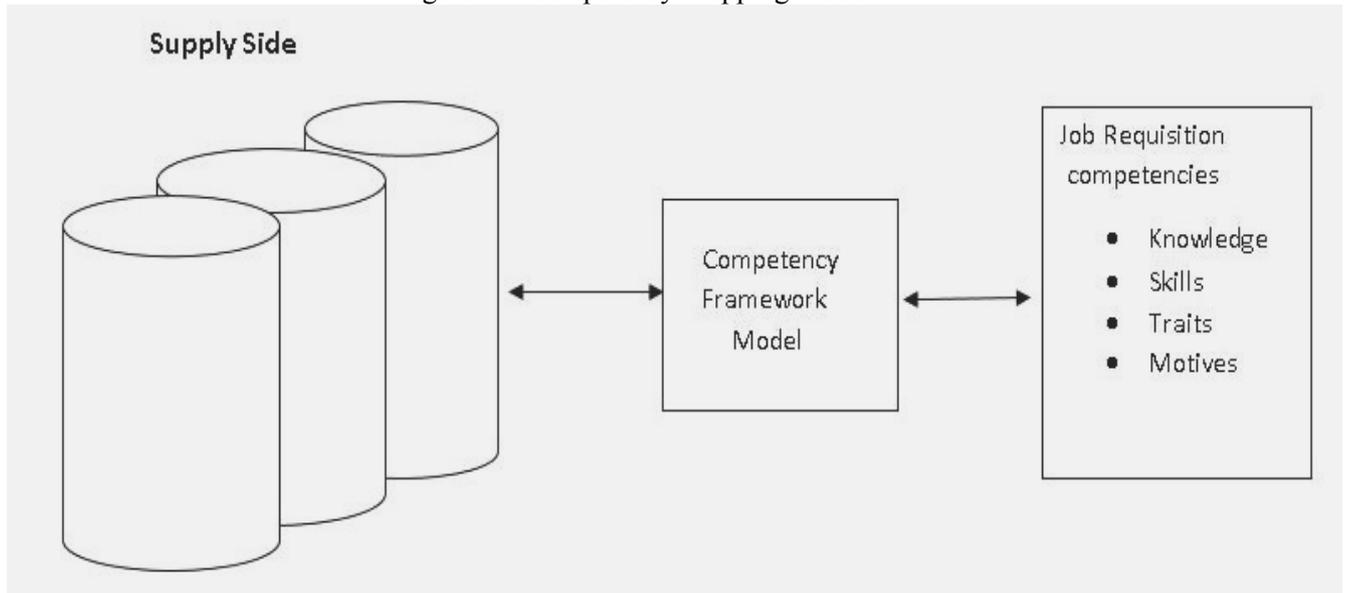
(a) By Organization - the vision and mission statement of the Organization reflects the philosophy of the Organization – where it is headed, what it does and how it should respond to all situations and issues.

(b) By Work Group – various Departments are known to have their aims and objectives, visions and mission and specialized procedures and documentation that apply only in situations unique to their work Group. Work-group level Competencies are more common in Organization with hybrid job structures. Everyone in the Department must be trained and qualified to do anyone’s job for the Organization. All database maintained becomes the basis of Career and Succession planning or for upcoming positions.

(c) By Background Information – background information and knowledge form a great Competency input for the Competency Model. These are information relating to general business or job standards. Faulty or hasty recruitment of new employees at entry point can be disastrous for the Organization. The questions that needs to be addressed are – what are the general knowledge and skills that should not be taken for granted or overlooked? What are the important qualities that all employees should possess? Are the employees teachable and trainable? Are these employees worth including in the Competency Model? Are the employees worth including in the Assessment process that we designed?

Position Documentation:

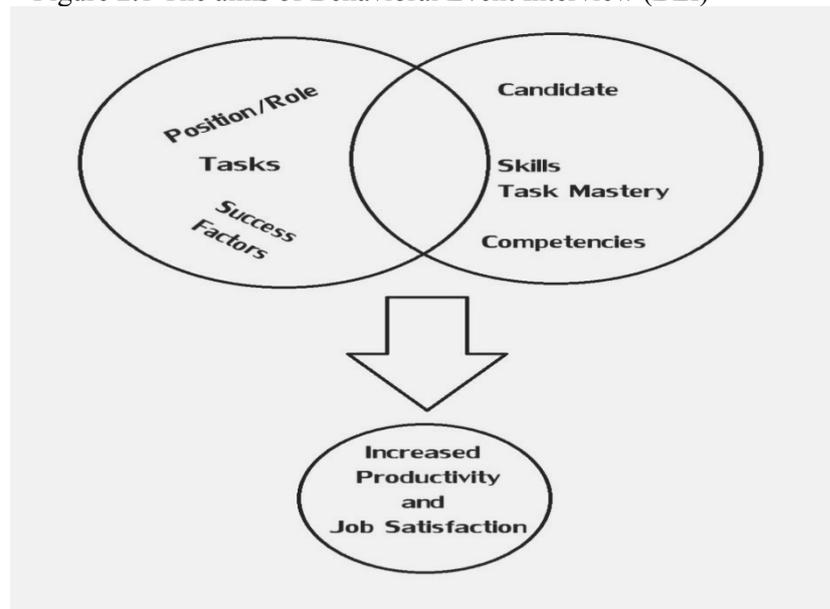
Figure 1.1 Competency Mapping Model



Behavioral Event Interview (BEI):

Behavioral Event Interview (BEI) is an interview technique based on the truth that the best predictor of future behavior is past behavior. Behavioral Event Interview allows the interviewer to (a) gain detailed job-related examples (b) assess past performance (c) assess competencies. The aim and objective is to improve the fit between the Candidate and the position. The purpose of BEI Behavioral Event Interview is to best match the Candidate skills, Competencies and motives with the requirements and success factors of the position. As expected, Selection Interviews are prone to problems such as bias and inadequacy as predictors of Performance. However, they are also the most popular selection method and serve a number of important functions, such as providing the interviewee with an opportunity to ask questions about the job and the Organization.

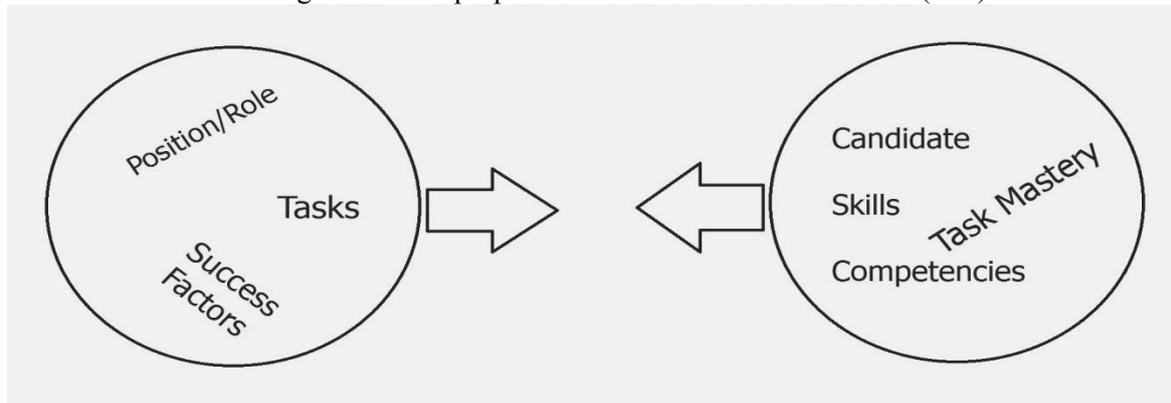
Figure 2.1 The aims of Behavioral Event Interview (BEI)



Techniques that help improve the effectiveness of interviews are increasingly being used. Often referred to under the name of ‘structured interviews’, these techniques represents a variety of ways to improve fairness and accuracy in predicting performance. In fact, the degree to which the interview is structured is less important than the core principle of focusing on job-related criteria. Questions asked usually facilitate the gathering of information relevant to key job requirements. Judgments are formed by evaluating this evidence against criteria that have been established through analyzing the job requirements. Judgments are formed by evaluating this evidence against criteria that have been established through

analyzing the job or role – rather than by directly comparing candidates on the basis of the interviewer(s) overall impressions.

Figure 3.1 The purpose of Behavioral Event Interview (BEI)



Behavioral Description Interview (BDI):

Both Behavior Event Interview (BEI) and Behavior Description Interview (BDI) are related to the Critical Incident Technique (CIT). Both BEI and BDI differ from CIT in the scope and length of the examples or events that interviewees are asked to describe, and in the trigger questions that are used by the interviewer to elicit these examples. The BEI and BDI techniques are considered to be more suitable for complex jobs such as Management roles or those involving a high level of interpersonal skill such as Sales roles. This is because they elicit a small number of examples of complex behavior, which can then be explored in depth. It has been observed and confirmed that Critical Incident Interview may elicit up to a hundred per cent brief examples. BDI has been found to be more highly effective, even at the most senior levels, including that of a Chief Executive.

Both the BDI and BEI are also not restricted to 'critical' aspects of the job, but can be adapted to explore any key requirements. This is done by designing specific eliciting questions – in the case of BDI these main questions are developed to gather information on particular Competencies which have been identified as important for the role in question. While the eliciting questions are likely to be standardized for all the interviewees in a particular context, the rest of the interview does not follow a predetermined structure. Instead, open-ended questions are used to draw out a detailed description of what the candidate did, said, thought and felt during the event he or she has chosen to talk about. The interviewer keeps detailed notes, which are later studied and evaluated against the relevant and identified competencies and criteria.

Behavioral Event Interviewing Methodology:

Step One – Open the Interview. (i) Use the opening to build rapport, make the candidate feel at ease, and explain the purpose and expectations of the interview. Greet the candidate. Introduce the candidate to the panel, including his or her name, position and function within the government/organization. Make the candidate feel at ease. Make small talk. (ii) Explain the purpose of the interview. The purpose of the real interview is to determine whether there is a match between his/her interests and qualifications and the main position that is to be filled. (iii) To enable the government/organization to make a purpose decision, ask the candidate to spend a few minutes talking about his/her previous work and work-related experience and career history. Then ask about some events or situations where he/she played a key role. (iv) Ask the candidate to focus on situations that occurred within the past 12 to 24 months and which are most relevant to the individual's work. It is much easier to recall recent events than events that occurred in the distant past. Then, at the end of the interview, ask the candidate if there is anything he/she might want to know about the job or position. (v) If at any given time the candidate does not understand a question, ask him/her to let the panel know. Inform the candidate that it would take approximately one and a half hours to conduct the interview. (vi) Mention interruptions and note taking during the interview. It may be required for the panel to interrupt the candidate while seeking information or knowledge or for more details. The former would be interested in whatever the candidate has to say- we should keep it as focused as possible to get the maximum amount of information in the time available. Taking notes during the interview in order to be able to remember all the information the candidate shares. (vii) Once the questions have been asked, give the candidate an opportunity to ask some of his or her own questions, or add additional information the candidate considers important to share. (viii) Be sure to get as much information as you can on paper to make an accurate assessment of the candidate.

Step Two – Review the Candidate’s Career History. (i) Work-related Experience and Career Overview. Review the candidate’s Career development and key job responsibilities. Probe the candidate’s technical expertise. (ii) Career history and major things accounted for. (iii) Responsibilities held, key skills used. (iv) Technical knowledge and skills that related to the Job.

Step Three – Conduct focused Behavioral Event Interview. (i) Focused on Behavioral Event Interview. (ii) Specific details about the candidate ‘in action.’ (iii) Specific details about the candidate work-related experience within the last 12 months to 24 months.

Focus Groups and Work Teams:

A very strong structured method of gathering Competency Information are of the Focus Groups. Present day Organizations are required to assemble a team of Employees at a single location for days to provide the group with a trained Facilitator, familiar with operations of teams and core Competency Modeling. Facilitators must possess Cross-functional skills. Facilitators possessing Job-analysis experiences, a natural trainer, a supplier, a customer, a stakeholder and Supervisor may form a Project team.

It is often said that the ideal team should consist of five to seven individuals plus a Facilitator. The Focus Group is directed to provide information on (a) Job List (b) List of Accountability and Responsibility (c) List of major Projects or Contracts (d) Decisions (e) Internal and External Customer contacts (f) Competencies with descriptions (g) Measures of evaluation. The Focus Groups develop a complete list of tasks for the position under analysis. The Focus Groups use documented sources and all other possible sources, responsibilities, active projects, customer contacts and decisions with the ultimate goal to capture knowledge, skills and behavior aspects required for the positions. It has always been found useful to discuss the measurement of tasks identified at this stage. After all, this is the basis for building an Assessment Instrument for the position.

Benchmarking of Employees:

Whether interviews or feedback, the important parameter in the development of the Model is creating a benchmark of those Employees who exceed and fall below performance standards. In the early 1980s the magazine **Purchasing** published the results of an annual contest in which readers were invited to nominate outstanding Sales Representatives. Respondents were asked to identify the top three characteristics of their Representatives. The authors performed a content analysis of the surveys and tabulated the frequencies for traits that were mentioned by Buyers. (Figure 4.1 Sales Competencies Deserved by Customers).

Figure 4.1 Sales Competencies Deserved by Customers

Sr.No	Sales Traits	Average Per Cent Mentions
1	Thoroughness and follow through	65
2	Knowledge of his/her product line	59
3	Willingness to go to bat for the buyer with the Supplier Firm	54
4	Market knowledge and willingness to keep the Buyer posted	41
5	Imagination in applying his/her products to the Buyer’s needs	23
6	Knowledge of Buyer’s product lines	18
7	Diplomacy in dealing with operating departments	16
8	Preparation for well-planned Sales calls	12
9	Regularity of Sales Calls	9
10	Technical Education	7

Source: Dr Seema Sanghvi ‘The Handbook of Competency Mapping ‘(2005) pp. 97.

Using this as a benchmark, Researcher Larry Craft further analyzed the most successful Sales people at a major Life Insurance Company. Using a personality profile Questionnaire, Insurance professionals identified as top performers scored high in:

- (a) Emotional Intensity: The Salesperson’s sense of urgency or drive towards short-term goals.
- (b) Intuition: The degree to which a person relies upon experiences and feelings to make a decision, as opposed to complex analysis of the subject matter.
- (c) Assertiveness: An individual’s ability to control the actions of others. Top

performers were characterized as 'high ego drive' individuals. Researcher Larry Craft recommended that Organizations train these trailblazer individuals and provide them with ready support for their Questions and problems.

CONCLUSION:

While developing Competency Models, the Project Team involved (a) must review all the potential sources, (b) insist on designing the appropriate Competency Model (c) ensure that the Research base support the core accuracy and validity of the Model (d) ensure that assessment process of the Competency Model are in order . Each Competency has to be defined. Each Competency Model must have a common vocabulary. Each Competency has a purpose. Without much doubt, a Competency Model comprise the position of Model consisting of Competencies, definitions, standards by positions and assessment. Future Researchers would be well to insightfully go for many more research areas on the subject of Competency Model that are very high on application and appropriately-tuned.

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AN ANALYTICAL STUDY OF ACCOUNTING STANDARDS IN INDIA

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Abstract

The accounting standards setting bodies have recognised this fact while formulating the accounting standards. It is a fact that the accounting standards are permitting alternatives to be used in the accounting field. The International Accounting Standards Committee (IASC), which is the internationally accepted body for formulating accounting standards, has realised this fact and tried to reduce and eliminate the use of alternatives as far as possible. But a hairline distinction should be drawn between valid alternatives for different situations and free choices of accounting treatment for the same situation. The objective of an accounting standard should be to ensure the financial reporting of similar events and transactions in a similar manner. At the same time, it should also be seen that standardisation is not forced on unlike events and transactions.

Keywords : Accounting Standards, International Accounting, Standards Committee, Financial Reporting, Transactions

Introduction

It is universally agreed that in accounting field more than one accounting bases exist for dealing with identical business events or transactions. This gives rise to the main problem. Two different accounting bases ought to give two different results. Due to adoption of different bases of accounting, the financial statements no longer remain comparable. The following areas have been identified in which different bases of accounting exist.

- Depreciation of fixed assets
- Valuation of stocks
- Translation of foreign currency transactions
- Treatment of retirement benefits
- Recognition of profit on long-term contracts
- Treatment of contingent liabilities

The accounting standards setting bodies have recognised this fact while formulating the accounting standards. It is a fact that the accounting standards are permitting alternatives to be used in the accounting field. The International Accounting Standards Committee (IASC), which is the internationally accepted body for formulating accounting standards, has realised this fact and tried to reduce and eliminate the use of alternatives as far as possible. But a hairline distinction should be drawn between valid alternatives for different situations and free choices of accounting treatment for the same situation. The objective of an accounting standard should be to ensure the financial reporting of similar events and transactions in a similar manner. At the same time, it should also be seen that standardisation is not forced on unlike events and transactions.

The question of auditor's responsibility is pertinent in this respect. A common misconception is that it is the duty of the auditor to prevent the management from manipulating the profits of the organisation. This is not true. The auditor has no control over the management in this respect. He has no authority to prevent the management from doing so. The only thing he can do is to make a disclosure of the irregularities in his audit report. When the auditor presents a qualified report, it is expected to work as a deterrent. The management should take a clue and refrain from adopting inappropriate accounting policies. But in practice, it is found that even a qualified auditor's report fails to prevent an unscrupulous management from indulging into unfair accounting practices. Surprisingly, the users of the financial statements also do not object seriously to such transgressions. Many public limited companies are found to be flouting the rules of the game non-chalantly, without the fear of any punitive action being taken against them for the breach.

Accounting standards, when issued, are recommendatory in character. After some time, they are made mandatory. Accounting standards are mandatory only for the members of ICAI and for those who are covered by the disciplinary powers of the ICAI. In India, all auditors come within the disciplinary powers of the ICAI, but those who prepare the financial statements do not come within the influence of the ICAI. If an auditor fails in his duty to make a proper disclosure about the non-compliance of a mandatory accounting standard, he can be disciplined by the ICAI. But the ICAI has no powers to deal with the erring preparers of the financial statement. The board of directors as a whole is responsible for preparing the financial statements. Neither any director individually nor any other employee is responsible for the same. The ICAI has no control over them.

The accountants have to choose between corporate loyalty and ethical path. Unfortunately, most of them give preference to corporate loyalty over ethical path in preparing the financial statements. The ICAI can do little in this respect and has to remain a silent spectator. Only self-regulation and self-restraint by the corporate sector can prove to be effective in bringing the qualitative change.

During the last decade, it was observed that many fly-by-night companies had mushroomed to take undue advantage of the stock market boom and to exploit the unwary investors. The situation continued unabashedly till a plethora of stock exchange scandals came to the fore. The promoters of such companies had only one objective in mind and it was to collect as much booty as possible from the gullible investing public and vanish. How could anyone expect them to bother about preparation and presentation of true and fair financial statements in this situation? Their main intention was to impress potential investors and attract investment. To them, window dressed financial statements were nothing but one more mode to advertise their wares. It is indeed true that large dividends are the bribes which managers tender the small investors for the power conferred on them to use other people's money (Brandies: *A Free Alan's Life*; Alpheus Thomas, *The Viking Press, New York, 1946*,/). 356).

It is often observed that even the well established companies cannot resist the temptation of highlighting the 'good news' and suppressing the 'bad news'. Companies, motivated by self-interest rather than public interest, try to project themselves in the best light by window dressing their financial statements, ignoring the interests of the users. Therefore, a great need was felt to ensure strict compliance with the accounting standards through regulatory bodies and legal machinery.

The need for accounting standards thus becomes clear. Accounting standards are necessary in checking the diversities in accounting practices, which lead to financial anarchy and collapse of credibility in financial statements.

The recognition of accounting standards should rest on the following three essential characteristics:

- (i) The need to eliminate the use of free choices of accounting treatment for the same situation so that financial statements do not give distorted picture.
- (ii) To enforce the compliance of accounting standards by various means such as punishing the guilty.
- (iii) To entrust the work of formulating accounting standards to persons drawn from various interested groups, mainly the users whose interests are to be protected, so that there is a widespread support and recognition to accounting standards.

BODY REGULATING ACCOUNTING STANDARDS IN INDIA:

Recognising the need for setting accounting standards, the Institute of Chartered Accountants of India (ICAI) constituted the Accounting Standards Board (ASB) on 21st April, 1977. The ASB is responsible for formulating and implementing the accounting standards in India and thereby checking the diverse and conflicting accounting policies and practices.

SCOPE AND FUNCTIONS OF ACCOUNTING STANDARDS BOARD:

The main function of ASB is to formulate accounting standards in India. While formulating the accounting standards, ASB takes into consideration the prevailing laws, customs, usages, and business environment and practices.

The Institute is a member of the International Accounting Standards Committee (IASC) and has pledged to support the objectives of IASC. The IASC formulates the international accounting standards. ASB gives due consideration to the international accounting standards while formulating its own accounting standards. ASB tries to integrate the international accounting standards to the maximum possible extent in the light of conditions and practices prevailing in India.

Accounting standards are issued under the authority of the Council of ICAI who has been entrusted with the responsibility of propagating the accounting standards in India and persuading the concerned parties to comply with them while preparing and presenting the financial statements. ASB issues guidance notes on the Accounting Standards and gives clarification on issues arising therefrom. ASB also reviews the Accounting Standards at periodical intervals.

While discharging its functions, ASB has to keep in mind the purposes and limitations of published financial statements and the attest function of the auditors. ASB is responsible for defining the basic concepts to which the accounting principles should be oriented. It has to state the accounting principles to which the accounting practices and procedures should conform.

ASB also has to clarify various phrases commonly used in the preparation of the financial statements and suggest improvements in the terminology, wherever necessary. It has to identify the various alternative practices in vogue and suggest the alternative, which should be preferred.

The Institute has to issue the Accounting Standards for use in the presentation of the general purpose financial statements meant for the public by such commercial, industrial or by business enterprises as may be

specified by it. The term 'General Purpose Financial Statements' includes balance sheet, statement of profit and loss and other statements, including explanatory notes which form part thereof, and issued for the use of shareholders/members, creditors, employees and public at large.

It should be made clear once again that the responsibility for the preparation of financial statements is that of the management of the enterprise. The Auditor's responsibility is to form his opinion and report on such financial statements.

SCOPE OF ACCOUNTING STANDARDS:

While issuing Accounting Standards, ASB makes all out efforts to see that they are in conformity with the prevailing laws, customs, usages and business environment of the country. It is possible that later on, due to amendments in law, a particular Accounting Standard may not remain in conformity with that law. In such a case, the provisions of such amended law shall prevail. Therefore, the financial statements should be prepared according to the provisions of the amended law and the Accounting Standard should be ignored.

The Accounting Standards, by their very nature, cannot and do not supersede the local regulations, which govern the preparation and presentation of financial statements. However, the Institute can determine the extent of disclosure to be made in the financial statements and the related Auditor's report. Such disclosures may be by way of appropriate notes explaining the treatment of specific items. Such explanatory notes are only in the nature of clarification and need not be treated as adverse comments.

The Accounting Standards are intended to apply only to those items which are material. Any limitation with regard to the applicability of a specific Accounting Standard should be made clear by the Institute from time to time. The date from which a particular Accounting Standard comes into force, as well as the categories of enterprises to which it applies, is also be specified by the Institute. However, no Accounting Standard will have retroactive application, unless otherwise stated.

The Institute makes endeavours to persuade the government, other concerned authorities and industrial and business community to adopt these Accounting Standards in order to bring uniformity in the preparation and presentation of the financial statements.

While formulating the Accounting Standards, ASB concentrates only on basic matters. The endeavour is to confine the Accounting Standards to essentials and not to make them so complex that they cannot be applied effectively on a nation-wide basis. In the years to follow, the Accounting Standards may undergo a revision and a greater degree of sophistication may then be appropriate.

PROCEDURE FOR ISSUING ACCOUNTING STANDARDS:

The Accounting Standards Board (ASB) was constituted in April 1977 by the Institute of Chartered Accountants of India. The main function of ASB is to formulate and implement accounting standards in India. While formulating accounting standards, due consideration is given to various prevalent laws, customs, usages and business environment. The policies of International Accounting Standards Committee are also kept in mind and given due weightage while formulating the accounting standards.

ASB has chalked out the procedure for formulating the accounting standards. In this respect, 'the Preface to the Statements of Accounting Standards' was issued in January 1979. The Preface clearly outlines the scope and functions of ASB, the scope of accounting standards, the procedure to be followed by ASB in formulating accounting standards and the phased manner in which the accounting standards are to be

introduced by the Institute. The ASB gives adequate representation to various interested parties. It consists of members of the Council and representatives of industry, banks. Company Law Board, Central Board of Direct Taxes and the Comptroller and Auditor General of India.

While designing the accounting standards, the participation of all the interested parties is ensured. The Study Group prepares the preliminary draft of the accounting standard on a specific subject assigned to it. The Draft so prepared by the Study Group is referred to and considered by the ASB. It is also sent to various bodies like ITCCI, ASSOCHAM, SCOPE, CLB, C & AG, ICWAI, ICSI, CBDT etc. ASB then convenes a meeting for discussion in which representatives of all these bodies are invited. After thorough discussion, deliberations and taking into consideration views of all the concerned parties, an Exposure Draft is prepared and issued to the members of ICAI and the general public for their comments. The Exposure Draft is also sent to about 250-300 institutions for their comments. The Draft is also published in the journal of the Institute, The Chartered Accountant, which has a large circulation. The comments received from all quarters are considered by the ASB and a final draft of the accounting standard is prepared. The final draft is submitted to the Institute for approval and after its approval it is issued as a definite standard.

For some time the accounting standards are recommendatory in character. They are recommended for use by the companies listed on the recognised stock exchanges and by other large commercial, industrial and business organisations in the private and public sector. When the desired awareness is created, steps are taken in due course of time to enforce the compliance by making them mandatory.

The following procedure is adopted for formulating the Accounting Standards :

- I. ASB determines the broad areas in which Accounting Standards need to be formulated and the priority in regard to selection thereof.
- II. In the preparation of Accounting Standards, ASB is assisted by Study Groups constituted to consider specific subjects. In the formation of Study Groups, a provision is made for wide participation by the members of the Institute and others.
- III. ASB also holds a dialogue with the representatives of the government. Public Sector Undertakings, Industry and other organisations for ascertaining their views.
- IV. On the basis of the work of the Study Groups and the dialogue with the organisations referred to above, an Exposure Draft of the proposed Accounting Standard is prepared and issued for comments by members of the Institute and the public at large.
- V. The Draft of the proposed Accounting Standard includes the following basic points:
 - a) A Statement of concepts and fundamental accounting principles relating to the Standard.
 - b) Definitions of the terms used in the Accounting Standard.
 - c) The manner in which the accounting principles have been applied for formulating the Accounting Standard.
 - d) The presentation and disclosure requirements in complying with the Accounting Standard. e) Class of enterprises to which the Accounting Standard will apply. f) Date from which the Accounting Standard will be effective.
- VI. After taking into consideration the comments received, the Draft of the proposed Accounting Standard is finalised by ASB and submitted to the Council of the Institute. VII. The Council of

the Institute considers the final Draft of the proposed Accounting Standard, and if found necessary, modifies the same in consultation with ASB. The Accounting Standard on the relevant subject is then issued under the authority of the Council.

ACCOUNTING STANDARDS IN INDIA:

Till January 2000, the following Accounting Standards have been issued by the Institute of Chartered Accountants of India

- AS-1 Disclosure of Accounting Policies
- AS-2 Valuation of Inventories
- AS-3 Changes in Financial Position
- AS-4 Contingencies and Events Occurring After the Balance Sheet Date
- AS-5 Prior Period and Extraordinary Items and Changes in Accounting Policies
- AS-6 Depreciation Accounting
- AS-7 Accounting for Construction Contracts
- AS-8 Accounting for Research and Development
- AS-9 Revenue Recognition
- AS-10 Accounting for Fixed Assets
- AS-11 Accounting for the Effects of Changes in Foreign Exchange Rates
- AS-12 Accounting for Government Grants
- AS-13 Accounting for Investments
- AS-14 Accounting for Amalgamations
- AS-15 Accounting for Retirement Benefits in the Financial Statement of Employers.

It is universally agreed that in accounting field more than one accounting bases exist for dealing with identical business events or transactions. This gives rise to the main problem. Two different accounting bases ought to give two different results. Due to adoption of different bases of accounting, the financial statements no longer remain comparable.

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EDUCATIONAL STATUS OF SCHEDULED TRIBES IN INDIA

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Abstract

The Scheduled Tribes is the most socially and educationally disadvantaged groups in India. ST has different histories of social and economic deprivation and the underlying causes of their educational marginalization are also strikingly distinct. The main aim of education is to change the cultural norms and patterns of life of tribal women to make them economically independent, to organize themselves to form strong groups so as to analyzed their situations and conditions of living, understand their rights and responsibilities to enable them to participate and contribute to the development of women and the entire society. Despite these efforts the performance of the tribes in education is much lower than the Scheduled Castes. The present study was undertaken based on secondary data. The studies suggest that the policy makers approach paid little attention to culturally linked education. This has led to drop outs and directly impacted their overall educational status.

Keywords: Primary Education, Dropouts, Literacy Rate and Tribes

INTRODUCTION

Tribal groups are the earliest settlers of India. In India, there are more than 400 tribal groups that constitute eight percent of the nation's total population. Around 87 million persons have been enumerated in the country as members of Scheduled Tribes (ST). ST also referred to as adivasis (original inhabitants" from Adi „old" and vasi „those who stay") are spread all over India with major concentrations across the central, northeast and western regions. The states, with tribal populations reported, within each group are as follows: the northeastern group consists of Mizoram (95 percent), Meghalaya (81 percent), Nagaland (73 percent), Arunachal Pradesh (62 percent), Manipur (26 percent) and Tripura (17 percent), the central group includes the states of Chhattisgarh (30 percent), Jharkhand (28 percent), Orissa (23 percent), Madhya Pradesh (21 percent) and Bihar (0.4 percent) and the remaining group encompasses Rajasthan (14 percent), Gujarat (11 percent), Maharashtra (11 percent), Andhra Pradesh (7 percent), Karnataka (6 percent) and Goa (5 percent); any other states have a very small proportion of the tribal population. According to 2011 census Scheduled Castes (SC) and ST comprise only about 16.6 percent and 8.6 percent respectively in India. In our country the total number of tribal communities recognized by the government is 645.

Education is viewed as a standout amongst the most essential and potential instrument for the advancement of a country. Globally, 123 million youth (aged 15 to 24) lack basic reading and writing skills. 61 percent of them are young women. Gender gaps in youth literacy rates are also narrowing. There were 95 literate young women for every 100 young men in 2010, compared with 90 women in 1990. "The National Policy of Education", 1986 updated in 1992 paying greater attention to the education of the educationally

backward minorities in the interested of equality and social justice. In our country “Programme of Action”, (POA), 1992-launched two new centrally sponsored scheme during 1993-94. These are- Scheme of “Area Intensive Programme (AIP)” for educationally backward minors and Scheme of “Financial Assistance” for Madras education. Educationists thus make every effort to develop fully the intellectual potential of the students and make efforts to see that their potentialities are fully acknowledged and channelized for the benefit of the individual in general and that of the society in particular.

STs are socially and economically weaker and also under object poverty and live in subsistence economy and general backwardness. This is because of their health which is a cause and consequence of poverty [5]. So, education is an important avenue for upgrading the economic and social conditions of the ST. The educational status of the ST and the role of governance in this direction are highly essential. It is well known that the educational background of tribes is very discouraging as compared to the rest of the population. The term „double disadvantage“ has been used to characterize the socio-economic and spatial marginalization of Scheduled Tribes in India [6]. Contemporary society can't perform its attempt of economic development, technological improvement and social movement without completely exploiting the capacities of its nationals. In this context, the objective of this paper is to analyze the trend of literacy rate, gross enrolment ratio, dropout rates and Gender Parity Index of tribal education in India.

Literacy Rate among STs and All

The ST is the most socially and educationally disadvantaged groups in India. STs have different histories of social and economic deprivation, and the underlying causes of their educational marginalization are also strikingly distinct. However, a comparison of educational outcomes among SC and ST yields a common picture that the government has sought to address through a common set of policy prescriptions. India made a constitutional commitment to provide free and compulsory education to all children up to the age of 14 nearly sixty years ago. The goal, which was expected to be achieved by 1960, remains elusive, even now. There is an increased demand for education among the SC and ST.

Table 3.1- Literacy Rate among STs and All

Year	Scheduled Tribles			All		
	Male	Female	Total	Male	Femalwe	Total
1961	13.33	3.16	8.53	40.40	15.35	28.30
1971	17.63	4.85	11.30	45.96	21.97	34.45
1981	24.52	8.04	16.35	56.38	29.76	43.57
1991	40.65	18.19	29.60	64.13	39.29	64.84
2001	59.17	34.76	47.10	75.26	53.67	64.84
2011	68.50	49.40	59.00	80.90	64.60	73.00

Sources: Office of Registrar General India.

The above table show that the literacy rate of all population increased 10 percent from 28.30 in 1961 to 34.45 percent in 1971. But, the ST literacy was increased only three percent from 8.53 percent in 1961 to 11.30

percent in 1971. Male literacy rate increased 10 percent in every census but the female literacy rate of general population was increased at diminishing rate. Like that male literacy of ST population was increased 16.35 percent from 24.52 percent in 1981 to 40.65 percent in 1991. It is increased 68.50 percent in 2011. Female literacy of ST population increased 16 percent from 18.19 percent in 1991 to 34.76 percent in 2001. It is observed that female literacy in general and ST population was low compared with male literacy. Half of the female had educated among the general population but in ST female population not reach half. The Indian government lays emphasis on primary education up to the age of fourteen years and made free for children for 6 to 14 years of age or up to class VIII under the Right of Children to Free and Compulsory Education Act (RCFCEA) 2009. Education in India is provided by the public sector as well as the private sector, with control and funding coming from three levels: central, state, and local. The various articles of the Indian Constitution provide for education as a fundamental right. Being illiterate, the tribal people cannot become acquainted with development in science and technology. Due to illiteracy, people of those communities are totally ignorant of basic principles of health which makes them an easy prey to diseases. For a tribal family to send a boy or a girl is essentially a matter of economics and entails dislocation in the traditional pattern of their labour force. Many tribal's retain from sending children to school due to loss of good characteristic of the labourfore and the fear of expenditure on education.

Table 3.2- Literacy Rate (Age Group)

All Categories Age Group	Total			SC			ST		
	Person	Male	Female	Person	Male	Female	Person	Male	Female
All Ages	73.0	80.9	64.6	66.1	75.2	56.5	56.5	68.5	49.4
10-14	91.1	92.2	90.0	90.3	91.5	89.0	89.0	88.3	84.4
15-19	88.8	91.2	86.2	87.1	89.7	84.1	84.1	85.7	74.6
20-24	8332	88.8	77.3	79.1	86.2	71.6	71.6	79.6	59.0
Adolescent (10-19)	90.0	91.7	88.2	88.8	90.6	86.8	86.8	87.1	79.9
Youth (15-24)	86.1	90.0	81.8	83.3	88.1	78.0	78.0	82.9	67.1

Sources: Office of Registrar General India.

The above table shows that 77.3 percent of the female have literacy in the age group of 20-24. But in SC female population and ST female population was low like 71.6 and 59 percent. Female literacy was very low compared with male literacy among the total population, SC and ST. It can be observed those females are not entered to study graduate among SC and ST. Most of the parents are like to arrange marriage life to their female children. The increase in the number of schools is also reflected in the ratio of primary to upper primary schools which clearly shows the impact of Sarva Shiksha Abhiyan (SSA) under which a large number of schools have been opened in the recent past. Improvements in the physical access to elementary education by providing primary and upper primary schools seems to have also impacted on the ratio of upper primary sections to lower primary sections. Consequently, the educational status of SCs is significantly better in the

Southern and Southwestern states of Tamil Nadu and Maharashtra, where strong SC liberation movements and broad based anti-Brahmin movements emerged in the context of the anti-colonial struggle for independence. For a variety of complex reasons, such movements had a comparatively weak presence in North India [9]. The majorities of SC individuals work as landless agricultural labourers or are engaged in what is considered „coolie“ work. While SCs have traditionally been denied education, even those with education have experienced very limited social mobility due to caste-based opposition to their occupational mobility.

Table 3.3 - Gross Enrolment Ratios (Ger)

Level Year	Primary (I - V) 6 - 10 Years			Upper Primary (VI - VIII) 11 - 13 Years			Elementary (I - VIII) 6 - 13 Years		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
2011-12	117.8	115.6	116.7	76.8	74.1	75.5	103.0	100.6	101.8
2012-13	115.7	113.5	114.6	86.2	86.5	86.4	105.1	103.9	104.5
2013-14	114.4	111.9	113.2	90.5	92.2	91.3	105.9	105.0	105.5
2014-15	110.6	108.2	109.4	93.0	95.2	94.1	104.4	103.7	104.0
2015-16	107.8	105.6	106.7	95.4	98.2	96.7	103.4	103.1	103.2

Sources: Office of Registrar General India

It is observed from the above table that from 2011-12 to 2015-16 the girl enrolment in school was very low compared with boys in primary school that is 115.6 in 2011-12 to 105.6 in 2015-16. In upper primary school the girls enrollment low compared with boys enrolment in 2011-12. But the girl enrolment was increasing from 86.4 in 2012-13 to 98.2 in 2015-16. The girl got more opportunity to studied upper primary. Overall girl’s enrolment in I-VIII class was increasing at diminishing rate. As per the Annual Status of Education Report (ASER) 2012, 96.5 percent of all rural children between the ages of 6-14 were enrolled in school. This is the fourth annual survey to report enrollment above 96 percent. 83 percent of all rural 15-16 year olds were enrolled in school. However, going forward, India will need to focus more on quality. According to current estimates, 80 percent of all schools are government schools making the government the major provider of education. However, because of poor quality of public education, 27 percent of Indian children are privately educated. With more than 50 percent children enrolling in private schools in urban areas, the balance has already tilted towards private schooling in cities; even in rural areas, nearly 20 percent of the children in 2004-5 were enrolled in private schools. A centrally-sponsored government scheme of ashram schools exclusively for ST children from elementary to higher secondary levels was initiated in the 1970s and continues to the present [6]. Primary school teachers freely expressed opinions about the 'in educability' of SC and ST children. Such biased views, she reports, were expressed less by middle and secondary school teachers in Rajasthan and Madhya Pradesh.

Table 3.4 - Gross Enrolment Ratios

Level Year	Secondary (IX-X) 14-15 Years			Senior Secondary (XI-XII) 16-17 Years			Higher Education 18-23 Years		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
2011-12	56.7	50.6	53.8	35.4	29.0	32.3	12.4	9.7	11.00
2012-13	62.6	61.2	61.9	32.3	29.0	30.7	12.4	9.8	11.1

2013-14	70.3	70.1	70.2	36.7	34.1	35.4	12.5	10.2	11.3
2014-15	71.8	72.6	72.2	39.8	37.8	38.8	15.2	12.3	13.7
2015-16	73.7	75.4	74.5	73.8	42.4	43.1	NA	NA	NA

Source: @ Statistics of School Education, M/o Human Resource Development (MHRD), Unified- District Information System for Education (U-DISE), All India Survey on Higher Education (AISHE) Reports, MHRD

The cross enrolment ratio of secondary (IX-X) 14-15 years in India was continuously increasing from 53.8 in 2011-12 to 74.5 in 2015-16. It is same in boys and girls enrolment ratio. Only 74.5 percent are enrolment in secondary. But the enrolment of senior secondary total was only 43.1 percent. It is same in boys and girl. It can be observed that from 2011-12 to 2013-14 the enrollment of higher education (18-23 years) was constant that is 11 percent. It was increased 3 percent in boys and total and increased 2 percent in girls. Most of the students take the support of tuition and coaching centers to pass the course and for preparing for engineering entrance examinations, whereas, they do not get the same in higher education.

Table 3.5 - Gender Parity Index (GPI) for ST’s Students

Level \ Year	Secondary (IX – X)	Senior Secondary (XI – XII)	Higher Education
2011-12	0.89	0.82	0.78
2012-13	0.98	0.90	0.79
2013-14	0.99	0.94	0.81
2014-15	1.0	0.95	0.81

Source: Statistics of School Education, M/o Human Resource Development(MHRD), Unified- District Information System for Education (U-DISE), All India Survey on Higher Education (AISHE) Reports, MHRD

The Gender Parity Index (GPI) and percentage of girls’ enrolment in Primary and Upper Primary classes presented for the year 2008-09 reveal that there is consistent improvement in the GPI compare to the previous years. No significant difference is noticed in the GPI in Primary enrolment in rural areas (0.94) and in urban areas (0.91) which is quite similar to the situation in the previous year. The boys outnumber girls both at the Primary and Upper Primary levels of education. Every year the GPI for ST in secondary (IX-X) was increased at one percent. The GPI in senior secondary was continuously increased from 0.82 in 2011-12 to 0.95 in 2014-15 and also in higher education 0.78 in 2011-12 to 0.81 in 2014-15. Over a period of time, girls’ share in Primary and Upper Primary classes has shown improvement. However, it is lower than the share of boys’ enrolment.

Table 3.6 - Dropout Rate in School Education

Year \ Classes	Classes I – V			Classes I – VIII			Classes I – X		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
2011-12	36.1	34.4	35.3	57.3	57.1	57.2	64.4	67.6	65.9
2012-13	33.3	31.2	32.3	50.6	47.5	49.2	63.2	62.2	62.7
2013-14	31.9	30.9	31.3	49.8	46.4	46.4	63.2	61.4	62.4

Source: Education at a Glance, Dept. of School Education, MHRD.

Poor treatment in schools and loss of self-worth and dignity result in drop outs or poor performance in examinations, thus undermining SC and ST students' opportunities to progress to higher levels of education. This, in turn, has a crippling effect on their ability to compete in the job market and increases their sense of alienation from their communities. Concern about this problem has led sections of SC and ST communities to advocate for separate schools for their children in which they are taught by committed teachers and are able to develop a positive sense of self. Some such schools have been established with support from NGOs and educationists and, in rare cases, on the initiative of the government. The dropout rate in school education was continuously decreased from 35.5 in 2011-12 to 31.3 2013-14. And also the boys and girl in classes I-V. The people understand the important of girl education. It leads to decrease the dropout rate in classes (I-V), (I-VIII) and I-X. According to United Nations Children Fund (UNICEF), In India eight million children never have stepped inside a school and 80 million dropping out without completing basic schooling. There has been progress in implementation of the RTE Act in the past three years but children are still dropping out, not for labour, but because they are not learning anything in schools. Government of India is also focusing on providing quality education at school level. Recently GOI allocated Rs. 65,867 crores has been allocated to the Ministry of Human Resource Development out of which Rs. 27, 258 crore is allocated for SSA and RTE. India has made extraordinary progress over the past decade in increasing access to elementary education, now reaching 96 percent of school-age children. Having brought so many children into school, particularly those from the most vulnerable groups, it is logical to turn attention to retaining them through the elementary cycle.

CONCLUSION

The main aim of education is to change the cultural norms and patterns of life of tribal women to make them economically independent, to organize themselves to form strong groups so as to analyzed their situations and conditions of living, understand their rights and responsibilities and to enable them to participate and contribute to the development of women and the entire society. There is a wide spread poverty, illiteracy and backwardness among the tribal people which is evident from the census report. The fact remains that a large number of tribal women in rural areas might have missed educational opportunities at different stages and in order to empower them varieties of skill training programmes have to be designed and organized. These include poor infrastructure as well as poorly motivated teachers. So, there is a lack of awareness among the tribal community. Tamil Nadu does not have a problem of attracting children to school and retaining them. The drop-out rate in primary and upper primary schools in Tamil Nadu was also among the lowest in India. Tamil Nadu is placed far better than the northern states like UP, MP and Rajasthan in terms of physical infrastructure or even the southern states, such as Karnataka and Andhra Pradesh. This is not surprising because the state has been spending considerably higher amounts per capita than most states for the past several years. The quality can achieve through a drastic changes in the learning methods and techniques, making classroom activities more experimental and enjoyable for the children, improved teacher training, and of course upgrading the school infrastructure. The studies on tribal education suggest that the policy makers approach paid little attention to culturally linked education. This has led to drop outs and directly impacted their overall educational status.

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HISTORICAL PERSPECTIVE OF BANKING IN INDIA

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Abstract

By the beginning of the twentieth century, there were 9 Joint stock banks, and their deposits were Rs. 314.5 millions only. When India attained independence, it had 584 Joint stock banks and 531 Co-operative banks in addition to the Imperial Bank of India, which was formed by amalgamation of three presidency banks. With this, the need was felt to have an orderly growth of banking in India. To achieve this objective, the Reserve Bank of India which, was established in 1935, as a private shareholders bank, was nationalised in 1949.

Keywords : Joint Stock Banks, Deposits, Imperial Bank of India, Presidency, Amalgamation.

Introduction

Historical Perspective of Banking. The word "bank" is derived from the Greek word "Banque which means bench. The Jews, who were considered to be the early bankers, transacted their business on benches in the market. According to some economist, the word bank has been derived from the German word "Banc" which means Joint Stock Firm, while other say it is derived from the Italian word "Banco" which means heap or mound. There is no unanimity amongst economist about the origin of the word banks. Thus, it is difficult to say which definition is more correct. Conversely, the view that the word bank originated from the word Banc or Banco, seems to be more convincing, as it is used in the establishment of the Bank of Venice, which is supposed to be the most ancient bank. In India, banking can be traced back to Vedic period. This can be confirmed by the fact that the great jurist Manu has written about deposits, advances and interest. During Mughal period, the indigenious bankers helped in the development of trade and commerce. These indigenious bankers financed traders by lending money. Later, during the days of East India Company, the banking business was taken over by the agency houses. In 1947, at the time of India's independence the country had a well established commercial banking system. The foundation of commercial banking was laid in Indian during the early part of the nineteenth century with the establishment of three presidency banks- Bank of Bengal in 1806, Bank of Bombay in 1840 and Bank of Madras in 1846. with the establishment of Presidency Banks, the agency houses which were doing banking business in addition to trading lost their banking role.

By the beginning of the twentieth century, there were 9 Joint stock banks, and their deposits were Rs. 314.5 millions only. When India attained independence, it had 584 Joint stock banks and 531 Co-operative banks in addition to the Imperial Bank of India, which was formed by amalgamation of three presidency banks. With this, the need was felt to have an orderly growth of banking in India. To achieve this objective, the Reserve Bank of India which, was established in 1935, as a private shareholders bank, was nationalised in 1949.

As far as Indian Banking is concerned, we can classify it in four distinct phases as under:

First phase: (1786 to 1969): - It was an early stage in the banking history of India. During this period, the banking business was carried on in traditional and conventional manner. The phase covers preindependence banking activities. This stage of the banking was characterized by slow growth and failures. The Indian banking system at the beginning of this phase "consisted of a large number of small and very small banks and a small number of relatively large banks"⁶. The banking system started with the formation of the first Joint stock bank in the year 1786. Later Bank of Hindustan and Bengal Banks were established. During the days of East India Company, it formed three presidency banks, The Bank of Bengal 1806, The Bank of Bombay in 1840 and The Bank of Madras in 1846.

In the year 1865, The Allahabad Bank was formed, followed by, Punjab National Bank Ltd, which was established in the year 1894 and had its headquarters at Lahore. This was the first bank to be entirely established by Indians. Most of the Indian commercial banks were established in 20th century. During 1906 to 1913, Bank of India, central bank of India, Bank of Baroda, The canara Bank, The Indian Bank and the Bank of Mysore were established. In 1920, a new bank Imperial Bank of India was established after amalgamation of all three-presidency banks. All these institutions were started as private shareholders banks, whose most of the shareholders were Europeans. During 1913 and 1943, as many as 1100 banks failed due to several reasons. These recurrent bank failures were threatening the public confidence. The epitome of development of commercial banking is the establishment of Reserve Bank of India, central bank of the country in the year 1935. The United Commercial Bank was the last major commercial bank to be set up in 1943.

Second phase: (1947 to 1969):- The post independence period up to 1969 was essentially a phase of consolidation of the banking structure. out of 639 commercial banks, including exchange banks existing in 1948, there were 468 (over 72 percent) banks with a total paid up capital and reserves less than Rs. 5 lakh. Most of these banks were operationally weak and financially non-viable. Besides a large number of small banks were involved in indiscriminate branch expansion, speculation, mismanagement, frauds and malpractices, frequent bank failures were threatening the public confidence. Hence the most important task before Reserve Bank of India and the Indian Government, was to develop a sound banking and monetary structure which could protect the interest of the depositors and restore their confidence. The nationalization of Reserve Bank of India was followed by another significant event, the passing of the Banking Companies Act, (renamed as Banking Regulations Act in 1966) in February 1949. The Act which came into effect on March 16, 1946, and incorporated number of provisions. This Act provided wide ranging regulatory and supervisory powers to Reserve Bank of India. The main provision of the Act include, inter alia, classification of companies into banking and non-banking companies, minimum paid up capital and reserves, maintenance of minimum cash reserves minimum liquid Asset Ratio, licensing of banking companies, restrictions and control on loan and advances, control over branch expansion, maintenance of minimum assets, inspection of banking companies, suspension of business and winding -up and scheme of arrangement and amalgamation.

During the post independence period, there was rapid progress in banking sector in India. A number of banks started progressing along with its branches. The banking industry was regulated by the RBI and Banking company's Act, which was passed soon after independence. Due to these development, different types of banks emerged such as Scheduled Commercial and Non-Scheduled Commercial banks which were in

addition to co-operative banks in India. This progress has been shown in the following table no 1.1 which gives an overview of yearly progress in the banking sector in terms of banks and their branch offices.

Table: 1.1
Post independence progress of banking in India.

YEAR	SCHEDULED COMMERCIAL BANKS		NON-SCHEDULED COMMERCIAL BANKS		COMMERCIAL BANKS	
	Number	Offices	Number	Offices	Number	Offices
1951	92	2647	474	1504	566	4151
1956	89	2966	334	1101	423	4067
1961	82	4390	210	622	292	5012
1966	76**	6416	27	221	103**	6637
1968	73	7483	17	207	90	7690
1969	73	8045	16	217	89	8262

Source: RBI Bulletin May 1970 p 870 & Annual Report June 30, 1970 (p 64) as Trends and progress of banking in India. Figures relating to end of June 1969. ** Includes two banks under custodian of enemy property.

At the end of the year 1951, India had 566 total numbers of commercial banks, which consisted of 92 Scheduled Commercial Banks, and NonScheduled Commercial Banks that stood at 474. For these banks, the number of bank offices was 4151, out of which scheduled commercial banks had 2647 bank offices, whereas non-scheduled commercial banks had 1504 offices. At the end of the year 1956, the number of commercial banks came down to 423 and offices reduced to 4067. During the years 1969, we had 73 scheduled commercial banks and 16 non-scheduled commercial banks totaling to 89 commercial banks, which had 8262 number of bank offices.

Third Phase (1969-1991):- Owing to the growing dissatisfaction and imposing criticism over the functioning of private banks , the Government of India took a bold step to nationalize a major segment of the banking system. Accordingly, the Banking companies (Acquisition and Transfer of undertakings) ordinance was promulgated on July 19, 1969 and the government acquired the undertakings of the 14 major scheduled

commercial banks having deposits of over Rs. 50 crores each. on April 15, 1980, government of India took over 6 private sector banks having demand and time liabilities amounting to over Rs. 200 crores each. With nationalization of these 6 banks, the number of public sector banks excluding Fourth Phase: (1999- 2005) new stage of Indian Banking with the beginning of Financial & Banking sector reforms after 1991. In the post liberalization era, banking shifted from 'Class banking' to 'Mass banking.' India's banking system has several outstanding achievements to its credit, the most striking of which is its reach. An extensive banking network has been established in the last thirty years, and India's banking system is no longer confined to metropolitan cities and large towns: in fact, Indian banks are now spread out into the remote corners of our country. In terms of the number of branches, India's banking system is one of the largest, if not the largest in the world today.

The most significant achievement is the close association of India's banking system with India's development efforts. The diversification and development of our economy, and the acceleration of the growth process, are in no small measure due to the active role that banks have played in financing economic activities in different sectors.

The post liberalized era paved way for new financial products and services, greater need for professional approach and wider use of technology. Post liberalized period changed the way banks carry out their business, banks no longer remained in the four walls of the banks premises. Now customers have an option to carry out banking transaction right from the comfort of their homes. Technologies in banks have made it possible for customer to access his account on internet and carryout banking transactions without visiting the branches. ATM, E-banking, mobile banking, internet banking are the buzz words in recent banking.

Banks play important role in the development of trade, commerce. It has vital role in the economic development of nation's economy. We can't think of a modern society without banking system. The Indian Money market consists of both organized and unorganized sectors. In between these two sectors, there exist co-operative sector, which have to work under strict control and supervision, so it can be comfortably included in organized sector. Organized sector consist of RBI at the helm of affairs, public sector banks, private sector banks other financial institutions and DFHI Ltd (The discount and Finance House of India was set up jointly public sector banks and financial institutions by RBI. It was incorporated under the Indian companies Act 1956. It started its operations in April 1988). The unorganized sector consists of indigenous bankers, moneylenders. This unorganized sector even today remains out of RBI's control and supervision. In the year 1935, Reserve Bank of India was formed as shareholders bank. It was formed as privately owned bank. At the time of constitution it had share capital of Rs.5 crore divided into shares of 100 each. Even though it started as privately owned bank, the RBI was nationalized in 1948. (Transfer to public ownership Act, 1948.). It is the leader of money market and it is the central bank of India. It supervises, regulates and controls the activities of all commercial banks and other financial institution. Along with conventional functions, it also performs promotional and developmental functions. It occupies a central position in the monetary and banking structure of India.

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A STUDY ON COMPETENCY MAPPING AND ASSESSMENT FOR PERFORMANCE IN SPORTS MANAGEMENT

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“Competencies – namely, Knowledge, Skills, Traits, Motives – have to be integrated with the HR Systems. Linked with the HR Systems the Competency Model is applied to various HR functions. As Assessment Center is an alternative to validate the core Competencies with the help of various tools. The Assessment Center is the most important step in mapping the Competencies once they have been identified. “(Dr.Seema Sanghvi, 2005)

Competency Mapping and Assessment Center:

Judged by any parameter two Systems of Performance Management Systems – Competency Mapping and Assessment Center simply stand-out. Truly, both have strengths which are outstanding, relevant and very appropriate. Both are the 21st Century instruments for assessing Performance Appraisals in any forms of Organizations.

Competencies are the combination of Knowledge, Skills and Behaviors that contribute to the individual and Organizational performance. Knowledge would mean information developed or learned through real experience or study. Skill would mean the result of repeatedly applying Knowledge or Ability. Ability would mean the potential to perform mental and physical actions or tasks. Behaviors would mean core observation reaction of an individual to a certain situation. Competency Model is a collection of useful Competencies organized into categories with particular functions such as occupational series or positions. Examples of Competencies are Communication, Planning and Initiative.

Managerial Competencies are Self-Knowledge, Social Skills and Command of basic facts. Technical Competencies are Mental agility, Emotional resilience and Command of basic facts. The role of Competency Modeling is to build tools to link the Employee performance to the mission and goals of the Organization. Ghosh and Rastogi (1982) emphasized that all judgments relating to Competency Model involved interplay of two dimensions: (a) Hostility-Warmth (b) Dominance-Submission

Figure 1.1 Grid of Competency Dimensions by Exercise

	Interview	Role Play	In-Basket	Group Problem	Group Negotiation	Psychometric Test
Breadth of Awareness	*	*		*		*
Clarity of Understanding				*	*	*
Innovative				*		*
Result-Oriented			*		*	*
Self-Confidence	*		*			*
Sensitivity to Others				*		*
Cooperative		*	*		*	*
Patience	*		*		*	*

Source: Seema Sanghvi The Handbook of Competency Mapping (2005) pp. 107

The types of Competency Models are – (a) Competency-based Recruitment (b) Competency-based Training (c) Competency-based Development (d) Competency-based Pay (e) Competency-based Performance Appraisal. The data collection method in Competency Mapping are through – (a) Expert Panels and (b) Critical Event Interviews.

Assessment Centers are means of gathering relevant information, under standardized conditions about an individual capabilities to perform a Managerial position. The process followed in Assessment Centers are (a) Candidates are put through a series of group and individual exercises designed to stimulate the various conditions of a given job (b) Candidates are tested to determine if they have the Skills and Abilities that are necessary to perform that job (c) Candidates behaviors are observed by a group of Assessors.

The benefits of Assessment Centers are – (i) Measure Job-related behaviors (ii) Measure a broader range of Knowledge, Skills and Abilities (iii) Fairness regardless of age, gender or race (iv) Used to assess staff, recruitment and promotion.

The different types of Assessment Centers are (a) Graduate Recruitment (b) Management Selection (c) Staff development.

The format which Assessment Centers are in line with the Psychological tests conducted to complement the Selection process. Some of the Exercises under the Assessment Centers are – (i) In-Basket Exercises which form the backbone of the Assessment Centers to test KSA (Knowledge, Skills and Attitudes) (ii) Assessment Centers Exercises which are the core group of Exercises used to assess the Candidates Competencies and behaviors (iii) Role Play Exercises which allows the Assessors to test how one respond when dealing with conflict. The idea is to test how one’s Competencies and behaviors matches those of the required role (iv) Media Interview Exercises are for testing Senior Management Candidates on how well they perform with the Press which in itself is an unique Role Play Exercise (v) Competency-based Interviews are used to test Competencies relating to Qualifications, Core Employment history or personal achievement.

Patz (1975) strongly emphasized that in the development of a Competency Model one must:

- (i) Keep it simple by having just fewer categories of ratings
- (ii) Keep it separate from Rewards and Promotions
- (iii) Keep it contained by restricting Evaluation to performance and potential
- (iv) Keep it participative with more attention to Subordinate views and opinions.

Figure 2.1 A Grid for Ratings

Assessment Centre:						Number:	
	Interview	Role Play	In-Basket	Group Problem	Group Negotiation	Psychometric Test	Ratings
Breadth of Awareness	*	*		*		*	1 2 3 4 5
Clarity of Understanding				*	*	*	1 2 3 4 5
Innovativeness				*		*	1 2 3 4 5
Result-Oriented			*			*	1 2 3 4 5

Self-Confidence	*		*			*	1 2 3 4 5
Sensitivity to Others				*		*	1 2 3 4 5
Cooperativeness		*	*		*	*	1 2 3 4 5
Patience	*		*			*	1 2 3 4 5

Source: Seema Sanghvi The Handbook of Competency Mapping (2005) pp. 111

Reasons why Competency Mapping and Assessment Centers would be in high demand:

Reason 1: Competency Mapping and Assessment Centers are Customized. Both are neither off-the-shelf nor tailor-made. Both are genuinely customized. The Consultant takes care of the basic and fundamental requirements and fine-tuned the System and Process to the need of the Client Organization. The processes are designed and documented with the objective giving a genuine simulation of work at the job or job level in the Organization. For example, the In-Basket Exercises has items that fit into the Organization, and to be very meaningful to the job.

Reason 2: Ratings by Self and Reporting/Reviewing Supervisors. (a) Self-assessment, a great strength of the traditional Performance Appraisal System, is incorporated in both. A fair, measurable or time-bound Performance System necessarily requires Appraisees and participants to rate their own performance first, before the Reporting Supervisor and Reviewing Officers take over and finalize their ratings. Participants rate themselves primarily in the Competency dimensions. Participants are assessed before the start of the Assessment Center and this exercise is repeated at its conclusions. True, that there could be cases of very significant differences between the assessment of Assessors and the ratings of Self-assessment. (b) Peer Assessment – normally carried out before the Assessment Center exercises. In some cases, their scores are compared with the scores at the Group level exercises. Major differences in assessment by Peers and core Assessors are known to yield vital information about Line Manager’s ratings. (c) Supervisor Assessment - both the System and process highly value the ratings and analysis of Line Managers. In any Organization the participation, involvement and decisions of the Line Managers are worth its weight in gold.

Reason 3: External Support – there is a tremendous advantage in-built in Competency Mapping and Assessment Centers wherein maximum support is given by the External resources. Employees step-out to be assessed by a neutral resource in an un-bias manner.

Critics may view this as sub-contracting a time consuming procedure. Truth be told, the element of objectivity and independence are much higher than the other Systems. Add to these, the Systems are cost-effective, result-oriented and development-oriented. The benefits of a good Competency Model would be much benefit for the Organization, for the Appraiser and above all benefit for the Appraisee in the form of commitment, greater trust and motivation.

Reason 4: Honourable Process – Traditional Performance Appraisal Systems are meant to be objective; yet most times they turn out to be subjective. Competency Mapping and Assessment Centers have the good fortune to be very high on the objectivity level. The degree and element of subjectivity are ignorable. Trust and a high level of Trust is generated and practiced.

Reason 5: Best Practices Followed – Competency Mapping and Assessment Centers have the distinction of being in a position to practice the best practices in Performance Appraisal System such as – (i) being

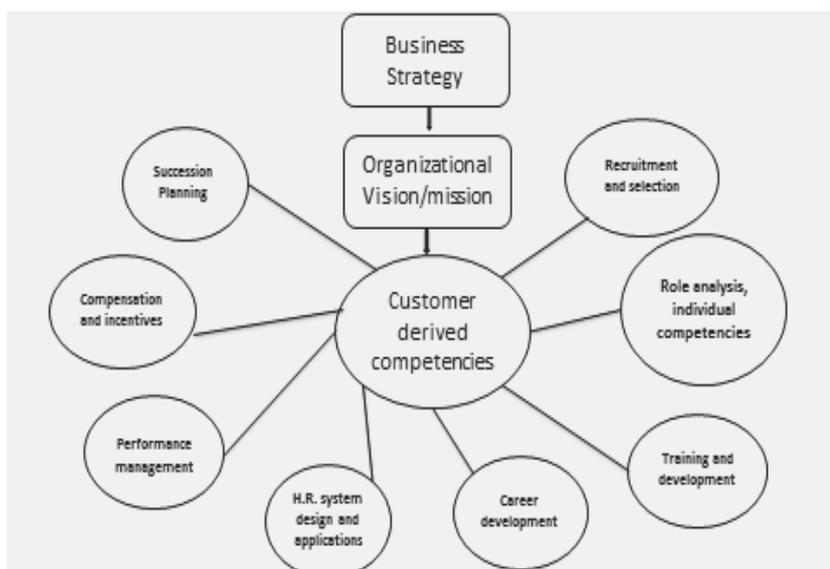
monitored and evaluated in the most sound fashion (ii) all process modifications are continuously taken to make the System efficient and effective (iii) trained facilitator always ensure that process followed is in order and working (iv) feedbacks are shared by Appraiser with Appraisee with the sole target of uplifting the concerned Employee. Results in the long-term are outstanding and worthwhile. (v) full support and a respect is accorded to all Appraisees. Appraisees are encouraged to share their Reports with their well-wishers. (vi) All Appraisees are given access to experienced Facilitator with the required Skills.

Reason 6: Sound Tests and Inventories – Competency Mapping and Assessment Centers are very open and accommodative Systems. Psychometric Tests, Personality Tests, Practical and tested Inventories, Attitude measures, Ability Tests are combined and used depending upon the information or situation needs. Tests and Inventories to target Competencies and to add information about the Competency dimensions .It is very encouraging to note that Checks and Balance are being devised to determine whether people’s scores on the Test or Inventory actually relate to Performance on the Competency dimensions.

Reason 7: High Clarity, Time-bound and Achievable Difficult Level – Interestingly, both Competency Mapping and Assessment Centers are high on Clarity. Time frame allotted are achievable. The difficult level though high is attainable and measurable.

Reason 8: Acceptable Projective Techniques – Projective Techniques such as Thematic Apperception Test, Rorschach, Incomplete Sentences and Black, Targeting its own dimensions are known to be very useful and beneficial for the Organizations that use them. Competency Mapping and Assessment Centers are known to freely use these Techniques should the need arise.

Figure 3.1 Customer Driven Competencies for Competency Model



ONCLUSION:

From the context of a sound Performance Appraisal System that is efficient and effective a few lessons could be learnt by Competency Mapping and Assessment Centers from the methodology followed by the 360 Degree Feedback: One, it is always prudent to identify an Employee who would benefit from the

process, benefit from the wisdom and guidance available with a Supervisor and one who is prepared to be guided, mentored and groomed. Two, appoint an Administrator, Facilitator who could be an expert and experienced to help others in their personal development and one who possess the requisite Counseling Skills. The same Administrator or Facilitator conducts the task of action planning. Three, being the 21st Century decide upon an Open System that could involve Interviews or Questionnaires. Four, the Administrator and Facilitator decides who is the Appraisee and who is the Appraiser and the parameters for evaluation and rating. Raters must always follow the Principle of fairness. Raters are required to be objective. Any forms of subjectivity has to be weeded out totally. Future Researchers would be well to insightfully go for many more research areas on the subject of Competency Model that are very high on application and appropriately-tuned.

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A STUDY ON CRIME AGAINST WOMEN IN INDIA

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Abstract

The gravity of crime as a social and legal problem lies in the fact that it gives some pain or suffering to a person directly or indirectly or both and the other person feels pleasure out of that act as in the cases of rape and acid attack etc. An activity or behaviour which has a painful impact on any living being is considered as crime. This harmful impact must be legally forbidden and it should be prescribed in the penal law. It is a matter of utmost care to protect the environment and our surroundings from criminal activities and this can be done

with the deep studies of crime and criminals through Criminal Anthropology, Criminal Psychology, Criminal Psycho-neuro-pathology and Penology. The area of crime is not always static or equal. There will be some variations with place to place, culture to culture and with time also. A particular place may consider an activity illegal but it may be legalized in its nearby other place. Further, punishment for same crime may be as light as small fines or even no punishment and as severe as the death penalty. In India Adultery by wife is not considered as crime, as she is free from its punishment. While in Afghanistan, punishment for this crime is stoning till death. Similarly, prostitution is crime in India, but it is source of tourism in Thailand, Hongkong and other countries. Even quantum of sentence changes in a particular place or area with time. Like punishment for rape was imprisonment of three years and may be extended up to maximum 7 years during enactment of Indian Penal Code in 1861. But, now it can be up to life imprisonment till death. In the democratic legal tradition even one who admits to having committed a crime is not designated a criminal until his criminality has been proven by means of the accepted court procedures. Similarly, criminologists cannot rightfully designate a person as ‘criminal’ who has behaved in an antisocial manner but who has not violated a criminal law. Various States have enacted and

enforced laws that forbid various kinds of sexual behaviours. A new phenomenon of criminology is spreading. Victims of crime have started getting a place in Criminal Justice System and the concept of restorative justice is gaining ground. The crime against women has entirely changed the face and facets of crime and criminals.

Keywords : Crime, Social, Legal, Harmful, Criminal.

Intrdoction

There are many types of crimes which are not gender specific but prevalent in every society like Murder and Cheating etc. On the other side there are few crimes which are gender specific and in that sequence, some are against women only like Rape and other sexual crimes, those are known to be crime against women. The roots of these crimes are not new but age old and these crimes were existed in every era with any form. The abuse of women is effectively resisted in almost every society of the world. The numbers of prosecution and

conviction of men who beat or rape women are very less. Violence/Crime is a mean to suppress the women and to maintain the supremacy in the society.

Atrocities against women in Pre-independence era It was observed that Indian women had to use purdah, means a cover by some cloth in the Islamic Kingdoms in Indian subcontinent as out of fear that they would be kidnapped by the Muslim invaders. Further among the Rajputs of Rajasthan, the Jauhar was practiced. Jauhar refers to the practice of voluntary immolation by wives and daughters of defeated warriors in order to avoid the molestation by the enemy. Polygamy was practiced among Hindu Kshatriya rulers for some political reasons. Devadasis was practiced in southern India, in which women were "married" to a deity or temple. In some parts of India, some of Devadasis were sexually exploited.

Sati was an entirely defunct custom among some communities in which the widow was immolated alive on her husband's funeral pyre. The act was supposed to be voluntary on the widow's own wish. 6 This practice was initially met with local resistance. Raja Ram Mohan Roy's efforts led to the abolition of Sati under Governor-General William Cavendish-Bentinck in 1829. Ishwar Chandra Vidyasagar's crusade for improvement in the situation of widows led to the Widow Remarriage Act of 1856. Many women reformers also helped the cause of women. In 1917, the first women's delegation met the Secretary of State to demand women's political rights, supported by the Indian National Congress. The All India Women's Education Conference was held in Pune in 1927, it became a major organisation in the movement for social change. 7 In 1929, the Child Marriage Restraint Act was passed, stipulating 14 years as the minimum age of marriage for a girl. Though Mahatma Gandhi himself married at the age of 13 years, he later urged people to boycott child marriages and called upon young men to marry child widows.8

Crimes against Women in Independent India

In independent India, types and incidence of crimes against women has increased manifold. Earlier, crimes against women were not reported due to the social stigma attached to rape and molestation. Various types of crimes that are generally reported in independent India are as under:

Domestic violence: It is equally important to clarify the concept of Violence against women. Violence is also known as abuse and includes any sort of physical aggression or misbehaves. When violence is committed at home it becomes domestic violence and involves family members such as children, spouse, parents or servants. Domestic violence may involve different means such as hitting, kicking, biting, shoving, restraining and throwing objects. In broad terms, it includes threats, sexual abuse, emotional abuse, controlling or domineering, intimidation, stalking, passive/covert abuse and economic deprivation, rape, abduction, kidnapping, murder (all cases of criminal violence, dowry death, wife battering, sexual abuse, maltreatment of a widow and for an elderly women (all cases of domestic violence) and eve-teasing, forcing wife/daughter-in-law to go for foeticide, forcing a young widow to commit sati, etc. (all cases of social violence), are issues which affect a large section of society

Dowry: Many brides were abused, criticized and even burned to death for not bringing sufficient valuable goods such as gold, cash and other items in form gifts and presents for members of in-laws. It is also term as dowry. A 2013 report claimed that each year at least 8065 women in India die dowry-related deaths, and at

least a dozen die each day in 'kitchen fires' thought to be intentional. The term for this is 'bride burning' and is criticized within India itself. Amongst the urban educated, such dowry abuse has reduced considerably.

Rape: Rape in India is one of most common crimes against women. While percapita reported incidents are quite low compared to other countries, even developed countries,10 a new case is reported every 20 minutes. New Delhi has the highest rate of rape-reports among Indian cities. According to the National Crime Records Bureau, 33,707 rape cases were registered in India in 2013, although experts agree that the cases of unreported sexual assault are higher. Sexual harassment: Eve teasing is a euphemism used for sexual harassment or molestation of women by men. Many activists blame the rising incidents of sexual harassment against women on the influence of 'Western culture'. In 1987, The Indecent Representation of Women (Prohibition) Act was passed11 to prohibit indecent representation of women through advertisements or in publications, writings, and paintings or in any other manner. Of the total number of crimes against women reported in 1990, half related to molestation and harassment in the workplace. In 1997, in a landmark judgement, the Supreme Court of India took a strong stand against sexual harassment of women in the workplace. The Court also laid down detailed guidelines for prevention and redressal of grievances. The National Commission for Women subsequently elaborated these guidelines into a Code of Conduct for employers. In 2013 India's top court investigated on a law graduate's allegation that she was sexually harassed by a recently retired Supreme Court judge.

Female infanticide and sex-selective abortion: In India, the male-female sex ratio is skewed dramatically in favour of males, the chief reason being the high number of female infanticide (killing of girl infants) and sex-selective abortion. Ultrasound scanning constitutes a major leap forward in providing for the care of mother and baby and with scanners becoming portable; these advantages have spread to rural populations. However, ultrasound scans also reveal the sex of the baby, allowing pregnant women to decide to abort female foetuses and try again later for a male child. This practice is usually considered the main reason for the change in the ratio of male to female children being born. In 1994 the Indian government passed a law forbidding women or their families from asking about the sex of the baby after an ultrasound scan (or any other test which would yield that information) and also expressly forbade doctors or any other persons from providing that information. However, in practice this law is widely ignored, and levels of abortion on female foetuses remain high and the sex ratio at birth keeps getting more skewed. 13 Sometimes this is infanticide by neglect, for example families may not spend money on critical medicines or withhold care from a sick girl. Continuing abuse of the dowry tradition has been one of the main reasons for sex-selective abortions and female infanticides in India.

Acid throwing: Thomas Reuters Foundation survey14 says that India is the fourth most dangerous place in the world for women to live in. Women belonging to any class, caste, creed or religion can be victims of this cruel form of violence and disfigurement, a premeditated crime intended to kill or maim permanently and act as a lesson to put a woman in her place. In India, acid attacks on women who dared to refuse a man's proposal of marriage or asked for a divorce are a form of revenge. Acid is cheap, easily available, and the quickest way to destroy a woman's life. The number of acid attacks has been rising.

Child marriage: Child marriage has been traditionally prevalent in India and continues to this day. Historically, child brides would live with their parents until they reached puberty. In the past, child widows

were condemned to a life of great agony, shaved heads, living in isolation, and being shunned by society. Although child marriage was outlawed in 1860, it is still a common practice. According to UNICEF's —State of the World's Children-2009 report, 47% of India's women aged 20–24 were married before the age of 18 and it was 56% in rural areas. The report also showed that 40% of the world's child marriages occur in India.

Trafficking: The Immoral Traffic (Prevention) Act was passed in 1956. However many cases of trafficking of young girls and women have been reported. These women are either forced into prostitution, domestic work or child labour.

International and National initiatives to curb gender discrimination

In addition to these constitutional and legal provisions to safeguard women from atrocities, several efforts have been made on international and national level to curb gender discrimination and improve the status of women.

International initiatives

The advancement of women has been a focus of the work of United Nations since its creation. The Preamble of UN Charter sets as a basic goal to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women. In 1946 the Commission on the Status of Women was established to deal with women's issues. The Universal Declaration of Human Rights had affirmed the principle of inadmissibility of discrimination and proclaimed that all human beings are born free and equal in dignity and rights and everyone is entitled to all rights and freedoms set forth therein, without distinction of any kind, including distinction based on sex. However, there continued to exist considerable discrimination against women primarily because women and girls face a multitude of constraints imposed by society, not by law. It violated the principle of equality of rights and respect for human rights. The General Assembly on November 7, 1967 adopted a Declaration on the Elimination of Discrimination against Women, and in order to implement the principles set forth in the Declaration, a Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) was adopted. This Convention is often described as an International Bill of Rights for Women. It has laid down a comprehensive set of rights to which all persons, including women are entitled, it is also entitled for protecting the human rights of women. The fourth conference was held at Beijing in 1995, have greatly enhanced international awareness of the concerns of women. Beijing Conference stated that 'Women's rights are human rights' and it called for integration of Women's human rights in the work of different human rights bodies of United Nations. It considered the issue of violence against women in public and private life as human rights issues. The Conference called for the eradication of any conflict which may arise between the rights of women and harmful effects.

The UN General Assembly in 2000 convened a Special session on 'Women: Gender Equality, Development and Peace for 21st Century' to assess the progress on women's issues. In February 2005, the Commission on the Status of Women at its 49th Session viewed the progress made on Women's Human Rights Agreement, known as 15 Beijing Platform for Action. The Conference focused on many areas including poverty, environment, economy, education, human rights, power and decision making and girl child. In 2005, 23rd Special Session of the General Assembly was treated as World Summit Outcome. The Summit resolved to promote gender equality and eliminate pervasive gender discrimination. U.N. Commission on the

Status of Women met on March 14, 2011 in the Economic and Social Council Chamber to discuss the present scenario of gender violence in the world.

National initiatives

To uplift the living standard of women and for effective implementation of various legal and constitutional provisions, following commission and policies has been initiated:

National Commission for Women

The National Commission for Women was set up as statutory body in January 1992 under the National Commission for Women Act, 1990. The commission investigate and examine all matters relating to the safeguards provided for women under the Constitution and other laws; review from time to time, the exiting provisions of the Constitution and other laws affecting women and recommend amendments so as to suggest remedial legislative measures to meet any lacunae, inadequacies or shortcomings in such legislations; take up cases of violation of the provisions of the Constitution and of other laws relating to women with the appropriate authorities; participate and advice on the planning process of socio-economic development of women.

Gender specific laws to prevent crime against women

As stated above, there are various types of crime against women. To safe guard the women various gender specific laws have been enacted. Further, these are also covered under Indian Penal Code (IPC). The detail of same is as under:

- (i) Rape (Section 375, 376 IPC)
- (ii) Kidnapping & Abduction (Sec. 363-373 IPC)
- (iii) Dowry Death (Sec.302, 304B IPC)
- (iv) Torture (Cruelty by Husband & Relatives) (Sec.498A IPC)
- (v) Molestation (Sec.354 IPC)
- (vi) Sexual Harassment (Sec.509 IPC)
- (viii) Abetment of suicide (Section 306 IPC)
- (ix) Importation of Girls (Sec.366-B IPC)
- (x) Immoral Traffic (Prevention) Act, 1956
- (xi) Dowry Prohibition Act, 1961
- (xii) Indecent Representation of Women (Prohibition) Act, 1986
- (xiii) Sati Prevention Act, 1987
- (xiv) Protection of Women from Domestic Violence Act, 2005

Status of crime against Women reported under gender specific laws in India

To assess the type, trend and extent of crime against women in India data analysis of various type of incidence of crime was done for the period 2010 to 2015. The year wise status of various crimes is presented in **Table 1.1**.

Table 1.1

The crime head-wise details of reported crimes during the period 2010 to 2015

Type of crime	2010	2011	2012	2013	2014	2015	Total
Rape	22172	24206	24923	33707	36735	34651	176394
Kidnapping & Abduction	29795	35565	38262	51881	57311	59277	272091
Abetment of suicide	0	0	0	0	3734	4060	7794
Molestation	40613	42968	45351	70739	82235	82422	364328
Insult to the modesty of women	9961	8570	9173	12589	9735	8685	58713
Dowry death	8391	8618	8233	8083	8455	7634	49414
Dowry prohibition act	5182	6619	9038	10709	10050	9894	51492
Cruelty by husband and relative	94041	99135	106527	118866	122877	113403	654849
The Indecent Representation of women Act 1986	895	453	141	362	47	40	1938
Immoral Traffic Act	2499	2436	2563	2579	2070	2424	14571
Importation of girl	36	80	59	31	13	6	225
Sati prevention act	0	0	0	0	0	0	0
Attempt to Rape	0	0	0	0	4234	4437	8671
Protection of Women from Domestic Violence Act, 2005	0	0	0	0	426	461	887
Total	215595	230661	246282	311559	339936	329409	1661367

Source: National Crime Records Bureau, Report, 2010-2015

$$\text{Percentage Variation} = \frac{\text{Current Year Value} - \text{Previous Year Value}}{\text{Previous Year Value}} \times 100$$

Incidence of crimes

A total of 1,661,367 cases of crime against women were reported in the country during the period 2010 to 2015. These crimes have continuously increased during 2010 - 2014 with 2,15,595 cases reported in 2010, which increased to 2,30,661 cases in 2011, which further increased to 2,46,282 cases 2012 and 3,11,559 cases in 2013. In 2014, a total of 339,936 such cases were reported. During the year 2015, 329,409 cases were reported and they were little less as compared to 2014.

Trend analysis

The crime head-wise details of reported crimes during the year 2010 to year 2015 are presented in Table-1.1. The crime against women during the year 2014 has increased by 9.1% over the year 2013 and by 57.7% over the year 2010. However it decreased by 4.5% during 2015 as compared to 2014.

Crime head-wise analysis (IPC)

Rape (Sec. 376 IPC) A total of 176,394 cases of rape under section 376 IPC were reported during the period 2010 to 2015. An increasing trend in the incidence of rape has been observed during the periods 2010-

2014. These cases have shown an increase of 9.2% in the year 2011(24,206 cases) over the year 2010 (22,172 cases), an increase of 3.0% in the year 2012 (24,923 cases) over 2011, with further increase of 35.2% in the year 2013 (33,707 cases) over 2012 and 9.0% in 2014 (36,735 cases) over 2013. A decrease of 5.7% of rape cases were reported in 2015 (34651) as compared to 2014.

As it has been observed that maximum rape cases were observed during 2014. Accordingly, detailed analysis for this year was done. During 2014, out of 36,735 rape cases, in 32,187 cases the offenders were known to the victims accounting for 86.0% of total rape cases during 2014. 16 out of 36 States/UTs have reported more than 90% of such cases. Apart from 674 incest rape cases, in 966 cases victims were raped by close family members and in 2,217 cases victims were raped by their relatives. A total of 8,344 cases were reported in which victims were raped by her neighbours, maximum such cases were reported in Madhya Pradesh (1,351 cases), Uttar Pradesh (1,111 cases), Rajasthan (860 cases) and Maharashtra (714 cases) and these four States accounted for 48.4% of total such cases. In 618 cases employers/co-workers have rape their female employees or colleagues. Barring North-Eastern States, in Bihar (52.8%) and West Bengal (58.9%) majority of rapes were committed by unknown persons therefore require more safety measures. Custodial rape viz. rape under custody of Police, of hospital, judicial custody etc. has been added for the first time in this report earlier data on rape under Police custody only was collected. It has been further sub categorized as custodial gang rape and other custodial rape. Out of 36,735 total rape cases in the country, 197 cases were reported as custodial rapes during the year 2014. Highest number of custodial rape cases were reported in Uttar Pradesh (189 cases consisting of 5 cases of Gang rape and 184 cases of other custodial rapes) followed by Arunachal Pradesh (4 cases of custodial rape other than gang rape), Rajasthan (3 cases consisting of 2 cases of custodial gang rape and 1 case of other custodial rape) and Puducherry (1 case of custodial rape other than gang rape) during 2014. A total of 2,346 cases were reported as gang rape cases in the country. Maximum incidents of gang rape cases were reported in Uttar Pradesh by registering 762 cases (consisting of 189 custodial gang rape cases and 573 other than custodial gang rape cases) followed by Rajasthan with 417 cases (consisting of 3 custodial gang rape cases and 414 other than custodial gang rape cases).

Kidnapping & abduction

A total of 272091 cases were reported under kidnapping & abduction of women during the period 2010 to 2015. These cases have shown an increase of 10.5% during 2014 over the previous year 2013 (from 51,881 cases in 2013 to 57,311 cases in 2014) and further increase of 3.4% during 2015 (59277) over 2014. Uttar Pradesh with 10,135 cases of kidnapping & abduction has accounted for 18.5% of the total such cases during 2015. A total of 60652 victims for 59277 registered cases of kidnapping & abduction were reported in the country during the year 2015. Out of 59277 cases of kidnapping & abduction, maximum number of cases of kidnapping & abduction of women were reported for marriage purposes (31778 cases). Maximum number of cases of kidnapping & abduction of women for marriage purposes were reported in Uttar Pradesh (8290 cases) followed by Bihar (4444 cases) and Assam (4141 cases) during 2015.

Attempt to commit rape (Sec 376/511 IPC)

A total of 8671 cases were reported under attempt to commit rape during the period 2014 to 2015. 4,234 cases were reported under attempt to commit rape during 2014.

Maximum number of such cases were reported from West Bengal (1,656 cases) followed by Bihar (484 cases), Rajasthan (373 cases) and Uttar Pradesh (324 cases). 4437 cases were reported under this crime during 2015. Maximum number of such cases were reported from West Bengal (1,515 cases) followed by Assam (499 cases), Uttar Pradesh (422 cases), Rajasthan (407 cases) and Bihar (403).

Dowry Deaths

A total of 49414 cases of dowry deaths were reported during the period 2010 to 2015. It has shown continuous increasing trend between period 2010 to 2014. It has increased by 4.6% during the year 2014 over the previous year (8,083 cases). However it decreased by 11.3% during the year 2015 (7634) as compared to 2014. A total of 8,501 victims were reported under 8,455 dowry deaths cases in the country during the year 2014.

29.2% of the total cases of dowry deaths were reported in Uttar Pradesh (2,469 cases) alone followed by Bihar (1,373 cases) during 2014.

Assault on women with intent to outrage her modesty (Molestation) A total of 364328 Incidents of assault on women with intent to outrage her modesty in the country were reported during the period 2010 to 2015 and it has increased continuously in this period. It has shown increase by more than 100%. It has increased by 16.3% during 2014 over the previous year (from 70,739 cases in 2013 to 82,235 cases in 2014) and minor increase of 0.2% during 2015(82422) as compared to 2014. As highest cases of this crime were reported during 2015, detailed analysis was done for this year. During 2015, Maharashtra (11713 cases) has reported the highest incidence of such crimes followed by Madhya Pradesh (8049 cases) and Uttar Pradesh (7885 cases). A total of 82,800 victims were reported under 82,422 cases of assault on woman with intent to outrage her modesty cases in the country during the year 2015. A total of 24041 cases were registered under sexual harassment during 2015. Maximum cases under sexual harassment were registered in Uttar Pradesh (5925 cases) followed by Maharashtra (4751 cases) and Madhya Pradesh (2599 cases). A total of 8613 cases were registered under assault or use of criminal force to women with intent to disrobe (section 354B IPC) 2015. Maximum cases under assault or use of criminal force to women with intent to disrobe were registered in Odisha (1957 cases) followed by Uttar Pradesh (1,093 cases). A total of 838 cases of voyeurism and 6266 cases of stalking were reported in the country during the year 2015.

Insult to the modesty of women

A total of 58713, incidents of insult to the modesty of women were reported during the period 2010 to 2015. There was no trend for this crime. It has decreased by 10.8% during 2015 over the previous year (9735 cases). Andhra Pradesh has highest cases of insult to the modesty of women (2,649 cases) followed by Maharashtra (1,575 cases) of total such cases reported during the year 2014. Delhi UT has reported the highest crime rate at 15.1 followed by Andhra Pradesh (10.5) as compared to the national average of 1.6. Out of 9,735 cases of insult to the modesty of women, 57 such cases occurred at office premises, 469 such cases at other places related to work, 121 such cases in public transports and 9,088 such cases at other places during 2014. Most of the cases of insult to the modesty of women at office premises were reported in Delhi (11 cases) and

Maharashtra (10 cases). Andhra Pradesh (65 cases) followed by Kerala (11 cases) and Maharashtra, West Bengal & Delhi (8 cases each) have reported maximum incidents of insult to the modesty of women in public transport.

Cruelty by husband or his relatives

A total of 654849 cases of cruelty by husband or his relatives in the country have been reported during the period 2010 to 2015. It has shown continuous increase between periods 2010 to 2014. It has increased by 3.4% during 2014 over the previous year (1, 18,866 cases). During the year 2015(113403), it has decreased by 7.7% as compared to 2014.

Highest cases were reported in West Bengal (23,278 cases) during 2014 followed by Rajasthan (15,905 cases), Uttar Pradesh (10,471 cases) and Assam (9,626 cases), these four States together accounted for 48.2% of total such cases (59,280 out of 1, 22,877 cases).

Importation of girls from foreign country

A total of 225 cases of importation of girls from foreign country have been reported during the period 2010 to 2015. This crime has shown decreasing trend from 2011 to 2015. A decline of 92.5% has been observed in cases registered under this crime head in 2015 over 2011 (80 cases). Only two states have reported this crime i.e. West Bengal (4 cases) and Uttarakhand (2 cases) crimes during 2015.

Abetment of suicide of women

A total of 7794 cases of abetment of suicides of women were reported during the year 2014(3734) and 2015(4060). Maximum such cases were registered in Maharashtra (702 cases) followed by Telangana (590 cases) and Madhya Pradesh (577cases) during 2015.

Dowry Prohibition Act

A total of 51492 cases have been registered under this Act during the period 2010 to 2015. It has decreased by 6.2% during the year 2014 as compared to the year 2013 (10,709 cases). Maximum such cases were reported in Bihar (2,203 cases) followed by Uttar Pradesh (2,133 cases), Karnataka (1,730 cases) and Jharkhand (1,538 cases). It was further decreased to 9894 in 2015. Uttar Pradesh reported highest 2,766 cases, followed by Bihar (1867), Jharkhand (1552) and Karnataka (1541) during 2015.

Indecent Representation of Women (Prohibition) Act

A total of 1938 cases of Indecent Representation of Women (Prohibition) Act have been reported during the period 2010 to 2015. These cases have shown decreasing trend from 2010 to 2015. It has decreased from 895 cases reported during the year 2010 to just 40 in year 2015.

Commission of Sati Prevention Act

No case under the Commission of Sati Prevention Act was registered during the year 2010-2015.

Protection of Women from Domestic Violence Act, 2005

Data on Protection of Women from Domestic Violence Act, 2005 was collected for the first time in 2014. A total of 426 cases were reported under this Act during 2014 and it has increased to 461 during 2015. Highest case were reported from Bihar (161cases), followed by Kerala (132 cases), Madhya Pradesh (91 cases), and Himachal Pradesh (14) during 2015.

Immoral Traffic (Prevention) Act

A total of 14571 cases of Immoral traffic (Prevention) Act were reported during the period 2010 to 2015. It has shown continuous increase between period 2010 to 2013. It has decreased by 19.7% during 2014(2070) over the previous year. However, it has again shown increase during 2015 (2424). The highest number of cases under the Immoral Traffic (P) Act were reported in Tamil Nadu (491 cases out of 2,424 cases) accounting for 22.8% of total such cases followed by Karnataka (420 cases), Maharashtra (381 cases), Telangana (252 cases) and Andhra Pradesh (204 cases). Out of 2424 cases reported under the Immoral Traffic (Prevention) Act, 1193 cases under section 5 (procuring, inducing or taking persons for prostitution), 79 cases under section 6 (detaining of persons in premises where prostitution is carries on), 176 cases under section 7 (prostitution in vicinity of public places),288 cases under section 8 (seducing or soliciting for the purposes of prostitution) and 688 cases under other sections of the Immoral Traffic (P) Act were reported during 2015.

Disposal of crimes reported under crime against women by Police

The result of disposal of crimes under crimes against women by Police is presented in **Table 1.2**. There were 471739 (consisting of 326933 cases reported during 2015 and 144806 cases pending investigation from previous year i.e. ending 2014) cases for Police investigation during the year 2015. This was higher by 2.2% from 2014 (4,61,609 cases). Out of these cases, Police completed investigation in 269903 during 2015 and it was lower by 14.7% as compared to year 2014 (3,15,722 cases). In 24976 cases charge-sheets were not laid by Police but final reports were submitted showing them false cases during 2015. Out of 269903 cases disposed of by Police, charge-sheets were submitted in 244927 cases showing charge-sheeting rate of 54.8%. More than 60.0% of charge sheet were in cases in Rape (62.4%), Molestation (65.2%), and cases under the Immoral Traffic (P) Act (66.1%) on the other hand low charge sheets were observed under cases of kidnapping & abduction of women (31.6%), Abetment of suicide (57.1%), Insult to the modesty of women (42.6%), Dowry death (59.1%), Dowry prohibition act (48.8%), Cruelty by husband and relative (58%), The Indecent Representation of women Act 1986 (40.5%), Importation of girl (31%) and attempt to rape (59.2%). The pendency of investigation has increased by 39.9% in 2015 as compared to 2014.

Table – 1.2
Disposal of crime committed against women cases by Police up to 2015 in India

Type of crime	Cases pending investigation from previous years i.e. ending 2014	Cases reported during 2015	Cases cancelled	Cases in which charge sheet submitted	Cases pending investigation up to 2015 (B+C-D-E)	Charge sheet rate (%)	Variation in cases Pending investigation ending 2014 and ending 2015(%)
A	B	C	D	E	F	G	H
Rape	16028	34651	2638	30001	18040	62.4	12.6
Kidnapping & Abduction	35531	59277	8782	27206	58820	31.6	65.8
Abetment of suicide	1669	4060	138	3194	2397	57.1	83.1
Molestation	24780	82422	4595	68887	35720	65.2	44.1
Insult to the modesty of women	3685	8685	338	7019	5213	42.6	34.2
Dowry death	4873	7634	207	7150	4950	59.1	5.9
Dowry prohibition act	5153	9894	361	7162	7524	48.8	46
Cruelty by husband and relative	50933	113403	7534	90971	65831	58	29.3
The Indecent Representation of women Act 1986	39	40	0	32	47	40.5	20.5
Immoral Traffic Act	791	2424	4	2122	1089	66.1	27.4
Importation of girl	24	6	1	9	20	31	16.7
Stall prevention act	0	0	0	0	0	0	0
Attempt to Rape	1300	4437	378	3174	2185	59.2	68.1
Total	144806	326933	24976	244927	201836	54.8	39.9

Source: *ibid*

Cases Charge-sheet Rate = (Cases Charge-sheeted/(Cases Charge-sheeted+ Cases in Which Charge-sheet not laid)) x 100

Cases Pendency Rate = (Cases Pending at the end of the Year/(Cases at the beginning of the year + Cases reported during the year)) x 100

Disposal of crimes reported under crime against women by courts

The result of disposal of crime committed against women cases by court up to 2015 in India is presented in **Table 1.3**.

Table-1.3

Disposal of crimes committed against women cases by court up to 2015 in India

Type of crime	Cases pending for trial from previous years i.e. ending 2014	Cases sent for trial during 2015	No. of cases withdrawn	Cases in which accused convicted by court	Cases in which accused acquitted by court	Cases pending ending 2015 (pendency rate %)	Conviction Rate (%)
Rape	107477	30001	194	5514	13250	118520 (86.2)	29.4
Kidnapping & Abduction	96858	27206	491	3153	9726	110694 (89.2)	24.5
Abetment of suicide	8130	3194	29	193	1147	9955 (87.9)	14.4
Molestation	224360	66887	5224	8408	26133	251482 (86.3)	24.3
Insult to the modesty of women	29203	7019	151	870	3128	32073 (88.5)	21.8
Dowry death	35260	7150	189	1792	3373	37056 (87.4)	34.7
Dowry prohibition act	26425	7182	708	595	2617	29667 (88.3)	18.5
Cruelty by husband and relative	44402	90971	10878	6559	39568	78368 (57.9)	14.2
The Indecent Representation of women Act 1986	810	32	1	44	93	704 (83.6)	32.1
Immoral Traffic Act	5650	2122	8	485	502	6777 (87.2)	49.1
Importation of girl	193	9	0	4	5	193	44.4
Sati prevention act	0	0	0	0	0	0(0)	0
Attempt to Rape	3767	3174	20	205	803	5913 (85.2)	20.3
Total	582535	244927	17893	27822	100345	681402 (82.3)	21.7

Source: *ibid*

$$\text{Cases Conviction Rate} = \frac{\text{Cases Convicted} \times 100}{\text{Cases Convicted} + \text{Cases Acquitted}}$$

There were 8,27,462 cases (consisting of 5,82,535 cases pending trials from previous years i.e. 2014 and 2,44,927 cases sent for trial during the year 2015) were for trial during the year. Out of these cases, 17893 were withdrawn during the trail, in 27822 cases accused were convicted and in 100345 cases accused were acquitted during the year 2015, showing a conviction rate of 21.7%. Highest conviction rate was observed under the Immoral Traffic (P) Act (49.1), followed by importation of girls (44.4%), Dowry death (34.7%) and Indecent Representation of Women Act (32.1%). whereas low conviction rate was observed in case under the cruelty by husband or relatives (14.2%), Abetment of suicide (14.4%), Dowry Prohibition Act (18.5), attempt

to rape (20.3%), Insult to modesty of women (21.8), Molestation (24.3), Kidnapping and Abduction (24.5%) and Rape (29.4%), A total of 681402 (82.3%) cases remained pending for trial at the end of the year 2015.

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JOB SATISFACTION AND ITS IMPACT ON EMPLOYEES PERFORMANCE AT LIFE INSURANCE CORPORATION (LIC) OF INDIA

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Abstract

Job performance can be viewed as an activity in which an individual is able to accomplish the task assigned to him/her successfully, subject to the normal constraints of reasonable utilization of the available resources. The life insurance sector is one of the sectors where the employee's monetary benefits are based on their sales targets, although reasonable salary is given to them which is fixed and not based on target achievements. It is a normal tendency, people avoid life insurance and prefers to invest their money where high returns are expected. Keeping this philosophy in mind, it is a challenge for the sales team to convince the prospects and sell them insurance products. This research paper is an attempt to find out the degree of stress on performance of sales department of LIC employees in Bhagalpur city. Reorganization of LIC took place and large numbers of new branch offices were opened. From then to now, LIC has crossed many milestones and has set unprecedented performance records in various aspects of life insurance business.

Keywords: Insurance, Work stress, Performance, employee.

Introduction

Job performance can be viewed as an activity in which an individual is able to accomplish the task assigned to them successfully. At a conceptual level, three types of relationships were proposed to exist between the measures of job stress and job performance (Jamal, 2007). One is a negative linear relationship, when productivity decreases with stress (distress). Productivity can also increase as a consequence of stress, thereby implying a positive linear relationship between the two. Thirdly, there could be a U-shaped or a curvilinear relationship wherein, mild stress could increase the productivity initially up to a peak and then it declines as the person descends into a state of distress. Over the past few decades stress is emerging as an increasing problem in organizations. Stress is vigorous state in which a person is confronted with an opportunity, demand, or resource related to what the individual wishes and for which the outcome is perceived to be both vague and vital. (Selye, 1936) first introduced the idea of stress in to the life science. He defined stress as the force, pressure, or tension subjected upon an individual who resists these forces and attempt to uphold its true state. Basically what is stress? The HSE (Health Safety Executive Uk) defines stress is an undesirable response people have to tremendous pressures or other types of demands placed upon them. It arises when they worry they cannot deal with. Some stress can be good, and some can be bad. HSE distinguishes between stress and pressure. Pressure is seen as positive and something that actually helps improve our performance. We all need a certain amount of pressure to perform well - ask any athlete, actor or actress. However, the problems arise when the sources of pressure become too frequent without time to recover, or when just one source of pressure is too great for us to cope with.

Stress can be understood more comprehensively as, it is a condition which happens when one realizes the pressures on them, or the requirements of a situation, are wider than their recognition that they can handle. If these requirements are huge and continue for a longer period of time without any interval, mental, physical or behavioral problems may occur, (Health & Safety Executive UK). Stress has a positive effect on employees of any organization but up to a certain extent up to which an employee can cope with it, mostly it exceeds the bearable limits and have a negative result on employees.

The insurance industry in India has seen an array of changes in the past one decade. The economic scenario which emerged after globalization, privatization and liberalization has thrown a new challenge before the insurance sector. Now it has to be more competitive in order to meet the needs and demands of its customers. The technical know-how, expertise and wide experience of multinationals that have joined with the Indian companies have revolutionized almost all aspects of insurance industry in India. There for job satisfaction occupies a place of pivotal importance in human resource management. Since an organization with a happy work force is considered to be a hallmark of efficiency. To secure the enormous advantage flowing from it, a study of job satisfaction assumes importance. It is obvious that job satisfaction is a feeling of contentment an employee gets from the performance of a job. It occupies a central place in human behaviour. While an organization with more number of dissatisfied workers is always facing problems of frequent friction, low productivity, high rate of absenteeism, sudden stoppage of work, etc, one with a larger number of satisfied workers confronts no such problems. Such a work place ambience is crucial to the effective achievement of organisational goals.

Factors Affecting Job Satisfaction

1. Work Itself:- (a) Skill different (b) Task Identity (c) Task Significance (d) Autonomy (e) Feedback
2. Pay Structure: - It should be more attractive & lucrative. Some people get Satisfaction only because of the salary and More compensation and they stick to The organizations for a more time.
3. Advancement Opportunities:-There should be good scope and opportunity to grow. Opportunity should be given to employees at regular interval.
4. Supervision:-Proper supervision should be there in every organization. It helps the employee not to deviate from their path. And Employee works in a proper way.
5. Co-Workers:- It is an important factor. Employee feels comfortable when their colleagues are good. They feel happy, because they can gain knowledge, culture, & so many things.
6. Environment: - Company should be free from dispute, politics. Employees like to work in friendly environments.

Workers Roles in Job Satisfaction

If job satisfaction is a more worker benefit, guarantee the worker should be able to contribute to his or her own satisfactions and wellbeing on the job. The following suggestions can help a worker find personal job satisfactions:

- Seek opportunities to demonstrate skills and talents. This often leads to more challenging work and more responsibilities, with waits on others increases in pay and other recognition.

- Develop excellent communication skills. Employer's value and reward excellent reading, listening, writing, and speaking more skills.
- Know about more. Acquire new job-related knowledge that helps you to perform tasks more efficiently and effectively. This will relieve boredom and often gets a noticed.
- Demonstrate creativity and initiative. More qualities like these are more valued by most important organizations and often result in recognition as well as in increased qualities and rewards.
- Develop teamwork and more people skills. A large part of job success is the stability to work well with others to get the job done.
- Accept the diversity in people. Accepted people with their various and their imperfections and learn how to give and receive criticism constructively.
- See the value in your work. Appreciating the significance of what one does can lead to satisfaction with the work itself. This helps to give meaning to more sufficient, thus playing a vital role in job satisfaction.
- Learn to distress. Plan to avoid burnout developing healthy stress-management techniques.

REVIEW OF LITERATURE

Life Insurance in its modern form came to India from England in the year 1818. Oriental Life Insurance Company started by Europeans in Calcutta was the first life insurance company on Indian Soil. All the insurance companies established during that period were brought up with the purpose of looking after the needs of European community and Indian natives were not being insured by these companies. Bharat Insurance Company (1896) was also one of such companies inspired by nationalism. Stress is an unwanted reaction people have to severe pressures or other types of demands placed upon them. A huge and multi fields literature points a lot of key factors such as work environment, management support, work load etc in determining the stressful the work can be and its effect on employee physical and mental health, (Ganster & Loghan, 2005). According to (Anderson, 2002) work to family conflicts is also a predecessor which creates stress in employees of an organization. Job stress has been also viewed as dysfunctional for organizations and their members (Kahn, Wolfe, Quinn, Snoek, & Rosenthal, 1964). Although stress has been variously viewed as an environmental stimulus to an individual (Kahn et al., 1964) Selye, 1956 defined stress as an individual's reaction to an environmental force that effect an individual performance. Job related stress can be mostly immobilizing because of its possible threats to family functioning and individual performance. Job related stress can create an difference between demands on families and the ability of families to provide material security for them (McCubbin & Figley, 1983). While there is a significant body of research which deals with work and family there is relatively little research (e.g., Jacobson, 1987) which deals specifically with perceived job insecurity (i.e., concerns or fears about job loss) and marriage and family life (e.g., Buss & Redburn, 1983). Stress condition which happens when one realizes the pressures on them, or the requirements of a situation, are wider than their recognition that they can handle, if these requirements are huge and continue for a longer period of time with out any interval, mental, physical or behavior problems may occur, (Health & Safety Executive UK).

Analysis and interpretation

A. Table showing employee’s work stress level at work

Concept: An attempt is made to know the work stress level of employees which influence the work.

Response	No of Respondents	% of Respondents
Yes	41	82
No	07	14
Can’t Say	02	04
Total	50	100

From the above table it is clear that 82% of employees are having stress at work. So maximum no of respondents are having work stress in their work due to various reasons.

B. Table showing the factors that influence employee’s Work stress.

Concept: An attempt is made to know the major aspects that influence the work stress.

Response	No of Respondents	% of Respondents
Inefficient Co-workers	08	16
Competetion	20	40
Job Demand	18	36
Other Reasons	04	08
Total	50	100

From the above table 40% of the respondents are in opinion that competition in the Insurance field leads to work stress and 36% in opinion that Job demand itself leads to stress.

C. Table showing Satisfaction With the Benefits Being Provided by the Company

Concept: The attempt is made to know Satisfaction With the Benefits Being Provided by the Company

Response	No of Respondents	% of Respondents
Strongly Satisfied	10	20
Satisfied	04	08
Moderate	30	60
Diss Satisfied	04	08
Strongly Satisfied	02	04
Total	50	100

From the above table 60% respondents are moderatly satisfied with the benefits offered by the insurance companies. It is clear that employees are moderatly satisfied with the benefits provided by their insurance companies.

D. Table showing Benefits Expeced by the employee from the Company for Removing work Stress

Concept: An attempt is made to know Benefits Expeced by the emplyet from the Company for Removing work Stress

Response	No of Respondents	% of Respondents
Bonus	10	20
Good Salary	28	56

Promotion	04	08
Reward	03	06
Medical Benefit	05	10
Total	50	100

From the above table 56% of the respondents are expecting good salary as source of income. There for it is clear that majority of employee’s are dependent on higher salary. So a company should take proper step to increase the salary of the employees.

E. Table showing satisfaction towards employment conditions prevailing in the organisation

Concept: An attempt is made to know the level of employment conditions prevailing in the organisation.

Response	No of Respondents	% of Respondents
Yes	19	38
No	31	62
Total	50	100

From the above table 62% of the respondents are not satisfied with the employment conditions prevailing in the organisation. Maximum no of respondents are not satisfied with the employment conditions. This suggests that general insurance companies have to provide a good infrastructure and other facilities to improve employee job satisfaction.

F. Table showing Working Environment Provided By The Company

Concept: An attempt is made to know the Working Environment Provided By The Company

Response	No of Respondents	% of Respondents
Good	07	14
Bad	43	86
Total	50	100

From the above table it is clear that the working hours prevailing in the company from the respondents that is 86% of the respondents are highly satisfied and 14% of the respondents are not satisfied. Maximum no of employees are satisfied with the working hours, because general insurance companies are working only five days a week.

G. Table showing elements Gives Maximum Stress

Concept: The attempt is made to know the major relationship between the content of job performance and job satisfaction.

Response	No of Respondents	% of Respondents
Work Overload	43	86
Work Underload	00	00
Time Pressure	03	06
Health	04	08
Total	50	100

From the above 86% of respondents are having stress due to work overload. So it is clear that work overload is a major element effect job performance. The ultimate performance of the employee depends on various job factors.

Conclusion

LIC employees are under a great deal of stress and due to many antecedents of stress such as Overload, Role ambiguity, Role and goal conflict, Responsibility for people, Participation, Lack of feedback, Keeping up with rapid technological change. We can overcome stress but we cannot avoid stress totally. Stress is not bad all the time. But it occurs during the work time it will affect our performance. The employees also can try to overcome their stress through yoga, exercise and meditation. The employers can extend their support to the LIC employees to get rid of the job stress. Job stress is negatively related to employee performance. In other words, higher the stress, lower will be the performance of an employee.

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ROLE OF TOURISM FOR SUSTAINABLE DEVELOPMENT IN INDIA

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Abstract

The Tourism sector has enormous potential to lead the socio-economic transformation of 'New India'. Primarily driven by remarkable natural beauty, rich history & cultural heritage, and unique traditional values, the sector has witnessed exponential growth in niche sub-sectors such as MICE, medical and wellness, religious and adventure, amongst others.

The sector has been on a steady growth trajectory over the last decade to become the 7th largest in the world in terms of total contribution to the country's GDP. In 2017, Tourism generated USD 234 billion, equivalent to 9.4% of India's GDP, and employed 41.6 million people. After the historic jump to the 40th position in the WEF Travel and Tourism Competitiveness Index 2017, India crossed the 10 million mark in Foreign Tourist Arrivals for the first time ever during 2017. India's price-competitive offerings and increasing disposable income have been a significantly contributor towards growth of the sector.

Keywords : Tourism Sector, Potential, Socio-economic Transformation, Natural Beauty, Rich History & Cultural Heritage.

Introduction

Travel & Tourism has evolved as one of the key enablers of socio-economic growth globally as it stimulates engagement & collaboration of different stakeholders including tourists, community, governments and businesses across the tourism value chain. Travel & Tourism investment in 2017 was INR 2,706.1bn, 6.3% of total investment (USD 41.6bn). Which is expected to rise by 6.7% in 2018, and rise by 6.7% pa over the next ten years to INR 5,546.3bn (USD 85.2bn) in 2028, 6.1% of total. Tourism industry is globally acknowledged for its important contributions to economic growth and social development with new innovations and rising tourist footfalls being witnessed in the recent decade. This is evident from several key indicators as highlighted below:

Table 1: Global Tourism Key Indicators (2017)

10.4%	Travel & Tourism GDP as a percentage of global GDP
4.6%	Direct Travel & Tourism GDP growth in 2017
1/10	Jobs supported by Travel & tourism. This is 9.9% of global employment
1/5	Of all global net jobs created in the last decade have been within the Travel & Tourism sector

Source: Economic Impact 2018, WTTC

The contribution of travel and tourism industry in the world GDP stands at about 10.4% and in most nations with advanced travel & tourism, this industry contributes more than 13% to their respective GDPs.

According to World Travel & Tourism Council, India is also on a high growth trajectory' projected to grow by an estimated CAGR of 7.1% in terms of GDP contribution over next decade.

The Government of India has designated to promote **2018 as the 'Year of Adventure in India'**.

Tourism sector is also one of the major sources of Forex, also termed as Foreign Exchange Earnings (FEEs). FEEs during 2017 were USD 27.69 bn with a growth of 17.0% over 2016. In 2017, Foreign Tourist Arrivals (FTAs) in India crossed the 10 million mark for the first time, standing at 10.1 mn with a growth of 15.6% over 2016. The Government of India has set out a target to increase India's share of FTAs in international tourist arrivals to 1% of global tourist arrivals by 2020 and 2% by 2025.

Figure 1: Foreign Tourism Arrivals and Foreign Exchange Earnings



Source: India Tourism Statistics 2017

The Ministry of Tourism (MoT), Government of India is the apex Government nodal agency for the tourism sector in India responsible for introducing various growth oriented policy measures, formulating schemes and programs, coordinating with private and Government agencies, and marketing and promotion of tourism in the country and abroad. Other related ministries also support the MoT in its endeavour to establish India as a leading global tourist destination.

- Budget 2018-19 allocation of INR 2,250 Cr for Integrated development of tourist circuits under Swadesh Darshan & PRASAD schemes
- Proposed creation of Five Special Tourism Zones, anchored on SPVs in partnership with the States
- 17 islands has been identified to be developed as tourism growth zones and Island Development Agency (IDA) has been constituted,
- The government has allowed 100 per cent FDI under the automatic route in the tourism and hospitality sector, including tourism construction projects
- Creation of Hospitality Development and Promotion Board to monitor and facilitate the clearances for hotel projects
- Financial Assistance to North Eastern States for development of tourism infrastructure
- Tourism and hospitality is included as one of the 25 focus sectors under the government's 'Make in India' initiative, which aims to 'transform India into a global design and manufacturing hub

- Policy Support through Civil Aviation Policy 2016
- Regional Connectivity Scheme UDAN introduced for stimulating regional connectivity
- Implementation of new Radars, ADS-B, operationalization of ATM Automation Systems across the country to enhance safety and efficiency of aircraft operations
- Creation of Air Cargo Logistic Promotion Board
- Identified 24 airports for development of Common User Domestic Air Cargo Terminals
- Liberalization of Foreign Direct Investment
- Approved development of 19 greenfield airports across the country under PPP model
- Encouragement to Seaplanes operations for tourism in conjunction with Helicopter services
- Launch of dedicated Airline Service to North East states
- Plan to introduce dedicated trains for domestic and international tourists, catering to customers belonging to all income groups.
- Agreement with UNESCO for setting up a rail link between neighboring countries including Bhutan, Nepal, Bangladesh and Myanmar.
- Launched Aastha Circuit Tourist train to promote religious tourism in the country.
- Indian Railway Catering and Tourism Corporation Ltd (IRCTC) has decided to launch two new circuits of its flagship luxury train Maharaja Express
- 100% FDI in railway infrastructure
- Launched India's first semi high speed train Gatimaan Express
- The government has proposed to introduce the 'Coach Mitra' facility for travellers to lodge all coach-related complaints, and also plans to fit all railway coaches with bio-toilets.
- Prepared Action Plan for Development of Cruise Tourism in India
- Revised the SoPs for hassle free entry and exit of cruise passengers at various major ports in the country
- Developed new cruise terminals at Mormugao Port and Chennai Port.
- Cruise tourists arriving with e-visa are exempted from the requirement of biometric enrolment for the major 5 ports viz. Mumbai Port, Mormugao Port, New Mangalore Port, Cochin Port and Chennai Port for three years too 2020.
- Development of 78 lighthouses in the country as centers of tourism under Public Private Partnership (PPP)
- Sagar Mala project to modernize India's Ports
- Establishment of Technical & Heritage Maritime Museum at Muttom Lighthouse
- Relaxation in cabotage law, lifted restrictions on foreign registered vessels on transportation of loaded or empty containers between Indian ports.
- 100% FDI in the road sector allowed under the automatic route in the road and highways sector
- Adoption of Hybrid Annuity Model for encouraging private sector participation in implementation of highway projects
- Formulated a 7 phase programme, 'National Highway Development Project' for boosting transport infrastructure across the country
- Special Accelerated Road Development Programme for the NE Region

- Launched infrastructure developmental programmes like ‘Bharat Nirman’, ‘Bharat Mala’, ‘Setu Bharatam’ development of way side amenities at 33 identified locations
- MoEFCC plays a pivotal role in development of niches like Ecotourism and Wildlife Tourism through various policies and developmental initiatives like Integrated Ecotourism Plan for Districts
- Agreement with 22 countries on multifarious environmental issues of mutual concern
- Introduced online submission of applicants for Environment, CRZ and Forest approval to ensure transparency
- Launch of Green India Mission with the vision of enhancing India’s tree cover to 33% by 2022
- Organized special Pravasi Bhartiya Divas in Singapore to commemorate 25th Anniversary of ASEAN-India relations
- Liberalization of E-Visa to extend its eligibility from tourism to include business and medical purposes and expanding its coverage to 161 countries
- All embassies across the world promote different tourist destinations of the Country
- Flagship publication “India Perspective” provides an insight into India’s culture and tradition along with elements of contemporary India
- Launched “Adopt a Heritage Project” to engage public sector companies, private sector companies, and corporate citizens/individuals in creating world class tourist facilities at various natural/cultural heritage sites, monuments and other tourist sites
- Archaeological Survey of India has identified 100 monuments as ‘Adarsh Smarak’ for up gradation of existing amenities like Wi-Fi, cafeteria, interpretation centre amongst others
- Launch of Project Mausam to establish cross cultural linkages and revive historic maritime cultural & economic ties with 39 Indian Ocean Countries
- Initiated project to introduce 2D virtual tours and digital guide at Gandhi Heritage Sites
- Organized Island Tourism Festival 2017 at Andaman & Nicobar Islands

Furthermore, various leading state governments have taken aggressive steps to attract inbound tourists like signing of agreements with private investors, participation in international tourism fairs, investment in product development and rigorous marketing and promotion amongst other initiatives to attract inbound tourism.

Leveraging PPP

Infrastructure development remains one of the key proponents of socio-economic prosperity, but in a burgeoning population scenario, it is not possible for the government to accrue all necessary funds as well as technical capability, and therefore involvement of the private sector becomes imperative to maintain the growth momentum while ensuring social welfare.

The focus of Government to involve private sector will boost emerging themes like Cruise & Coastal tourism, Sports & Adventure, Religious, Medical & Wellness, Amusement & Theme parks and MICE Tourism. From tourism’s perspective, PPP bridges the otherwise divergent policies: first, the necessity to curb public expenditures and contain public budgets; and second, the drive to improve competitiveness and efficiency in the service and operation of the tourism industry.

PPP is also critical for the success of Sustainable tourism models in Urban, Rural or Natural landscapes. Sustainable tourism relies on the development and delivery of quality visitor experiences that do not degrade or damage any of the property's natural or socio-cultural values and visitor attraction.

Road Ahead

As a global growth engine, tourism offers opportunities for both skilled and unskilled segments of the labour force, and the spillover benefits have the potential to promote sustained, inclusive growth. With rising demand for tourism products – both mainstream and offbeat, many new destinations have emerged that are competing fiercely to garner larger footfalls, and many businesses within destinations are also competing.

Infrastructure development is a prerequisite to gain higher tourist numbers as well as tourism receipts, and requires the combined effort of the host community, tourists and private and public sectors. The public sector needs to set up the planning, regulation and monitoring systems that use public spending as a catalyst to attract capital investment from the private sector, which would be primarily interested in areas that enhance the competitiveness and economic appeal of the destination. The following suggestive measures can accelerate growth of tourism infrastructure in the country.

1. Tourism Specific Ease of Doing Business (EoDB) Rankings: 'EoDB Tourism State Rankings' can be introduced with comprehensive parameters for assessment of State initiatives. A uniform format can be introduced for collection and publishing of tourism data and statistics across states and districts to facilitate easier decision making by investors and also measure impact of initiatives of various states and other stakeholders.

2. Private Sector Participation for O&M of Existing Government Infrastructure: There is a large inventory of tourism infrastructure owned by state tourism departments as well as interconnected sectors like forest bungalows, many of which boast of exquisite locations that are lying idle or have further potential to upscale and attract more visitors, thereby also becoming self-sustainable. The private sector can be roped in to operate, improve or refurbish such properties and thus also boosting the room inventory.

3. Promote Smart and Frugal Infrastructure: As we expect tourism models to uplift communities, creation of modern infrastructure will be pivotal towards attracting tourists, even more so in remote and offbeat locations. Currently, the minimum project cost for tourism projects to qualify for infrastructure status is INR 200 Cr, which is under consideration to be lowered to INR 50 Cr. However, if this entry barrier can be further lowered, or a separate incentive scheme can be carved out for smaller projects, it will encourage private players to participate in small infra.

4. Promote MICE Sector: While MICE sector has experienced growth in the Indian sector in the past decade, India still has less than 0.5% share of the world meetings and conventions market. Developing more world-class exhibition centres can enable India to attract global conventions and meetings in tourism as well as other sectors.

5. Incentivize Private Sector Participation: Government/(s) should incentivize private players to invest in unserved/ under-served tourism projects. The incentive pattern can be friendlier for attracting more innovative tourism projects vis-a-vis run-of-the-mill projects. For instance, interest subvention scheme can be introduced for small tourism projects like community homestays, RO-RO and boat operators. Additional incentives, like

additional interest subvention post COD, can be provided to projects (incl. new Hotels and resorts) at tourist destinations with limited tourist facilities and connectivity.

6. Online Repository of Land Banks: Availability of suitable land is one of the main concerns for investing in tourism projects, especially when it comes to sustainable tourism infrastructure in fragile areas.

The states need to develop land bank outlining the land parcels available for tourism projects, which are made accessible over an interactive web platform with the support of Ministry of Tourism. This will enable investors to assess the preliminary viability of their projects basis the nature of land parcel/select the appropriate land parcel suitable to the proposed project.

7. Medical and Wellness Tourism: Over the past few years, the government's efforts to promote and position Yoga and traditional Indian wellness therapies has paid dividends with World Yoga Day being observed globally on June 21 each year. India holds a competitive advantage in offering these products and services, and is also one of the most competitive destinations offering specialized treatments at low costs. Need of the hour now is to attract investments to create supporting infrastructure that can help reap dividends of this global movement led by India, as well as further consolidate offerings in allopathic healthcare and advanced medical procedures.

8. Coastal Area Development: Blessed with almost 7,500 km of coastline, beaches/ Coastal tourism forms one of the top tourism themes in India and is also a preferred theme for foreign tourists visiting India. To leverage on this coastal advantage of India, priority can be accorded for identifying a minimum of 100 coastal destinations/ beaches and develop the basic tourism infrastructure in addition to ensuring cleanliness at these locations. In the Konkan coastline for instance, a community based Konkan Inclusive Tourism Ecosystem (KITE) can be developed wherein Modern Fishing Villages can sustain their traditional livelihoods with income augmentation from tourist activity, and the same can be replicated in other key coastal areas.

9. Leveraging MSME funds: India's immense cultural and natural heritage is managed and conserved by local communities and small entrepreneurs whose business models now require scale-up through capital infusion, capacity building and skill building support. Convergence of Government Schemes with organizations like NABARD, SIDBI among others can be channelized into developing tourism infrastructure in rural and hinterland areas.

10. Technology for Infrastructure Assessment and Management: Today's technologies give us clear insights and easy to use tools to advance sustainable and inclusive growth, and go far beyond cashless transactions and reservations. Data analytics can provide insights into consumer spending and movement trends which can further facilitate municipalities on crowd management and urban planning. Enabling a cashless ecosystem for tourists, introducing value added products like Incredible India Travel Card, application of GIS and emerging technologies, like Artificial Intelligence (AI) are some possible areas of intervention.

Indian Tourism Scenario

India, with its vast geographical and cultural diversity is an emerging hotspot for global tourists as it offers wide range of tourist attractions from the Himalaya to oceans. According to the World Travel and Tourism Council, India ranked 7th amongst 185 countries in term of travel and tourism sector's total contribution to

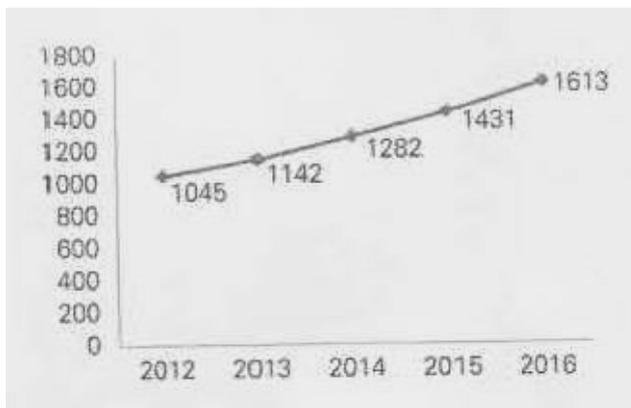
GDP in 2017. Tourism industry in the year 2017 contributed 9.4% of the GDP and generated 8% of the total employment in the country, thus making it a one of the largest industries in service sector.

Table 1: Forecast for the Indian Tourism Industry

India	2017		2028 (forecasted)	
	USD Bn (constant prices)	% of total	USD Bn (constant prices)	% of total
Direct contribution to GDP	91.3	3.7	194.7	3.9
Total Contribution to GDP	234	9.4	492.2	9.9
Total Contribution to Employment (000 jobs)	41,623	8	52,279	8.4
Visitor Exports	27.3	5.8	50.9	5.1
Capital Investment	41.6	6.3	85.2	6.1

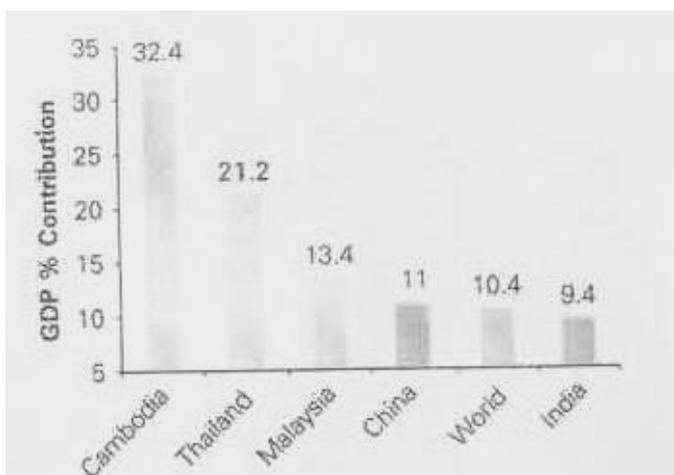
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Figure 2: Domestic Tourist Visits (Million)



Source: India Tourism Statistics 2017

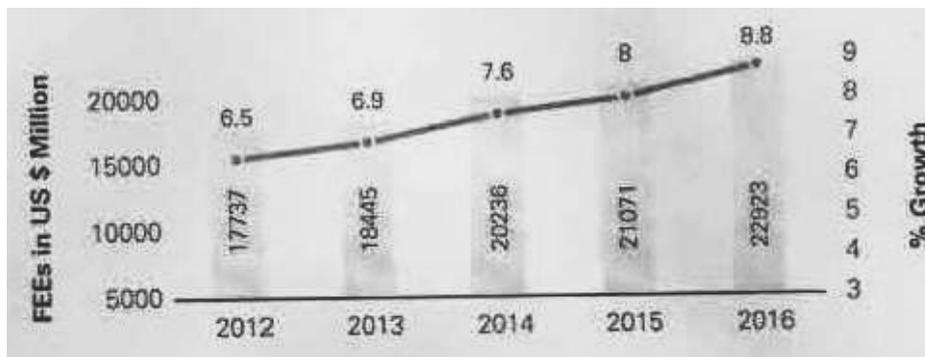
Figure 3: GDP Contribution of Travel & Tourism industry in 2017 (%)



Source: *Economic Impact Report, WTTC 2018*

Tourism sector is also one of the major sources of Forex, also termed as Foreign Exchange Earnings (FEEs). FEEs during 2017 were USD 27.69 bn with a growth of 17.0% over 2016. While Foreign Tourist Arrivals (FTAs) in the year 2017 were 10.1 mn with a growth of 15.6% over 2016. The Government of India has set out a target too increase India's share of FTAs in international tourist arrivals to 1% by 2020 and 2% by 2025.

Figure 4: Foreign Tourism Arrivals and Foreign Exchange Earnings



Source: *India Tourism Statistics 2017*

Central Government Initiatives

- Budget 2018-19 allocation of INR 2,250 Cr for Integrated development of tourist circuits under Swadesh Darshan & PRASAD schemes
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GROWTH AND DEVELOPMENT OF MICRO FINANCE IN INDIA

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Abstract

Indian economy is portrayed by low rate of development, predominance of rural population, overwhelming dependency on horticulture, unfavourable land mass proportion, exceptionally skewed income distribution and wealth beside, high frequency of destitution and joblessness. The last two variables poverty and joblessness posture real difficulties to the development and success of the nation. To conquer this issue, some recently created parts like micro finance are assuming an essential part. Microfinance has been viewed as a capable tool to battle poverty through the arrangement of essential financial services including reserve funds, protection, credit and transfer of funds. Microfinance has changed from being an experiment alternative option to formal or casual sources of credit to be a model for lending projects to the poor of developing nations. Microfinance has permitted giving credit to poor people who were not given the credit by the financial institutions reason for lacking of collateralizable assets. The target of microfinance establishments is to serve needy individuals and empower them to get to credit and fight poverty. Against such upgrades, the present investigation has been done to investigation of review of literature in microfinance part with the target of studying development of small scale fund in India throughout the years.

Key words: micro finance, poverty, financial institutions, developing country.

Introduction

Microfinance is being considered as one of the successful instrument used to decrease the destitution and sexual orientation imbalance through ladies strengthening, to reinforce the weaker groups in creating nations. India is a country loaded with both, enormous riches and neediness. Neediness in India is far reaching and is predominant in about each city. The dissimilarity between the rich and poor is colossal, with the rich living luxuriously and the poor living on the streets and not having the capacity to nourish them. Moreover, India is loaded with regional, cultural and financial contrasts (Datta and Kornberg 2002, 87). India's poor make up 33% of the world's poor (Novogratz 2009, 254). The numbers demonstrate that in 1997 "35% of the Indian populace (with 37% in rustic regions and 31% in urban territories) was living underneath the poverty line" (Lazar 2008, 11). While the numbers have diminished, a fourth of the Indian populace is still in destitution. A valid example "India makes up 15% of the total populace and 27% of its one billion individuals were underneath the neediness line in 2001" (Premchander 2009). There is a distinction in the quantity of needy individuals living in the urban communities contrasted with those living in country regions; a few investigations demonstrate that there are around "240 million rustic poor and 72 million urban poor in India" (Lazar 2008, 11)

Development Of Microfinance Institution In India:-

By 1969, Prime Minister Indira Gandhi began to nationalize commercial banks so they could open up to the world keeping in mind the end goal i.e. to meet a portion of the new policy objectives, such as making it less demanding for non-wealthy people to approach a bank (Karmakar 2008, 20).

The main objective of Nationalization was:

- to restrict corporations from controlling all the banks;
- to utilize bank resources to allocate wealth more uniformly;
- to arrange public savings (including the rural areas); and
- to target on agriculture and small industry”

Therefore, a huge number of new bank branches were opened all through rural India in the 1970s. Amid this time, credits were given to artisans and additionally to agricultural and dairy farmers. One of the objectives of these new banks was to prevent moneylenders from giving advances. The banks and their approaches turned into a vital part of the economy. The government began concentrating on financial advancement and credit arranging. Consequently, banks began disseminating advances in rural groups to agribusiness and little scale businesses.

The point was to achieve financial and social change through the distribution of credits. After two decades in the 1990s, microfinance institutions (MFIs) began to wind up well known in India as the economy began extending and ending up more focused (Fisher 2002, 36). In 1992, the National Bank for Agriculture and Rural Development (NABARD) began a program to back and promote the dispensing of advances to self help groups (SHGs), which comprise of little gatherings of ladies who begin their own organizations from small scale loans. After a year in 1993, Rashtriya Mahila (RMK or the National Credit Fund for Women) was set up to disseminate credit from NGOs to independently employed ladies in the unorganized sector. RMK has helped nearly 1,100 NGOs give around Rs 72.6 crore (726 million) to 393,000 ladies by March 2001.

In 1995, the government of Andhra Pradesh passed the Mutually-helped Cooperative Societies (MACS) Act, allowing freedom to cooperatives to disperse credit. After that few states passed acts of their own. In 1998, SaDhan, the Association of Community Development Finance Institutions, was begun by different microfinance institutions (MFIs) in India. That same year the Small Industries Development Bank of India (SIDBI) began a Foundation for Micro-Credit with an underlying capital of Rs 100 crore (1,000 million). (Fisher 2002) Even however rivalry has expanded in the banking sector, public sector banks, for example, nationalized banks, the State Bank of India and Regional Rural Bank, keep on dominating the banking system, (Karmakar 2008).

Though rivalry is furious in urban regions, it is to a great degree moderate in rural regions. Be that as it may, the legislature has lessened a portion of the rules and regulations for banking with the expectation of achieving rural family units. Since numerous banks don't consider rural groups gainful, they just provide credits when required by the government. Notwithstanding every one of these endeavors, most rural family units in India still don't approach banking, repressing them from access to investment funds and credit (Basu 2006). The World Bank (WB) - National Council of Applied Economic Research (NCAER) Rural Finance Access Survey (RFAS 2003) demonstrates that rural banks serve the wealthier regional customers. Around 66% of large farmers had a deposit account, though just 44% approached credit. 87% of the poorest family units (which were little agriculturists) did not approach credit, while 71% did not have a saving account.

It is to a great degree difficult for the poor to get loans from banks due to their absence of guarantee and on account of their inability in availing proper funds since they as a rule get cash from moneylenders and retailers (informal finance). A survey was done by RFAS 2003 on families and it was revealed that around 44% have obtained loan from moneylenders, retailers or relatives at any rate once in the most recent year. More than 82% of families studied in RFAS 2003 did not have insurance, and none of the poorest family units had protection. (Basu 2006).

It is to a great degree troublesome for the poor to get credit from banks due to their absence of insurance and in light of their inexperience in formal finance since they as a rule get cash from moneylenders and retailers (casual fund). Out of the family units reviewed by RFAS 2003, around 44% revealed having obtained cash from moneylenders, retailers or relatives at any rate once in the most recent year. More than 82% of family units reviewed in RFAS 2003 did not have protection, and none of the poorest families had protection. (Basu 2006).

Banks don't need the poor from both rural and urban territories as customers for many unique reasons. Since poor individuals don't have steady employments, their salaries are sporadic and erratic, and banks have no assurance that they can repay their advances. Likewise most destitute individuals don't have anything to give as a security against the loan. Moreover, the "far distance ,lack of education, and the differing backgrounds of borrowers" and the recurrence of high operation cost make it troublesome and non-pleasing for banks to loan credits to country poor groups (Ibid.).

Banks additionally deem that the government's guidelines and controls make it hard to disperse credits to poor people. In little towns with high neediness rates and constrained accessibility of assets for security, social capital has progressed toward becoming impetus for the fruitful execution of joint liability loaning programs. In prior days, microfinance was utilized to be named as microcredit which is tied in with giving small advances to poor people yet now keeping in mind the end goal to extend financial borders, microfinance has created custom-made money related administrations for borrowers to compensate their credits and for loan providers to give innovative monetary services to their customers which has been brought about high repayment rates that guarantees the long term sustainability of financial associations.

It has been broadly bantered about the effective execution of microfinance organizations, particularly regarding credit conveyance. The key component of this joint risk bunch loaning framework is shared obligation making the whole gathering for the advances given to individual borrowers.

Importance of Microfinance Institutions:-

The Planning Commission evaluated that 27.5% of the Indian populace was all the while living underneath the poverty line in 2004-2005. In India, around 75% of the poor live in rural zones, with the vast majority of them comprising of landless workers, daily bread earners, and independently employed families. India has one of the highest rates of destitute individuals on the planet with an expanding gap between the rich and poor. Indians have an intriguing cultural, political, and monetary history, which impacts the destitution and gender discrimination inside the nation.

After India's freedom from Britain in 1945, another democratic government was made, which aims at providing equivalent rights, opportunities and financial stability. Since the Indian populace needs opportunities, for example, financial assets and the capacity to get employment, they are stuck in an

interminable cycle without any open doors for individuals to lift themselves out of destitution (Burra 2005, 32). Since the 1950s, microcredit has been utilized as a strategy by government in developing nations, international financing associations and benefactor offices, with a specific end goal to help the poor population. Amid the 1950s and 1960s in a joint effort with the Indian banking system, the Indian government began dispensing advances to families in rural zones that worked in the agricultural segment and in addition city-staying families to advance financial development all through India (Fisher 2002, 84)

Households in the agricultural market were divided into three different groups of workers, which decided the amount of loans they would receive. The groups were determined by the type of work they did and the profitability of that work (Ibid.).

- The first group was medium to small agricultural farmers, artisans and people who rear poultry and other landless livestock.
- The second group was microenterprise workers, who are either agricultural or poultry/dairy farmers who sell their crops and produce; and the non-farm sector-micro-enterprise workers who work in repair shops, wooden furniture making shops, etc.
- The third group was small agricultural, poultry, dairy-based enterprises; and non-farming individuals that employ 6-10 workers, working in enterprises. (Fisher 2002, 84)

Problem Faced by Microfinance Institutions: These financial institutions were facing the problems of asymmetric information, moral hazard and high transaction cost while providing credits to the poor people

- Providing credit to the poor people through group lending and creating a joint liability amongst them for each other's behavior pertaining to the repayment of loan has overcome the problems of asymmetric information and moral hazard.
- Most country family units in India still don't approach to banks to access an account, hindering them from access to saving funds and credit (Basu 2006). In India it is greatly troublesome for the rustic poor to get credit or even have savings account from the formal banking system.
- It is to a great degree troublesome for the poor to get credit from banks because of their absence of guarantee and in light of their naiveté in formal fund since they ordinarily borrow cash from moneylenders and businesspeople.

Depth of Microfinance in India:

In India, mutual fund institutions have been merging their operation to manage with the effect of change taking place in the sector. In 2014-15, MFIs have increased their branches, posting a minor growth of 4.57%. In 2016-17, total branch set-up of the Mutual fund institutions excluding six Small Finance Bank (SFBs) was 10233.

In 2015-16, 6 MFIs (Equitas, Ujjivan, ESAF, Suryoday, Utkarsh, and Janalakshmi) graduated to SFBs covered 1978 branches out of Total branch network of 11664. Number wise branch network in 2016-17 has declined to 10233 from 11644 but actually there is a growth of 6% (factoring in 6 SFBs' exit as MFIs). The difference between the Table No. 1 and 2 shows that the MFIs institution state branch's up and downs in India.

Table 1 No. of MFIs in India States/UTs and No. of Districts with MFI Operation- Year 2017

Name of the States /UTs	No. of MFIs operating in the state (including those having Head Quarters outside)	No. of districts of the state where MFIs operate	No. of Branches
Andaman Nicobar Islands	2	1	1
Andhra Pradesh	3	12	66
Arunachal Pradesh	4	4	11
Assam	21	28	344
Bihar	33	37	692
Chandigarh	3	1	4
Chhattisgarh	20	22	306
Delhi	10	6	33
Goa	4	2	10
Gujarat	18	24	257
Haryana	17	19	190
Himachal Pradesh	4	4	9
Jammu & Kashmir	1	1	1
Jharkhand	20	24	263
Karnataka	23	30	1218
Kerala	16	12	261
Madhya Pradesh	34	48	907
Maharashtra	41	36	808
Manipur	5	10	38
Meghalaya	8	5	18
Mizoram	4	8	26
Nagaland	3	2	3
Odisha	28	30	744
Puducherry	7	2	10
Punjab	10	22	173
Rajasthan	22	29	352
Sikkim	2	3	8
Tamil Nadu	35	34	1152
Telangana	5	6	11
Tripura	9	6	39
Uttarakhand	20	6	117
Uttar Pradesh	28	68	1067
West Bengal	41	21	1097
Total		563	10,233

Source:-The Bharat Microfinance Report 2017

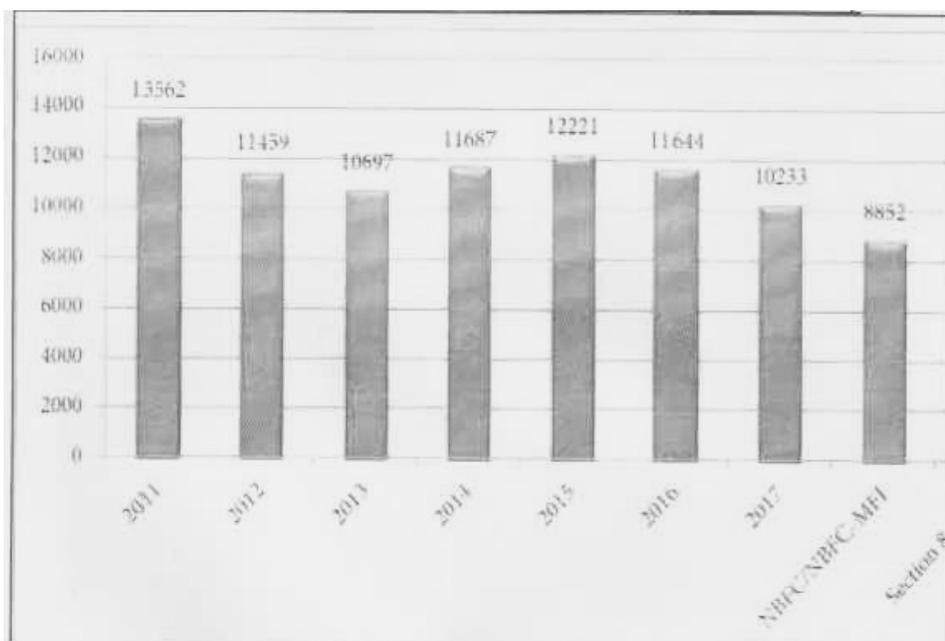
Table 2 No. of MFIs in India States/UTs and No. of Districts with MFI Operation Year 2015

Name of the States /UTs	No. of MFIs operating in the state (including those having Head Quarters outside)	No. of districts of the state where MFIs operate	No. of Branches
Madhya Pradesh	37	48	870
Maharashtra	37	35	980
West Bengal	35	20	1740
Tamil Nadu	34	32	1377
Karnataka	29	30	1185
Bihar	28	38	915
Odisha	26	30	742
Uttar Pradesh	23	70	1063
Gujarat	22	23	386
Rajasthan	21	33	287

Assam	19	24	552
Jharkhand	19	23	231
Chattisgarh	17	16	248
Delhi	13	7	70
Haryana	13	19	129
Kerala	13	14	220
Uttarakhand	13	10	95
Pondicherry	11	3	17
Andra Pradesh (Telangana Included)	10	23	776
Manipur	8	9	45
Meghalaya	7	6	26
Punjab	7	17	93
Tripura	6	6	99
Goa	4	2	7
Himachal Pradesh	4	4	6
Mizoram	4	8	34
Arunachal Pradesh	3	7	11
Sikkim	3	3	10
Nagaland	2	4	2
Andaman & Nicobar	1	1	1
Chandigarh	1	1	2
Dadra and Nagar Havali	1	1	1
Jammu & Kashmir	1	1	1
Total		568	12221

Source:-The Bharat Microfinance Report 2015

Table No.3:-MFI Branch Network- Yearly Trend and Category-wise Breakup

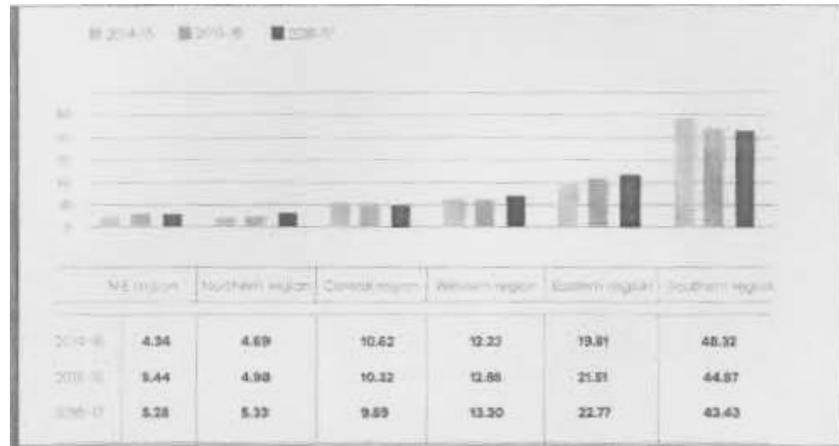


Source:-The Bharat Microfinance Report 2017

Above table revealed the distribution of branches among different categories of MFIs as of March 2017 which showed that NBFCs (NBFC/NBFC-MFI) had the lion's share of 8852 (87%) branches. It also

shows the ups and downs in MFI Branch network in 2011 to 2017. In India, year 2011 has the highest branch as compared to year 2017.

Table No. 4:- Region-Wise Distribution of SHGs with Savings Linkage



Source:-Status of Microfinance in India 2016-17 – NABARD

Above table depicts that SHG - Bank Linkage Programme is a strong interference in economic system and financial inclusion for the bottom of the pyramid. The number of savings linked SHGs has shown a huge jump of 8.53% during the year. The increase is highest during this decade with the expanding coverage of SHG-Bank Linkage Programme in Eastern and North Eastern Regions and other priority States. During the last three years, there has been perceptible correction in the Southern bias of the Programme (Figure 4.2). Bihar, Maharashtra, Rajasthan and West Bengal account for 63% of the net addition of SHGs during the year. The share of Southern Region in terms of number of SHGs declined to 43.4% in 2016-17 from almost half (48.3%) in 2014-15. There was a slight decline in the percentage share of SHGs in Southern Region as well as Central Region during 2016-17 over the previous year in spite of an absolute rise in number of SHGs. Major States like Telangana, Maharashtra, Gujarat, Chhattisgarh, Uttarakhand, West Bengal, Bihar, Jharkhand, and Rajasthan have recorded higher growth rate.

Table No. 5 Outreach (in lakh) of MFIs Across States/UTs- 2016&2017 (decreasing order)

State	2017	2016	Growth (%)
Karnataka	69.53	75.28	-9%
Tamil Nadu	32.25	57.22	-44%
Uttar Pradesh	29.82	39.36	-24%
Odisha	22.94	23.52	-3%
Bihar	22.87	23.93	-6%
Maharashtra	21.55	58.57	-45%
West Bengal	21.16	21.91	-5%
Madhya Pradesh	20.53	28.19	-27%
Assam	7.73	6.84	13%
Kerala	7.42	12.23	59%
Rajasthan	6.25	6.20	23%
Uttarakhand	6.21	6.78	-8%
Haryana	5.46	6.26	13%
Chhattisgarh	5.35	8.36	-36%
Goa	4.69	12.63	-64%
Haryana	3.83	5.98	-36%
Chhattisgarh	2.59	2.95	-12%
Uttarakhand	1.92	8.32	40%
Delhi	1.15	2.52	54%
Andhra Pradesh	1.04	7.27	86%
Nagaland	0.73	0.88	16%
Nizams	0.57	0.65	-12%
Tripura	0.48	1	58%
Punjab	0.28	1.27	78%
Andhra Pradesh	0.19	0.27	9%
Uttarakhand	0.13	0.49	73%
Meghalaya	0.12	0.19	36%
Nagaland	0.11	0.28	59%
Goa	0.07	0.13	47%
Nagaland	0.04	0.04	10%
Assam & Karnataka	0.03	0.02	37%
Chhattisgarh	0.02	0.13	62%
Assam	0.02	0.01	207%
Total	295	399	25%

Source:- The Bharat Microfinance Report 2017

Table No. 5 shows the outreach (in lakh) of MFIs across states in 2016 & 2017 in decreasing order. It shows that the Outreach of MFIs of 2016 is more than the 2017. According to the above table only Andaman, Jammu & Kashmir and Nagaland Shows the positive growth. Andaman shows the highest positive growth with 50% in the outreach of MFIs across states in 2016 & 2018. Except These states all states of India shows the Decreasing growth of Outreach of MFIs across status in 2016 & 2017. The highest Decreasing order growth Show puducherry with - 78% and then Himachal Pradesh With -73%.IN table no. 5 top 5 states account for 60% of total client outreach and rest of the other states hold only 40% of total clientele.

Table No. 6 Outreach (in lakh) of MFIs Across States/UTs- 2014&2015

States/UTs	2015	2014	Growth (%)
Karnataka	62	52	19%
Tamil Nadu	46	38	22%
West Bengal	45	43	6%
Maharashtra	30	28	7%
Andhra Pradesh (Telangana included)	29	46	-37%
Uttar Pradesh	29	21	38%
Bihar	24	17	41%
Madhya Pradesh	21	16	33%
Odisha	17	17	0%
Assam	15	12	25%
Gujarat	11	7	64%
Kerala	7	6	20%
Rajasthan	7	6	12%
Jharkhand	5	5	2%
Chhattisgarh	4	4	17%
Punjab	3	2	50%
Haryana	3	2	65%
Imphal	3	3	15%
Uttarakhand	3	2	35%
Delhi	2	2	15%
Pondicherry	0.83	0.4	102%
Mizoram	0.74	0.6	14%
Mizoram	0.63	0.6	10%
Meghalaya	0.37	0.3	20%
Arunachal Pradesh	0.18	0.1	27%
Nikhar	0.2	0.1	26%
Goa	0.10	0.09	7%
Himachal Pradesh	0.06	0.01	501%
Chandigarh	0.06	0.05	17%
Nagaland	0.03	0.02	50%
Dadra and Nagar Haveli	0.02	0.02	16%
Jammu	0.01	0.01	16%
Andaman & Nicobar	0.005	0.01	-38%
Total	371	330	

Source:- The Bharat Microfinance Report 2015

Table No. 6 shows the Rapidly growth outreach of MFIs across states in 2015 then 2014. All states data is in increasing no. except of two states Andaman& Nicobar and Andra Pradesh. These states show the decreasing no. of growth. Andaman & Nicobar Shows -38% growths and Andra Pradesh shows -37% growths. Himachal Pradesh shows the highest growth 500% and Jharkhand shows the lowest growth 2% with the positive growth. This Data represents the positive growth and outreach of MFIs in India.

Table No.7 Borrowings from microfinance institutions based on caste of head of households

Borrowings from	Caste of households					Total
	SC	ST	OBC	MBC	General	
1 MFIs	290	75	614	47	268	1294
	22.41%	5.80%	47.45%	3.63%	20.71%	100.00%
2 MFIs	164	46	396	30	149	785
	20.89%	5.86%	50.45%	3.82%	18.98%	100.00%
3 MFIs	88	35	253	22	83	481
	18.30%	7.28%	52.60%	4.57%	17.26%	100.00%
4 MFIs	12	4	57	8	8	89
	13.48%	4.49%	64.04%	8.99%	8.99%	100.00%

- SC= Scheduled caste
- ST= Schedules tribe
- OBC= other backward caste
- MBC= Most backward caste

The table represents that majority of beneficiaries borrowed loan from 1 to 4 microfinance institutions belong to OBC caste followed by SC caste and MBC caste beneficiaries have borrowed loan less than others from more than one microfinance institutions.

The purpose of availing microfinance credit

Concerning provincial spread of smaller scale bank is that there has been a critical grouping of these organizations in the Southern area of the nation. The Southern area has generally been the most forefront district as far as banking advancement in the nation. A more prominent grouping of micro finance is potentially owing to the effectively all around banking foundation in the area yet it additionally fortifies the current imbalance between regions in the improvement of banking system.

Further, as micro finance is basically determined towards including the poorer areas of the populace into the scope of banking system, it is essential to contrast the supply of micro finance with the quantity of poor crosswise over regions to judge the successful extend of micro finance. We discover taking this pointer as well, the spread of micro fund works out to be the biggest in the Southern district and the least in the Central area. Here, in any case, we have to recall that there are contentions from researchers that the official destitution line underestimates the quantity of poor people in the nation (Swaminathan, 2000).

Table No. 8 shows the constant growth year by year from 2011 to 2016 in women borrowers but it also shows the decreasing trend in 2017. But it only shows the 1% decrease which do not affect the growth and importance of microfinance in women borrowers in India. According to the table 8 SC/ST, Minority and differently able borrowers shows the highest percentage of taking loans. This shows the losing interest in the microfinance loan because of the high interest rates and the other banks facilities but this also shows increase in Individual borrowers, borrowers having personal bank A/c and Borrowers having BPL Card who is the good sign for microfinance growth.

Table No. 8 Composition of Borrowers – Category wise

% to Total Borrowers									
Year	Women Borrowers	SC/ST Borrowers	Minority Borrowers	Differently abled Borrowers	Borrowers having Aadhaar Card	BC Borrowers	Individual Borrowers	Borrowers having personal Bank A/c	Borrowers having BPL Card
2011	94%								
2012	95%	20%	23%						
2013	96%	21%	23%						
2014	97%	19%	14%						
2015	97%	28%	18%	0.05%	10%				
2016	97%	30%	27%	4%	18%	15%	3%		
2017	96%	20%	10%	0.12%	52%	23%	3%	22%	11%

During the six-year period considered, there appeared to be a change towards reducing the gender gap but even then, women’s access to basic banking facilities remained at disquietingly low levels.

They have financed these non-routine expenditures using various sources and this payment was used for further activities either income or non-income generating activities. This table presents the details on how the loan amount is being used. It is being observed from table that financing of household consumption accounts for maximum usage of loans taken from bank, MFIs, SHGs and informal sources like moneylenders, landlords, friends/ relatives etc. followed by investment in agricultural machinery or inputs like seeds and fertilizers. Most of the investment is also used to repay old debts. Almost equivalent investment in home improvements/ repair of houses and health are financed through various sources. Credit taken from various sources is more used for commercial purposes. This data shows that most of the credit taken from formal or informal sources or MFIs or SHGs has been used in non-income generating activities like buying agricultural inputs, household consumption, repaying old debts, home improvements/repair/construction and health of households. In this table the credit taken from MFIs/ SHGs has also been used in most of non-income generating activities that had helped the households to meet their social needs. There were a few members who started their own new businesses (2.5%, 1.9%) to generate opportunities of employment for others. There were (9.9%, 4.2%) beneficiaries who have used the loan amount for purchasing stock for their existing businesses to make it more profitable than before. There were (4.4% and 5.7%) beneficiaries who have used the loan amount from MFIs/SHGs for education purposes and rest beneficiaries have used it the loan amount for personal non-income generating activities. During the study it is identified due to many reasons like insufficient loan size the loan amount was diverted to non-income generating activities.

Table No. 9-Usages of loan by lender types

	Bank	MFI	SHG	Informal
Start new business	2.0%	2.5%	1.9%	1.1%
Buy agricultural machinery or inputs (seed, fertilizers)	57.5%	13.2%	19.3%	19.9%
Purchase stock for existing business	3.0%	9.9%	4.2%	2.7%
Repay old debts	14.6%	25.4%	20.4%	7.0%
Health	11.4%	10.9%	18.6%	25.3%
Marriage	4.3%	4.8%	2.2%	12.2%
Funeral	0.1%	0.2%	0.5%	1.7%
Other festivals	0.6%	3.5%	3.6%	4.8%
Home improvements/ repair/ construction	9.7%	22.1%	13.0%	14.2%
Unemployment	0.0%	0.0%	0.1%	0.8%
Purchase land	0.8%	0.9%	0.7%	0.6%
Education	4.1%	4.4%	5.7%	5.3%
Purchase jewellery	0.5%	0.6%	1.6%	0.4%
Household Consumption	26.5%	31.6%	49.9%	24.9%
Buy livestock	2.7%	6.0%	5.6%	1.7%

This result shows that in spite of belonging to any of gender, caste ad class beneficiaries are able to access the loan from different-different microfinance institutions without facing any problem being discriminated based on their gender, caste and social class (richer, middle income class & poorer class).

Microfinance and other loans available in India:

The casual sources, which the overviewed individuals potrayed upon, were basically proficient lenders. There were likewise individuals that arranged advances from relatives and a companion, which as uncovered by most prime level reviews, is a harmless source of finance that is drawn on by any person in the midst of need. These advances are typically interest free. In any case, the credits from moneylenders are advances taken regularly at overwhelming rates of interest.

Table No. 10 – No. of loans of SHG members, by sources other than SHGs

Source	Number of loans	Percentage of loans
Bank	10	10.8
Professional moneylenders	39	41.9
Relatives and friends	25	26.9
Other sources	19	20.4
Total	93	100.0

Source: Primary data.

Table No 10 demonstrates that we get a genuinely comparative photo of the prevalence of casual sources in common, moneylenders specifically. It has been found that of the aggregate number of rustic family units in the State, 68% have taken as a minimum one loan from the casual sources, and out of these, 53% have taken advances from proficient loan providers. Further, just 14.4 for each penny of the rustic family units in the State revealed no less than one advance from commercial banks. Clearly, there was more noteworthy reliance on casual sources, especially moneylenders in India.

The premium cost of micro finance was high as uncovered by the review and was in truth as good as to the rates charged by moneylenders. More than 75% of the SHGs reviewed charged rates in the scope of 24% to 36% per annum.

Percentage of household reporting at least one loan outstanding, by source

Source	India
Formal sources	50.7
Government	3.0
Cooperatives	26.1
Commercial banks	21.6
Other sources	2.6
Informal Sources	58.3
Landlord	1.4
Agriculture moneylender	12.3
Professional moneylender	26.9
Trader	3.3
Relatives and friends	14.1
Others	3.9

Note: The figures may not add up to 100 as there are households that have taken loans from more than one source. Source: NSSO 2006.

Conclusion

This research study is conducted to meet three objectives. The main purpose of this research study is to examine the depth of the outreach of the microfinance program. Generally, microfinance programs are designed to help the poor rural people to convert their potential into productive ventures. Microfinance was started with the thought of helping poor rural people but now its focus has been shifted towards needy people in India cause of several factors playing important role in providing credit to poor people. Poor people do not have collateral to provide as a security against credit so they looked at microfinance institutions with the hope of getting credit against their social status. The repayment rate in India was continued to fall and microfinance was losing its foothold in India. So a paradigm shift from poor to needy people has been made. Now-a-days, Microfinance institutions do not only provide micro-credit facilities but also provide other facilities or new innovative sources to make live stable of needy people.

The main purpose of this study was to know about those people, who are getting benefits out of this microfinance program. MFIs currently operate in 29 states, 4 union Territories and 563 districts in India. The reported 168 MFIs with a branch network of 10,2333 and 89,785 employees have reached out to 29 million clients with an outstanding loan portfolio of Rs 13,898 crore. The average loan outstanding per borrower stood at Rs 12,751 and 85% of loans were used for income generation purposes outreach fell by 26% and loan outstanding grew by 27% over the previous year. The Southern region continues to have the highest share of both outreach and loan outstanding, followed by East. However growth rates are higher in the Northeastern and East regions. Outreach proportion of urban clientele has decreased significantly as against the rural population. The proportion of Urban clientele which was 62% in 2015-16 decreased to 39% in 2016-17. Women borrowers constitute 96% of the total clientele of MFIs, SC/ ST borrowers constitute 20% and minorities 10%. The analysis showed narrow outreach of microfinance program.

The data analysis also shows that there was no discrimination was done by microfinance institutions based on caste and gender in India. Data analysis showed that other backward class (OBC) (42.37%) people have more financed through JLGs/ SHGs their non-routine expenditures than general class people (15.25%) and Male candidates have financed through JLGs/SHGs (8.59%) more than female candidates (6.62%) but results shows that female candidates have positively participated in microfinance programs. result of study showed that the beneficiaries were more likely to spend on non-income generating activities.

World over the focus of microfinance has always been on serving women. In India as an alternate vehicle of credit, microfinance serves a large segment of people from scheduled castes, schedule Tribes and Minorities. Women clients constitute 96% of total clients of MFIs. Similarly, SC/ST borrowers also constitute a substantial chunk (20%) of the clients. A trend analysis of women borrowers, SC/ST borrowers and minority borrowers is shown in numbers using a table. For the first time, in 2016-17, data for borrowers having personal bank A/c and borrowers having BPL card constitute only 22% and 11% of the total respectively. The reason for a low coverage under these heads is the non-collection of such data at MFI level. Focusing on microfinance services towards women, SC/St and minorities, MFIs are contributing significantly to the

wellbeing of the underprivileged, leading to a rise in their welfare and assisting with the financial inclusion agenda.

They spend moreover on consumption expenditures and repaying old debts by diverting their loan amount and used it for non-income generating activities. Spending on consumption expenditures has favored some of studies (Collins et. Al. 2009, and Guerin, Kumar etc. 2009) that argue that micro credit can be considered as tool serving to consumption need. In addition, one of the important objectives of SHG program is to create capacity of beneficiaries and enhance the employment opportunities by starting small businesses. The study indicated that only few beneficiaries of SHG program were able to use group loans to start a new income generating activity. The result showed that there must be reasons like insufficient loan size for using of credit taken from SHGs/ JLGs used moreover in non-income generating activities.

Turning to the other part, the study raised a few questions like at what level does microfinance program removes the effect of informal sources like money lenders, landlords from the rural market, does multiple borrowing necessarily mean over- borrowing that was argued in some of studies (Lahkar & Pingali, 2016) that multiple borrowing need not be synonymous with over-borrowing. During the study it is identified due to many reasons like insufficient loan size the loan amount was diverted to non-income generating activities. It was felt that the microfinance programs in Andhra Pradesh satisfied the social need but some scholars blames that this process would push poor beneficiaries to over burdening of debt. Policies and appropriate regulation are required for effective results of microfinance program in India.

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A STUDY ON EVOLUTION OF THE LIFE INSURANCE CORPORATION OF INDIA

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Abstract

Today LIC functions with 2048 fully computerized branch offices, 113 divisional offices, 8 zonal offices, 992 satellite offices and the corporate office. LIC also has a network of around 13,37,064 individual agents, 242 Corporate Agents, 79 Referral Agents, 98 Brokers and 42 Banks (as on 31.3.2011) for soliciting life insurance business from the public. The slogan of LIC is "Zindagi ke saath bhi, Zindagi ke baad bhi". Its main asset is its staff strength of 1.15 lakh employees and including about 21,000 class-I officers. Meanwhile, LIC is also planning to expand its overseas presence by setting up a subsidiary in Singapore. LIC already has presence in countries like the UK, Mauritius, Kenya, Nepal and Sri Lanka. In the Middle East, LIC is present in Saudi Arabia, Kuwait, Dubai, Abu Dhabi, Oman and Qatar business in overseas and has regional offices in Fiji, Mauritius and the UK. LIC's Wide Area Network covers 113 divisional offices and connects all the branches through a Metro Area Network. LIC has tied up with some banks and service providers to offer on-line premium collection facility in selected cities. LIC's ECS and ATM premium payment facility is an addition to customer convenience. Apart from on-line Kiosks and IVRS, Info Centre have been commissioned at Mumbai, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, New Delhi, Pune and many other cities with a vision of providing easy access to its policyholders. LIC has launched its SATELLITE SAMPARK offices. The satellite offices are smaller, leaner and closer to the customer. The digitalized records of the satellite offices will facilitate anywhere servicing and many other conveniences in the future.

Keywords : LIC, Computerized Branch, Kiosks, Satellite Offices, Agents, Online Premium.

Introduction

Life insurance is actually an agreement between the insured and the insurer in which the policy holder accepts to pay regular premium to the insurer. In return, the insurer guarantees monetary protection to the insured in case of any accident or mishaps. If the insured dies in accident, financial help is provided to his family members. Thus, life insurance is necessary as it provides protection to not only you but also to your family in case of any unwanted disaster.

A thriving insurance sector is very important to every modern economy. Firstly because it encourages the habit of saving, secondly because it provides a safety net to rural and urban enterprises and productive individuals. And perhaps most importantly it generates long-term invisible funds for infrastructure building. The nature of the insurance business is such that the cash inflow of insurance companies is constant while the payout is deferred and contingency related. This characteristic feature of their business makes insurance companies the biggest investors in long-gestation infrastructure development projects in all developed and aspiring nations. This is the most compelling reason why private sector (and foreign) companies, which will spread the insurance habit in the societal and consumer interest are urgently required in this vital sector of the

economy. Opening up of insurance to private sector including foreign participation has resulted into various opportunities and challenges in India.

History of Lic

In India, insurance has a deep-rooted history. It finds mention in the writings of Manu, (Manusmriti), Yagnavalkya (Dharmasastra) and Kautilya (Arthasastra). The writings talk in terms of pooling of resources that could be re-distributed in times of calamities such as fire, floods, epidemics and famine. This was probably a pre-cursor to modern day insurance. Ancient Indian history has preserved the earliest traces of insurance in the form of marine trade loans and carriers' contracts. Insurance in India has evolved over time heavily drawing from other countries, England in particular. The process of insurance has been evolved to safeguard the interests of people from uncertainty by providing certainty of payment at a given contingency. Life insurance in its modern form came to India from England in 1818 with the formation of Oriental Life Insurance Company (OLIC) in Calcutta mainly by Europeans to help widows of their kin. Later, due to persuasion by one of its directors (Shri Babu Muttyal Seal), Indians were also covered by the company. By 1868, 285 companies were doing business of insurance in India. Earlier these companies were governed by Indian company act 1866. By 1870, 174 companies ceased to exist, when British parliament enacted insurance Act 1870. These companies were however, insuring European lives. Those Indians who were offered insurance cover were treated as sub-standard lives and were accepted with an extra premium of 15% to 20%.

First Indian Company -Pioneering efforts of reformers and social workers like Raja Ram Mohan Ray, Dwarakanath Tagore, Ramatam Lahiri, Rustomji Cowasji and other led to entry of Indians in insurance business. First Indian insurance company under the name "Bombay Life Insurance Society" started its operation in 1870, and started covering Indian lives at standard rates. Later "Oriental Government Security Life Insurance Company", was established in 1874, with Sir Phirozshah Mehta as one of its founder directors and later emerged as a leading Indian insurance company under the name "Bombay Life Assurance Society" started its operations in 1870.

Pre-Independence Scenario -With the patriotic fervour of Non-Corporation Movement (1919) and Civil Disobedience Movement (1929), number of Indian companies entered the insurance arena. Eminent figures in political area like Mahatma Gandhi and Pandit Nehru openly encouraged Indians to enter the fray. In 1914 there were only 44 companies; by 1940 this number grew to 195. Business in force during this period grew from Rs.22.44 crores to Rs.304.03 crores (1628381 policies). Life fund steadily grew from Rs.6.36 crores to Rs.62.41 crores. In 1938, the insurance business was heavily regulated by enactment of insurance Act 1938(based on draft bill presented by Sir N.N.Sarcar in Legislative Assembly in January 1937). From here onwards the growth of life insurance was quite steady except for a setback in 1947-48 due to aftermath of partition of Indian. In 1948, there were 209 insurances, with 712.76 crores business in force under 3,016, 000 policies. The life fund by then grew to 150.39 crores.

Nationalization of Life Insurance (1956) - Despite the mushroom growth of many insurance companies per capita insurance in Indian was merely Rs.8.00 in 1944(against Rs.2, 000 in US and Rs.600 in UK), besides some companies were indulging in malpractices, and a number of companies went into liquidation. Big industry houses were controlling the insurance and banking business resulting in inters looking of funds between banks and insurance companies. This shook the faith of insuring public in insurance companies as

custodians of their savings and security. The Government of India nationalized the life insurance industry in January, 1956 by merging about 250 life insurance companies and forming Life Insurance Corporation of India (LIC), which started functioning from 01.09.1956.

Some of the important milestones in the life insurance business in India are:

- 1818: Oriental Life Insurance Company, the first life insurance company on Indian soil started functioning.
- 1870: Bombay Mutual Life Assurance Society, the first Indian life insurance company started its business.
- 1912: The Indian Life Assurance Companies Act enacted as the first statute to regulate the life insurance business.
- 1928: The Indian Insurance Companies Act enacted to enable the government to collect statistical information about both life and non-life insurance businesses.
- 1938: Earlier legislation consolidated and amended to by the Insurance Act with the objective of protecting the interests of the insuring public.
- 1956: 245 Indian and foreign insurers and provident societies are taken over by the central government and nationalized. LIC formed by an Act of Parliament. LIC Act, 1956, with a capital contribution of Rs. 5 crore from the Government of India.

Post Nationalization Trend - After completing the arduous task of integration of about 250 life insurance companies, the LIC of India gave an exemplary performance in achieving various objectives of nationalization.

The following table shows the achievements of LIC in 40 odd years of its existence.

Table 1 Growth of LIC between 1959 and 1999

S.No.	Particulars	1959	1999
1	Annual Business: Sum Assured Policies First year premium	336.3 crores 8,00,000 14 crores	75606 crores 14857000 4171 crores
2	Business in force: Sum Assured Policies Renewal premium	1477 crores 5686000 74 crores	459201 crores 91726000
3	Group Business in force: Sum Assured	5.29 crores	16136crores 69558 crores
4	Life Fund	41040 crores	127389.06 crores

Source: Annual Reports of LIC.

In spite of phenomenal progress of LIC of India, especially in the 80s, the government and public at large were not quite satisfied with it. By signing GATT, the government of India committed to opening of insurance sector to private sector – to local and global operators. A committee under the chairmanship of late R.N.Malhotra (Ex- governor of RBI) was appointed by the government to look into all the aspects of insurance industry in India. The committee too, opined that in its about 40 years of existence, LIC had been able to insure only 22 percentage of the insurable population. A moot reason may be the lack of competition.

Further, the monopoly has resulted in lack of sensitivity to the policy holders. There is a greater scope for product innovation and service improvement. The committee recommended a number of measures to revamp LIC of India, GIC of India and its four subsidiaries. It also recommended allowing outside insurance companies to operate in India with an Indian partner. After a great deal of discussion, finally the Lok Sabha has enacted the Insurance Regulatory and Development Authority Act, 1999. In terms of the act, Insurance Regulatory and Development Authority is being set-up to regulate and develop the insurance industry by opening it up to the private sector. Foreign insurance companies can enter into the insurance sector in India only with an Indian partner, as a joint-venture, with a capital contribution up to a maximum of 26 percentage of the capital in the jointventure. The Authority has the power to frame regulations under Section 114A of the Insurance Act, 1938 and has from 2000 onwards framed various regulations ranging from registration of companies for carrying on insurance business to protection of policyholders' interests.

Today LIC functions with 2048 fully computerized branch offices, 113 divisional offices, 8 zonal offices, 992 satellite offices and the corporate office. LIC also has a network of around 13,37,064 individual agents, 242 Corporate Agents, 79 Referral Agents, 98 Brokers and 42 Banks (as on 31.3.2011) for soliciting life insurance business from the public. The slogan of LIC is "Zindagi ke saath bhi, Zindagi ke baad bhi". Its main asset is its staff strength of 1.15 lakh employees and including about 21,000 class-I officers. Meanwhile, LIC is also planning to expand its overseas presence by setting up a subsidiary in Singapore. LIC already has presence in countries like the UK, Mauritius, Kenya, Nepal and Sri Lanka. In the Middle East, LIC is present in Saudi Arabia, Kuwait, Dubai, Abu Dhabi, Oman and Qatar business in overseas and has regional offices in Fiji, Mauritius and the UK. LIC's Wide Area Network covers 113 divisional offices and connects all the branches through a Metro Area Network. LIC has tied up with some banks and service providers to offer on-line premium collection facility in selected cities. LIC's ECS and ATM premium payment facility is an addition to customer convenience. Apart from on-line Kiosks and IVRS, Info Centre have been commissioned at Mumbai, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, New Delhi, Pune and many other cities with a vision of providing easy access to its policyholders. LIC has launched its SATELLITE SAMPARK offices. The satellite offices are smaller, leaner and closer to the customer. The digitalized records of the satellite offices will facilitate anywhere servicing and many other conveniences in the future.

INSURANCE SECTOR REFORMS

In 1993, Malhotra Committee- headed by former Finance Secretary and RBI Governor R.N. Malhotra- was formed to evaluate the Indian insurance industry and recommend its future direction. The Malhotra committee was set up with the objective of complementing the reforms initiated in the financial sector. The reforms were aimed at creating a more efficient and competitive financial system suitable for the requirements of the economy keeping in mind the structural changes. currently underway and recognizing that insurance is an important part of the overall financial system where it was necessary to address the need for similar reforms. In 1994, the committee submitted the report and some of the key recommendations included:

STRUCTURE

- Government stake in the insurance Companies to be brought down to 50%.

- Government should take over the holdings of GIC and its subsidiaries so that these subsidiaries can act as independent corporations All the insurance companies should be given greater freedom to operate.

COMPETITION

- Private Companies with a minimum paid up capital of Rs.1bn should be allowed to enter the sector. • No Company should deal in both Life and General Insurance through a single entity.
- Foreign companies may be allowed to enter the industry in collaboration with the domestic companies.
- Postal Life Insurance should be allowed to operate in the rural market.
- Only one State Level Life Insurance Company should be allowed to operate in each state.

REGULATORY BODY

- The Insurance Act should be changed.
- An Insurance Regulatory body should be set up.
- Controller of Insurance- a part of the Finance Ministry- should be made independent.

INVESTMENTS

- Mandatory Investments of LIC Life Fund in government securities to be reduced from 75% to 50%.
- GIC and its subsidiaries are not to hold more than 5% in any company (there current holdings to be brought down to this level over a period of time).

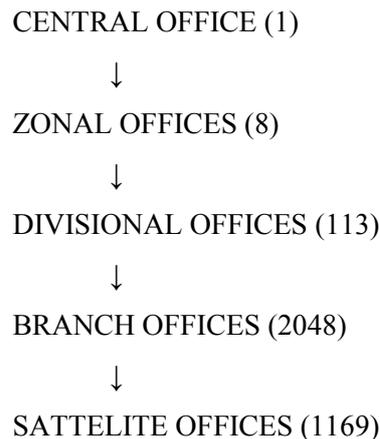
CUSTOMER SERVICE

- LIC should pay interest on delays in payments beyond 30 days.
- Insurance companies must be encouraged to set up unit linked pension plans.
- Computerization of operations and updating of technology to be carried out in the insurance industry.

The committee emphasized that in order to improve the customer services and increase the coverage of insurance policies, industry should be opened up to competition. But at the same time, the committee felt the need to exercise caution as any failure on the part of new players could ruin the public confidence in the industry. Hence, it was decided to allow competition in a limited way by stipulating the minimum capital requirement of Rs.100 crores. The committee felt the need to provide greater autonomy to insurance companies in order to improve their performance and enable them to act as independent companies with economic motives. For this purpose, it had proposed setting up an independent regulatory body- The Insurance Regulatory and Development Authority. Reforms in the Insurance sector were initiated with the passage of the IRDA Bill in Parliament in December 1999. The IRDA since its incorporation as a statutory body in April 2000 has fastidiously stuck to its schedule of framing regulations and registering the private sector insurance companies. Since being set up as an independent statutory body the IRDA has put in a framework of globally compatible regulations. The approval of institutions for imparting training to agents has also ensured that the insurance companies would have a trained workforce of insurance agents in place to sell their products.

Organizational Structure of LIC

The life Insurance Corporation of India has a five tier organizational structure as shown in following chart:



The board of the corporation is constituted by the central Government after every two years and the numbers of the members of the Board does not exceed 16. Out of these members one is appointed as Chairman and three are appointed as managing Directors of the Board. The chairman acts as Chief Executives of LIC. The Chairman and Managing Directors are full time employees of LIC and they constitute the highest decision making body known as Board of Directors of the Corporation. The corporation constitutes various committees under the life insurance act viz., Investment Committee, Executive Committee and Advisory Committee, Development Advisory Committee and Budget Advisory Committee).The Chairman of the Corporation is the chairman of all these committees.

The Central office of LIC is located in Mumbai which is known as financial capital of India. The Central Office confines itself mainly to giving broad policy directions and decisions. It has direct executives responsibility over a limited field. Investment policy and investing of funds in accordance with that policy is the soe responsibility of the central office. The formulation of underwriting standards, setting up of premium rates and underwriting of large proposal which are beyond the limits of the operating divisional offices particularly policy for large sum assured and policies on lives of sub-standard nature are also attended by the central office. Submission of statutory returns to the Government, standardization procedure, forms, drawing up of prospectus, premium rates, policy conditions and making arrangements with regards to reinsurance are other responsibilities looked after by the central office. Inspection and internal auditing of various offices is also done by central office. In general, policy decisions are made by the Chairman of the Corporation with the help of the Executives Committee and various other committees.For the execution of the policies and decisions, LIC has divided the whole country in different zones. Each Zonal office is responsible for LIC's business in its own geographical limits. Initially, five zonal offices were opened at Mumbai (western), Delhi (Northern), Kanpur (Central), Calcutta (Eastern) and Madras (Southern) as per the requirements of the Life Insurance Act. However, later three more Zonal Offices, namely SouthCentral at Hyderabad, North- Central at Bhopal and East-Central at Patna were opened thus increasing the total number of Zonal Offices to eight. The Zonal Offices are working under the supervision of Zonal managers, who are charged with the responsibility of execution of Central office's plans and policies, supervising and directing the affairs and business of Zonal offices and providing feedback to the central Office.

The zones are further divided into Divisional offices. Each Zonal Office has some Divisional Offices under it. Each Divisional Office is headed by a Divisional manager who is assisted by Manager in-charge of individual department. The role of Divisional office has been restricted to planning and controlling the various activities in the divisional area. Operational unit of the Corporation is the Branch Office which is a centre of profit and growth. It is the branch Office which is responsible in its area of operation for sales and services. Branches are the profit centres of the corporation being guided and controlled by the Divisional offices. At present there was 2048 Branch Offices 12 working in whole of India. With a vision of providing easy access to its policyholders, LIC has started establishing Satellite offices during 2005-06. These satellite offices which are attached to respective parent branches are basically an extension of large parent branches for services to policyholders. Processing of new proposals and collection of renewal premium are main functions of these offices. Each satellite office is manned by 2-3 people, all employees of the company, depending on the need of that particular area. These offices are launched mostly in small towns adjoining the rural areas. The Economic Times Brand Equity Survey 2010 rated LIC as the No. 4 Service Brand of the Country. Though in the year 2010 is ranked at 4, the organization is consistently among the top rated service company of the India . From the year 2006, LIC is continuously winning the Readers' Digest Trusted brand award .According to The Brand Trust Report 2011, LIC is the 8th most trusted brand of India.

GRIEVANCE REDRESSAL MACHINERY

In a vast organization like LIC, catering to the various needs and aspirations of millions of policyholders, grievances of customers do arise occasionally. In order to redress these grievances LIC has established an elaborate Grievance Redressal Machinery and the details are as under:

Grievance Redressal Officers have been designated at all levels of the Organization:

- | | |
|----------------------------------|---|
| At the Branch level : | The Sr. /Branch Manager |
| At the Divisional level : | Manager, CRM |
| At the Zonal level : | The Regional Manager CRM |
| At the Central level : | The Executive Director CRM/Chief (CRM) |

For P&GS policies

At the Zonal level : The Regional Manager (Pension and Group Schemes) in case of P&GS.

Policyholders can personally contact these designated Officials and seek redressal of their grievances. The respective Grievance redressal Officers are available at their Offices for personal interviews with the customers on all Mondays between 2.30 p.m. to 4.30 p.m., except on holidays without prior appointment. Customers can meet the Grievance Redressal Officers on other days also with prior appointment. The names of the Grievance Redressal Officers are displayed in the respective Offices and are periodically published in the local newspapers.

Claims Review Committee:

The Corporation settles a large number of Death Claims every year. Only in case of fraudulent suppression of material information is the liability repudiated. This is to ensure that claims are not paid to fraudulent persons of the cost of honest policyholders. The number of Death Claims repudiated is, however, very small. Even in these cases, an opportunity is given to the claimant to make a representation for consideration by the Review Committees of the Zonal office and the Central Office. As a result of such

review, depending on the merits of each case, appropriate decisions are taken. The Claims Review Committees of the Central and Zonal Offices have among their Members, a retired High Court/District Court Judge. This has helped providing transparency and confidence in our operations and has resulted in the greater satisfaction among claimants, policyholders and public.

Policyholder Councils and Zonal Advisory Boards:

In entire 109 Divisional Centre’s, Policyholders' Councils have been established. Three policyholders of the area represent the interest of the policyholders and interact with the Divisional Management on consumer concerns. Similarly, at all the seven Zonal Centre’s, Zonal Advisory Boards are functioning.

Citizens' Charter:

LIC has adopted a Citizens Charter through which it reiterates its commitments to the customers and the standards for general procedures, the 14 standards for policy servicing, the standards for easy access to information for customers and the standards for fairness in dealing with the customers have been laid down.

PROGRESS OF INDIAN LIFE INSURANCE INDUSTRY IN THE POST LPG ERA

In the post LPG period, the Life Insurance Industry of India witnessed a marvelous growth and touched its historical height. In this tenure, the LIC of India introduced many phenomenal business strategies by way of offering colorful schemes and products. The reason for these kinds of extraordinary effect was only because of the stiff competition emerging by the private insurance players. However, the LIC of India has the powerful network and it is launching attractive advertisements in the regular interval to create great awareness among the general public. This healthy competition motivated the general public to go in favour of more investments in insurance. While comparing the efficiency and progressiveness of life insurance business in pre and post LPG era, the Indian Life Insurance Industries are achieving a magnificent growth.

**Table 2 Market Share of LIC and Private Players in Last decade
(FY2001-02 to 2010-2011)**

Year	First year Premium		No. of policies Income	
	LIC	Private Insurers	LIC	Private Insurers
2001-02	98.64%	1.36%	NA	NA
2002-03	94.30%	5.70%	96.75%	3.25%
2003-04	87.66%	12.34%	94.20%	5.80%
2004-05	78.77%	21.23%	91.48%	8.52%
2005-06	73.52%	26.48%	89.08%	10.92%
2006-07	74.32%	25.68%	82.83%	17.17%
2007-08	64.02%	35.98%	73.93%	26.07%
2008-09	60.89%	39.11%	70.52%	29.48%
2009-10	65.08%	34.92%	73.01%	26.99%
2010-11	68.70%	31.30%	76.91%	23.09%

Source: Annual Reports of LIC

The market share of Private players is:

Table 3 Percentage of Market Share Up to March, 11

(In terms of Premium)

Private Players	First year premium	Percentage
ICICI Prudential	7861	6.3%
SBI Life	7571	6%
HDFC Life	4065,	3.2%
Bajaj Allianz	3462	2.8%
Reliance Life	3035	2.4%
Birla Sun life	2077	1.7%
Max New York	2060	1.6%
Tata AIG	1331	1.1%
Kotak Mahindra Old Mutual	1253	1%
Canara HSBC OBC Life	823	0.7%
Star Union Dai-ichi	759	0.6%
Aviva	745	0.6%
India First	705	0.6%
Met Life	704	0.6%
ING Vysy	660	0.5%
Shriram Life	575	0.5%
Future Generali Life	449	0.4%
IDBI Federal	445	0.4%
Bharti Axa Life	362	0.3%
Aegon Religare	275	0.2%
SaharaLife	91	0.1%
DLF Pramerica	74	0.1%
Total	39381	31.30
LIC	86444	68.70

Source: -Annual Reports of LIC

As the life insurance industry has completed eleven years of competitions it is interesting to see that LIC occupies a major share of the market in respect of both first year premium and Number of policies As a matter of fact LIC market share in 2010-11 rose to 68.70 in premium income and 76.91 in no. of policies. In the process, private insurers increased their share of total premium income from a marginal 0.5 percent in 2001-02 to 29.1 percent in 2008-09. Of the 23 private life insurers currently active in India, 21 have foreign partners – all holding the maximum permitted 26 percent stake in joint ventures (JV) with local partners. Four new life insurers began operating in 2008-09: Aegon Religare; Canara HSBC; DLF Pramerica; and Star Union Dai-ichi. In November 2009, India First, a JV between UK insurer Legal & General, Bank of Baroda and Andhra Bank became the latest entrant into India’s life market. Sahara Life is the only Indian life insurer that does not have a foreign partner. Market share gains by the private life insurance sector have been at the

expense of the only stateowned life insurer, Life Insurance Corporation of India (LIC) which, now in its 54th year, saw its share of the total market being aggressively eroded by private sector newcomers. ICICI Lombard General Insurance Company had the highest market share in the gross premium underwritten by private non-life insurers in India between April-December 2011. According to segment-wise figures released by the Insurance Regulatory and Development Authority, ICICI Lombard had a market share of 9.07 per cent with a total gross premium underwritten across all segments at Rs 3,812 crore, compared with Rs 3,123 crore in the year-ago period. In terms of market share, the company saw a marginal decline of about 15 basis points. Bajaj Allianz came in second with a market share of 5.67 per cent and Rs 2,384 crore in the total gross premium underwritten. The total gross premium underwritten by the private non-life insurers has increased to Rs 17,525 crore from Rs 13,825 crore, representing 41.70 per cent market share. Among the public players, New India had the highest market share of 14.96 per cent with Rs 6,287 crore of total gross premium underwritten. United India followed with 13.82 per cent market share and a premium of Rs 5,808 crore.

Table : 3 PREMIUMS UNDERWRITTEN BY LIFE INSURER(Rs.crore)

Type of Premium	Insurer	2005-06	2006-07	2007-08	2008-09	2009-10
Regular premium	LIC	3728.03 (17.75)	29886.34 (117.70)	26222.00 (-12.26)	19140.61 (-27.01)	26184.48 (36.80)
	Private Sector	17526.88 (78.23)	15472.58 (105.56)	28666.15 (85.24)	30229.95 (5.46)	34529.75 (6.97)
	Total	21254.91 (33.84)	45358.93 (113.40)	54888.16 (21.00)	49370.56 (-10.05)	60714.23 (21.91)
Single premium	LIC	14787.84 (64.40)	26337.21 (78.10)	33774.56 (28.24)	34038.47 (0.78)	45337.42 (33.19)
	Private Sector	2742.78 (104.46)	3921.10 (42.96)	5049.80 (27.82)	3597.20 (-28.77)	3842.37 (10.13)
	Total	17530.62 (69.60)	30258.32 (72.60)	38824.36 (28.18)	37635.67 (-3.06)	49179.79 (31.05)
First Year premium	LIC	28515.87 (38.07)	56223.56 (97.17)	59996.57 (6.71)	53179.08 (-11.36)	71521.90 (34.49)
	Private Sector	10269.66 (84.55)	19393.69 (88.84)	33715.95 (73.56)	33827.15 (0.33)	38372.12 (12.36)
	Total	38785.54 (47.94)	75617.25 (94.96)	93712.52 (23.88)	87006.23 (-7.16)	109894.02 (25.84)
Renewal premium	LIC	62276.35 (14.32)	71599.27 (14.97)	89793.42 (25.41)	104108.96 (15.94)	114555.41 (10.03)
	Private Sector	4813.86 (122.56)	8825.05 (83.33)	17845.47 (102.16)	30676.07 (71.90)	41000.94 (35.11)
	Total	67090.21 (18.46)	80424.33 (19.87)	107638.89 (33.83)	134786.61 (25.22)	155556.35 (15.69)
Total premium	LIC	9079222.36 (20.85)	127822.84 (40.79)	149789.99 (17.19)	157288.04 (5.01)	186077.31 (18.30)
	Private Sector	1508353.79 (95.19)	28253.01 (87.31)	51561.42 (82.50)	64503.22 (25.10)	79373.06 (23.06)
	Total	05875.76 (27.78)	156041.59 (47.38)	201351.41 (29.01)	221791.26 (10.15)	265450.37 (19.69)

Source: -Annual Reports of LIC.

Table 4 COMPARATIVE PERFORMANCE OF PREMIUM UNDERWRITTEN BY LIFE INSURERS (FY2010-2011)

(Rs. crore)

Premium	FY11		FY10	
	LIC	others	LIC	Others
Individual single premium	27,620	8,253	26,540	3,138
Individual non single premium	24,583	22,198	23,576	28,480
Group single premium	22,889	3,468	20,776	713
Group non single premium	11,352	5,463	10,984	6,068
Total	86,445	39,381	70,891	38,399
Market share	68.70	31.30	64.86	35.14

Source: -Annual Reports of LIC.

According to data collated by the Insurance Regulatory and Development Authority, premium from private collection of Rs.39,281 crore. Premium from individuals, which excludes payments for group life companies' growth, came from group insurance. They posted new business premium policies made by corporate, shrunk by 4% to Rs.3,041 crore for the private life industry. Following the sharp growth in new business premium, LIC's market share in premium from new policies has jumped four percentage points from 64.86% in March 2010 to 68.7% in March 2011. Hence FY 2010-11, was a landmark year in the history of the Indian insurance industry as it celebrated a decade since the entry of the private sector into this business. It show that LIC has gained market share in spite of new companies coming in the market which signifies the dominance of LIC in the market and the ineffectiveness on its strengthened position in market.

FDI Policy in Life Insurance

The FDI limit in the insurance sector has been capped at 26% for the foreign marketers but the government is thinking to increase it to 49% and a bill of this offer is pending at the Rajya Sabha. The LIC is still the major company in the life insurance sector but with such an emergence of the 19 private companies, providing a range of moneymaking policies and investment chances for people from all walks of life the situation is fast changing.

Table 5 Investments in Govt. & Social Sector (Rs. Crore)

Type of investment	As on		
	31-03-08	31-03-09	31-03-10
A) 1. <u>Central Government Securities</u>	297943	318673	360319
2. <u>State government& other Govt. Guaranteed Marketable Securities</u>	89234	110697	141292
Sub Total (A)	387177	429370	501611
B) 3. <u>Housing and infrastructure Investment</u>			
(a) Housing	24325	34185	40232
(b) Power	41120	48090	77585
(c) Irrigation/Water supply& sewerage	6649	6022	5241
(d) Roads, Ports, Bridges& Railways	1154	7218	8066
(e) Others (Including Telecom)	8774	5274	17073
SUB TOTAL (B)	82022	100789	148197
Total (A+B)	469199	530159	649808

Source: -Annual Reports of LIC.

The Life Insurance Corporation of India has been a nation builder since its formation in 1956. True to the objectives of nationalization, the LIC has mobilized the funds invested by the people in the life insurance for the benefits of the community at large. The corporation has deployed the funds to the best advantage of the policy holders as well as the community as a whole, true to the spirit of nationalization. National priorities and obligation of reasonable returns to the policyholders are the main criteria of the investment. As per the prescribed investment pattern approved by IRDA, the controlled funds are invested as follows:

Not less than 50% is invested in Government securities or other approved securities.

Not exceeding 35% in approved investment & other investment.

Not less than 15% in housing and Infrastructure.

Table 6 LIC'S contribution towards Various Five Year Plans

(Rs. Crore's)

Plan	Year	Contribution
II	1956-61	184
III	1961-66	285
IV	1969-74	1530
V	1974-79	2942
VI	1980-85	7140
VII	1985-90	12969
VIII	1992-97	56097
IX	1997-02	170929
X	2002-07	394779
XI	2007-11 (Contd.)	318510

Source: -Annual Reports of LIC.

It is shown in the above table that LIC's contribution is increasing from II and five year plans to XI five year plan

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CONSUMER PERCEPTION REGARDING LIFE INSURANCE POLICIES

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Abstract

Insurance companies play an important role in the welfare of human well-being by providing protection to millions of people against life risks such as uncertain death or accident. Even the life insurance is fastest growing service sector in India after privatisation and increase in FDI. Thus it has become essential to study the buying pattern of the life insurance policies. LIC dominates the Indian insurance industry. In today's competitive world, customer satisfaction has become an important aspect to retain the customers, not only to grow but also to serve. Increased competition, wide range of product offerings and multiple distribution channels cause companies to value satisfied and highly profitable customers. Customer service is the critical success factor in a company and providing top notch customer service differentiates great customer service from indifferent customer service.

Keywords : LIC, Service Sector, FDI, Customer, Competitive.

Introduction

Human life is a most precious asset and life insurance is one of the ways which provides financial protection to a person and his family at the time of any disaster. Life insurance provides both safety as well as protection to individuals and also boosts savings among people. Insurance companies play an important role in the welfare of human well-being by providing protection to millions of people against life risks such as uncertain death or accident. LIC is the most trusted and popular brand in life insurance, the market share of private insurers are gradually increasing with people trust. The new private players offer many new innovative products and services. They are increasing the awareness level among consumers by using innovative and new techniques of advertisement, introducing new products, increasing penetration of life insurance of consumers in uninsured markets. The competition among public and private players has helped to increase in variety of products being offered from pure risk based to ULIPplans. Customers are the back bone of life insurance business. Every company tries to attract new customers and retain existing customers in order to keep their profits high. This helps insurance companies to maintain a good competitive edge on its competitors. The proper understanding of consumers, their needs and expectations help insurance providers to bring betterment in product as well as services offered. In comparison with the developed foreign countries, the Indian life insurance industry has achieved only a little due of low customer awareness, high premiums, delayed and poor customer services, lack of suitable products.

In today's competitive world, it becomes necessary for life insurers to provide customer satisfaction, spread more awareness, stress on need based innovative products and affordable price. This would help every individual to avail the benefits of insurance and protect their lives against future risks and uncertainties. Earlier life insurance was used as a tool to protect the income of families, particularly young families in income saving phase, in the event of the head of household's death. But now, life insurance is used for many

other reasons, including wealth preservation and tax saving. Whether an individual needs to have life insurance or not, merely depends on his need.

In India, insurance has a deep-rooted history. It is mentioned in the writings of Manu (Manusmriti), Yagnavalkya (Dharmashastra) and Kautilya (Arthashastra). The writings talk about the pooling of resources that could be re-distributed in times of calamities such as fire, floods, epidemics and famine. This was probably a starting point to modern day insurance. The earlier times have preserved the traces of insurance in the form of marine trade loans and carriers' contracts. The concept of Insurance in India has evolved from other countries, England in particular.

The life insurance business started in India in 1818 with the establishment of the Oriental Life Insurance Company in Calcutta. This Company however failed in 1834 with passage of time. In 1829, the Madras Equitable began transacting life insurance business in the Madras Presidency. There was enactment of the British Insurance Act in 1870 and last three decades of the nineteenth century saw the starting of the Bombay Mutual (1871), Oriental (1874) and Empire of India (1897) in the Bombay Residency. This era, however, was ruled by foreign insurance offices that did good business in India, namely Albert Life Assurance, Royal Insurance, Liverpool and London Globe Insurance and the Indian offices had to face hard competition from the foreign companies.

In 1912 the first Indian insurance act was passed which was re-enacted in 1938. In 1914, the major step taken was that the Government of India started publishing returns of Insurance Companies in India. The Indian Life Assurance Companies Act, 1912 was the pioneer statutory measure to regulate life business. In 1928, the Indian Insurance Companies Act was enacted to initiate the Government to collect statistical information about both life and non-life insurance business transacted in India by Indian and foreign insurers including provident insurance societies. In 1938, in order to protect the interest of the Insuring public, the earlier legislation was consolidated and amended by the Insurance Act, 1938 with comprehensive provisions for effective control over the activities of insurance companies. The insurance amendment act of 1950 abolished the concept of Principal Agencies. However, there was increase in number of insurance companies and the level of competition was quite high. There were also allegations of unfair trade practices undertaken during that time period. As a result the Government of India decided to nationalize insurance business.

In 1956; 245 Indian and foreign insurers and provident fund societies were taken over by the central government and were nationalised. Life Insurance Company was formed by the Act of Parliament called Life Corporation of India act 1956, with a capital contribution of Rs 5 crores from government of India.

Need for life insurance

In order to meet Family's Financial Requirements In case you are the only person in your family who is an earning member, then the family's income will cease when you are no more. If any mishap occurs, then with no stable source of income, the standard of living of family members will fall and they may not be able to meet even basic needs like education. Therefore, your life insurance policy will help your family during such times.

For Loans and Expenses Repayment- You may have taken a loan or you may have borrowed money from a friend for starting a business. Also, you might have several other family responsibilities. In all these

cases it is your spouse or children who will have to bear the heavy burden of paying off the loan in your absence.

Diverse Investment Options-You can also use your life insurance Policy as a good investment tool. There are various kinds of insurance policies in which you can park your surplus funds and can earn return either in lump sum or at regular intervals of time. For example, retirement plans, child insurance plans, whole life insurance plans, Term life insurance plans etc. are all good life insurance policies.

Illnesses and Accidents- Life insurance policies are always a very good protection option as well against the financial pressure that you might face during a serious illness or accident. It helps you to get treatment from the best hospitals without worrying about the financial burden. Usually all insurance policies should be purchased when you are young and free of illnesses.

For Tax Benefits- Life insurance policies are an excellent instrument of saving tax too. Under Section 80C of the IT Act, many of the insurance schemes in India including the life insurance schemes offer tax deductions on Premium payments.

Draw Loans Against Insurance - Besides using your life insurance Policy amount to repay your loans and expenses you can also use your Policy to draw a loan against it. It could be used as a security in the banks or financial institution while taking loans.

- Retirement plan
- Term insurance plan
- Group plans

Review of literature

- Sahu et al.(2009);conducted a survey on 150 respondents to determine the attributes affecting buying behaviour of consumers , investment pattern in life insurance services and compare the differences in consumer perception of male and female consumers. In their study they found that there 6 factors which affect the buying behaviour while purchasing life insurance policies namely consumer loyalty, service quality, ease of procedures, satisfaction level, company image and company client relationship. There is no difference between the perception of male and female preferences
- Manuel (2013); he conducted the study to understand the Consumer Perception about life insurance policies in Kottayam City .For this study the researcher used exploratory research design. This research was restricted to the consumers of Kottayam city. The sample which was taken was of 50 respondents belonging to various age groups. The survey was conducted to find out the attributes which affect decision making of consumers of life insurance policies which are return on investment, company reputation, premium outflow, service quality and product quality The majority of respondents belong to age group of 19-28 years, male consumers captures 74% of the market, dominant income group was 5001- 10000 and LIC had the major stake.
- Yadav and Tiwari(2012);The study area is limited to Jabalpur district, of Madhya Pradesh and sample size of 150 policyholders is taken and the sample have been selected through a stratified and purposive sampling method. The study has been conducted to find out factors influencing customer investment

decision, impact of various demographic factors, preferences of customers while taking the decision, and ranking of factors responsible for the selection life insurance as an investment option. The study was conducted on 150 respondents. in their study on factors affecting customer investment in life insurance policies and found that age, gender, income level. Out of 150 samples 54.6% of policy holders have invested in LIC followed by SBI life insurance amongst private players The features that policyholders consider while making a purchase can be ranked as follows: company reputation, money back guarantee, risk coverage, low premium and easy access to agents as 1st, 2nd, 3rd, 4th and 5th respectively. Thus it could be concluded that goodwill of the company is the most influencing factor while policy buying decision. It was found that majority of respondents preferred money back policy. While studying the reason for purchase of insurance policy was most (54.6%) of the respondent's have opted for LIC policies because of safety and rest of the respondent's opted for private players for higher returns. The study area is limited to Jabalpur district, of Madhya Pradesh and sample size is 150 policyholders of LIC and different private life insurers have been selected through a stratified and purposive sampling method.

- Kaur and Negi (2010); conducted their study in Chandigarh and by using factor analysis they found customised and timely service, brand USP, considerate employee, price immunity as major factors affecting the satisfaction of customers. They even found that maximum life covered under insurance are of male than female and satisfaction level among public and private sector insurance companies is same.
- M.Epctimchin (2011); conducted a survey in Nigeria to find out factors enhancing the purchasing of life insurance and found that company loyalty is the major factor influencing purchasing decision and company client relationship as the last. These factors are beneficial to company as well as consumer.
- Mahajan (2013); conducted a study on consumer decision making process in life insurance services and found that there are 5 stages i.e. need recognition, found that there are 5 stages i.e. need recognition, search of alternative, evaluation of alternative, purchase decision and post purchase evaluation. Special considerations pertaining to insurance industry are perceived risk, risk and standardisation and risk and information. She even formulated certain stages to improve customer awareness about benefits of life insurance products like focusing on marketing techniques. Thus she concluded that the consumer's perception towards Life Insurance Policies is positive. There is a positive mind sets developed for their investment pattern, in insurance policies. Still some actions need to be for developing insurance market.
- Sandhu and Bala(2011);the sample was taken of 450 respondents from different work places of 3 cities Jalandhar, Ludhiana and Amritsar but out of 450 samples 337 respondents filled the questionnaire in all aspects. They conducted a study in three cities of Punjab to find out factors affecting service quality of LIC. They used the factor analysis technique and consequently found 7 factors composed of proficiency, media and presentations, physical and ethical excellence, service delivery process and purpose, security and dynamic operation, credibility and functionality. Along with these factors managerial implication like performance of agents also affect customer satisfaction.
- Singh et al. (2014); conducted a survey in Delhi NCR region to find out service quality of life insurance companies and effect of demographic factors on consumer perception .they conducted the survey on 139 respondents and they found factors namely as responsiveness and assurance factor, convenience factor,

tangible factor and empathy factors. They even found that only age of respondent has significant impact on choice of insurance product. Whereas various demographic factors such as gender, education, and annual income did not have significant impact on choice of insurance product.

- Alinvi and Babri (2007); the study was specifically conducted on young consumers from 18-27 years .in their article tried to find answer to question how could insurance company enhance their ability of constant changes in customer preference in an increasingly competitive environment. In this theory they found income flow, age, family size as significant determinant, information about product and services also affect consumer preference, options of products and services i.e. customer choice along with time play important role. Through this study it was concluded that price is a decisive factor for young customers of insurance services. We also concluded that there exists unawareness among young people about the services provided by insurance companies, as well as afraid of being fooled or tricked by telemarketers representing insurance companies. Thus they demand more of information. While internet is their primary source of awareness but they prefer personal contacts too while taking the decision. However, it was concluded that most respondents showed a tendency to change their preferences over their life-time, as their life circumstances would change.
- Ahmed,et al (2007);the secondary study was conducted based on SERVQUAL MODEL in Bangladesh and found that people tend to invest more in private insurance companies due to better quality of services Among private local and foreign insurance clients prefer foreign private insurance companies due to experiences in operation and wide area coverage. Companies must invest on building their reputation in order to reduce outflow of clients. They even found that 25% of respondents have chosen their insurance company with influence of sales personnel.
- Rajavardhan and Jahangir (2015); the sample has been taken from Nalgonda district with 120 respondents. In their article conducted a survey on rural market of Telangana to find out socio demographic and economic perception. They found that gender and marital status have very low impact on perception. While education and income level have significant impact. Middle income group are more engaged in insurance sector. Similarly an occupation also has significant impact on insurance. Moreover still insurance is seen as tax saving and not an investment opportunity.
- Jain andSaini (2012); in their article has highlighted the role of IRDA for life in insurance industry in India and has concluded that social, cultural, political, personal, psychological and demographic factors influence the consumer behaviour. This study reveals that the demographical factor has the major impact on the purchasing decision of consumer. The leadership does not lie in getting the maximum number of policies sold but in understanding the demography of the customer and targeting them in their way. Finally, being they considered the success of insurance marketing dependant on understanding the social and cultural needs of the target population.
- Singh (2014); conducted a sample survey on 255 respondents of Uttar Pradesh to analyse life insurance consumer behaviour. Main purpose for which the study was conducted was to assess the socio-economic status of respondents and to examine the impact of status on insurance purchasing capacity. The study

shows that maximum people invest for the purpose of tax rebates and family safety. He found that major insurance products be child plan and pension plan. He even found that maximum people like to get insurance product directly from insurance agents followed by banks, financial institutions, and brokers. It was found that government servicemen of 26-45 years of age buy more insurance products and middle income group 100000-300000 people buy more insurance policies.

- Shamrao and Vibhute (2013); conducted a survey in Kohlapur on 127 respondents to find out the preference of customers towards insurance policy, the satisfaction level towards ULIP plan and traditional plans and the factors influencing the investment decision. It was found that LIC to be major insurance player and traditional plans being more preferred than ULIP plans. Majority of holders think insurance to be purely protection option followed by tax savings and pension scheme. Majority of holders take policies from financial advisors and banks. Investor opinion of investment also depend upon service quality, reputation, trust worthiness and future plans of company.
- Kumar; the survey has been conducted by him on 200 respondents in Dehradun only. In his survey he found that maximum investors are youth and there is gender biasness in investment pattern. Married people and people residing in urban areas invest more in LIC. He even found that maximum people opted for yearly payment plans. Major portion of holders belongs to service sector and average middle class people. Maximum people invested in LIC on basis of brand name and invest more in money back policies.
- Venkaiah and Sudhir (2013); conducted a survey to find out the performance of private insurance players and took sample of 200 respondents. They found that very few respondents feel private companies to be better than public. The services offered by private companies are as per expectation of customer and they feel no risk in investing in private companies. Respondents want more policies with tax benefits among private companies.

Insurance Penetration and Density in India

Insurance penetration and density in India. The measure of insurance penetration and density reflects the level of development of insurance sector in a country. While insurance penetration is measured as the percentage of insurance premium to GDP, insurance density is calculated as the ratio of premium to population (per capita premium). During the first decade of insurance sector liberalization, the sector has reported consistent increase in insurance penetration from 4.8 per cent in 2006 to 5.20 per cent in 2009. Since then, the level of penetration was declining. However, there was slight increase in 2015 reaching 3.44 percent compared to 3.3 percent in 2014. A similar trend in the level of industry density which reached the maximum of USD 64.4 in the year 2010 from the level of USD 11.5 in 2001. During the year under review 2015, the industry density was USD 54.7. The insurance density of life insurance business had gone up from USD 33.2 in 2006 to the peak at USD 55.7 in 2010. During 2015, the level of life insurance density was USD 43.2. Similarly, the life insurance penetration surged from 4.1 per cent in 2006 to 4.60 percent in 2009. Since then, it has exhibited a declining trend. However, there was a slight increase 2015 reaching 2.72 percent in 2015 when compared to 2.6% in 2014. Over the last 10 years, the

penetration of nonlife insurance sector in the country remained steady in the range of 0.5-0.8 per cent. However, its density has gone up from USD 5.2 in 2006 to USD 11.5 in 2015.

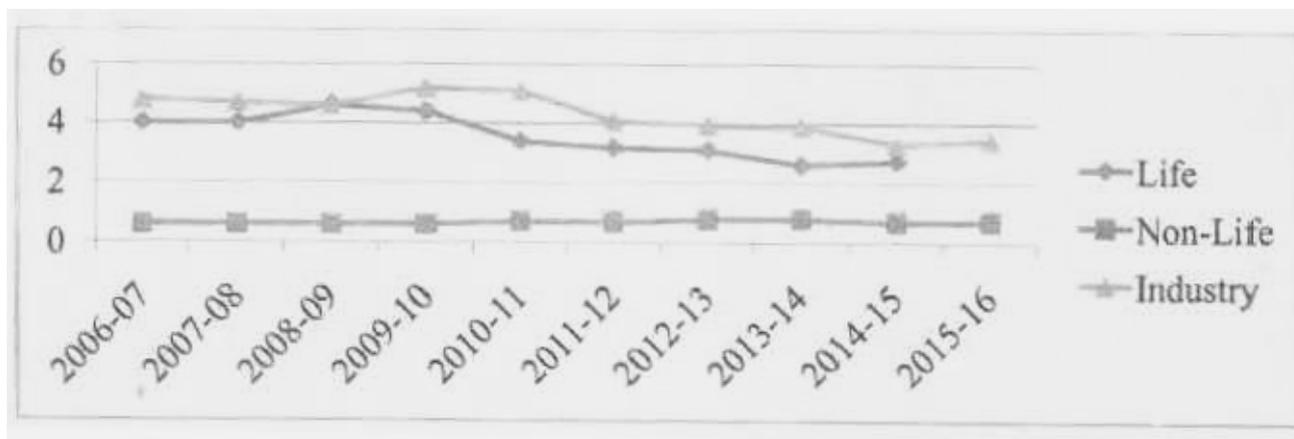
Table: 1 Insurance Penetration and Density in India

Year's	Life		Non-Life		Total	
	Density (USD)	Penetration (percentage)	Density (USD)	Penetration (percentage)	Density (USD)	Penetration (percentage)
2006-07	33.2	4.1	5.2	0.6	38.4	4.8
2007-08	40.4	4	6.2	0.6	46.6	4.7
2008-09	41.2	4	6.2	0.6	47.4	4.6
2009-10	47.7	4.6	6.7	0.6	54.3	5.2
2010-11	55.7	4.4	8.7	0.71	64.4	5.1
2011-12	49	3.4	10	0.7	59	4.1
2012-13	42.7	3.17	10.5	0.78	53.2	3.96
2013-14	41	3.1	11	0.8	52	3.9
2014-15	44	2.6	11	0.7	55	3.3
2015-16	43.2	2.72	11.5	0.72	54.7	3.44

(Source: Swiss Re, Sigma No. 3/2016)

- * Insurance density is measured as ratio of premium (in USD) to total population.
- * Insurance penetration is measured as ratio of premium (in USD) to GDP (in US Dollars).
- * The data of Insurance penetration is available with rounding off to one decimal from 2006.

Graph: 1 Insurance Penetration



Conclusion

LIC dominates the Indian insurance industry. In today's competitive world, customer satisfaction has become an important aspect to retain the customers, not only to grow but also to serve. Increased competition, wide range of product offerings and multiple distribution channels cause companies to value satisfied and highly profitable customers. Customer service is the critical success factor in a company and providing top notch customer service differentiates great customer service from indifferent customer service.

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ROLE OF NUTRITION IN DEVELOPMENT OF CHILDREN AND ADOLESCENTS

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Abstract

Stimulating demand for nutritious foods means not only educating consumers on the benefits of healthy diets, but also leveraging cultural and social aspirations. Drive food suppliers to do the right thing for children Demand alone is not enough: healthy food must be available, affordable, safe and convenient. Food producers and suppliers have a key role to play, and so do governments, which must create a level playing field for all producers and suppliers and help ensure that their actions align with children's best interests. Food systems are diverse, and so are the solutions, but all food production and consumption must become sustainable if we are to protect children's nutrition today and tomorrow. Childhood is a critical time in the growth and development of a person, and is a key stage in the establishment of their physical and mental abilities. There is therefore considerable scientific interest in determining a child's optimal dietary requirements that will enhance and assist this growth and development. This includes factors such as the quantity, quality, timing, and nutrient components of every meal.

Keywords : Nutritious foods, Childhood, Cultural and social aspirations, Food systems

Introduction

The dietary intake of infants, children and adolescents should not only maintain the current body weight but should be adequate enough to support their normal growth and development.¹ A healthy diet is the one which meets the energy requirements and supplies essential macro and micronutrients for supporting the functioning of all vital processes.¹ Growth during infancy is rapid. During this period, the requirements for energy and nutrients are highest relative to body size when compared with other growth periods. Also, this period is critical for neurocognitive development.¹

The table below shows the major physical and cognitive milestones in normal children²:

Age	Physical Skills	Cognitive skills
2 years	Jumps with both feet, throws the ball overhead, Can dress itself under supervision and can use zippers, buckles, and buttons	Has the understanding of how to avoid simple obstacles like stoves and stairs etc.
3 years	Most children can stand on one foot for 5 seconds. They can also hop on one foot and can broad-jump as well	Can count up to 3, can tell its age, first and last name, can answer simple questions
4–5 years	Most children can hop and balance on one foot, can do forward heel-toe walking, and can catch the bounced ball	Can count 5–10 objects, asks questions, has a vocabulary of more than 200 words, understands the concepts of opposite and consecutive

6–11 years	The complex gross and fine motor and perceptual skills are improved through practice and refinement	Thinking becomes logical and rational, concrete operational thinking develops
12–17 years	Rapid growth and development of sexual organs as well as secondary sex characteristics	Develop formal operational thinking during early adolescence which becomes well developed during the latter part of adolescence

Physical effects

Inadequate nutrition during infancy, childhood or adolescence can restrict growth, weaken immunity and increase the incidence of infections and diseases.¹ Undernutrition can begin with conception itself due to maternal undernutrition. This may lead to the delivery of low birth-weight babies. In India, although <1% preschool children suffer from severe forms of protein energy malnutrition (PEM), sub-clinical undernourishment is prevalent in almost half of <5-year-old children with symptoms such as underweight, stunting and wasting.³ Poor or insufficient diet can also cause catabolism of body tissues and failure to provide energy substrate. Continuous undernutrition during the childhood years leads to short stature in adults.³

Effect on the nervous system

The central nervous system (CNS) is most susceptible to nutritional impact during the period starting from 3rd trimester of pregnancy until 2 years of age.⁴

Diet has a dual role in cognitive development⁴:

- It provides substrates from which the brain is constructed
- It provides energy for the adequate functioning of the brain

Both intrauterine and extra-uterine malnutrition have a great impact on brain function as well as brain structure composition. The adverse effects of malnutrition on the brain during early life include: decrease in brain cells, number of synapses, dendritic arborisation and myelin production, leading to smaller brain size and changes in neurotransmitter systems. The hippocampus, cerebellum and neocortex are the most affected brain parts.⁴

All these changes are associated with⁴:

- Delay in cognitive and motor functions
- Lower IQ scores
- Impaired school performance
- Learning disorders
- Poor memory
- Reduced social skills

A nutritionally adequate and balanced diet is crucial to prevent the above mentioned physical and psychological ill-effects and for the optimum growth, development and boosting of the immune function in children.³ The overall nutritional requirements for growing children are briefly discussed below.³

Macronutrients

Carbohydrates: A major energy source for all cells are carbohydrates which are the primary source of energy for erythrocytes and the CNS.¹ They should provide 45% to 65% of total calories in a diet. Complex instead of

simple carbohydrates should contribute to a greater extent in the diet. A higher intake of simple sugars in children can displace essential macro- and micronutrients, thereby increasing the risk of nutrient deficiencies. Fruits are a good source of simple carbohydrate and are also rich sources of vitamins and fibre. Whole fruits instead of fruits juices should preferably be given to children.^{1,5}

Protein: Protein energy malnutrition hampers brain, immune system and intestinal mucosal functions.¹ Protein requirement is greater for infants and growing children than for adults.³ It is important that all the essential amino acids be provided through dietary intake.¹ For children who are vegetarians or vegans, a variety of food sources including legumes and corn should be incorporated to meet the requirement of essential amino acids. Breast milk is considered the optimal source of proteins for infants.¹ For children and adolescents, milk is an important source of good quality proteins in addition to other animal and vegetables food sources.³ Overall, for children around 10% to 35% of total calories should come from proteins.

Fats: In addition to being energy dense, fats provide essential fatty acids and have important structural and functional roles.¹ Fatty acids are needed for nervous system myelination in children younger than 2 years of age.⁵ Cholesterol moieties act as precursors for cell membranes, hormones, and bile acids. Fats also facilitate absorption of fat-soluble vitamins. These functions of fats are important for neurological and ocular development.¹ For children younger than 2 years, 25% to 40% of total calories should come from fat, and for older children 10% to 35% calories should come from fat.

Micronutrients

Calcium: During childhood and adolescence, adequate calcium intake is important for bone health during growing years as well as later years of life. Milk and dairy products are a good source of calcium.^{3,5} Although recommended dietary allowances for calcium are about 600 to 800 mg/d, higher calcium intakes during adolescence helps to achieve peak bone mass.³ For children who do not consume adequate milk products, calcium requirements can be met through other sources such as tofu, green leafy vegetables, ragi, sesame seeds and calcium-fortified food products.⁵

Iron: Iron deficiency is very common among children and is associated with anemia and neurocognitive deficits. Iron present in animal food sources is more bioavailable than that present in plant sources.¹ Vitamin C rich foods promote the absorption of iron in the body.³

Vitamin A: Vitamin A is an important micronutrient as it is required for clear vision in dim light, and maintenance of the integrity of epithelial tissues. It also plays a role in maintaining resistance against common infections.³ Yellow, orange and dark green fruits and vegetables are rich sources of beta-carotene, which is the precursor of retinol.^{1,3}

Vitamin D: Vitamin D is critical for calcium and bone metabolism, and its adequate intake is important for long-term bone health. In infants vitamin D deficiency can cause rickets and very severe deficiency can also lead to hypocalcemic seizures.⁵ Breastfeeding, darker skin, little sun exposure and fat malabsorption are the risk factors for Vitamin D deficiency. Breastfed infants and children who do not get at least 400 IU of vitamin D through diet should receive Vitamin D supplement.⁵

The Indian Council of Medical Research (ICMR) recommended dietary allowances of macronutrients and important micronutrients for infants, children and adolescents are listed below:

Recommended Dietary Allowances³

Group	Particulars	Net energy (kcal/d)	Protein (g/d)	Visible fat (g/d)	Calcium (mg/d)	Iron (mg/d)	Vitamin A (mg/d)	
							Retinol	B-carotene
Infants	0-6 months	92 kcal/kg/d	1.16 g/kg/d	–	500	46 µg/kg/d	–	–
	6–12 months	80 kcal/kg/d	1.69 g/kg/d	19			350	2800
Children	1–3 years	1060	16.7	27	600	9	400	3200
	4–6 years	1350	20.1	25		13		
	7–9 years	1690	29.5	30		16	600	4800
Boys	10–12 years	2190	39.9	35	800	21	600	4800
Girls	10–12 years	2010	40.4	35	800	27		
Boys	13–15 years	2750	54.3	45	800	32		
Girls	13–15 years	2330	51.9	40	800	27		
Boys	16–17 years	3020	61.5	50	800	28		
Girls	16–17 years	2441	55.5	35	800	26		

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10. Daymont C, Rezet B. Nutritional requirements and growth. In: Florin TA, Ludwig S., editors. Netter's paediatrics. Chapter 13. Philadelphia, PA: Saunders. p. 82-87.
11. Physical maturation follows the same course for all children, although rates will differ between individuals. Post-natal growth spans three age periods: infancy, which is the first year of life; childhood, which extends from infancy to around 10 years of age; and adolescence, which is defined as between 10 to 18 years of age. Across all developmental stages, changes in body proportions and the mastering of fundamental motor skills are all part of biological maturation. Subsequently, these are also very sensitive to the nutritional status of the individual.
12. Cognitive development in children involves the maturation of higher mental functions such as **attention, memory, learning and perception**. During these years, optimal brain development has been shown to be associated with better academic ability (Nyaradi et al. 2013b). If cognitive

development is positively influenced by nutrition then, conversely, **cognitive development is therefore vulnerable to dietary deficiencies** (Benton 2010).

13. The Effect of Nutritional Deficiencies

14. Child malnutrition includes **under-nutrition** and **over-nutrition**, both of which are deficiency diseases caused by inadequate nutrition (Ge & Chang 2001). During childhood, under-nutrition causes children to have **less energy and less interest for learning**, which negatively influences cognitive development and academic performance. Under-nutrition will also affect physical growth and maturation, thus affecting **growth rate, body weight and ultimately height**.
15. **Obesity** is a special form of malnutrition, as this type of diet is likely to have low nutrient-density as well as high fat and high carbohydrate content (Tanumihardjo et al. 2007). There is growing concerns of the prevalence of paediatric obesity, as this comes with an increased risk of developing **cardiometabolic disease in adolescence and adulthood**. Obesity in children also affects **confidence and competence during physical activity** and thus further compounds proper growth and development.
16. Evidence suggests that **the timing of nutritional deficiencies can also significantly affect growth and development**. For example, during the foetal stage, folic acid deficiency between 21 and 28 days after conception predisposes the foetus to a congenital malformation called neural tube defect. The childhood period is also very sensitive to dietary deficiencies, particularly as the brain is undergoing major structural and cognitive maturation.

Summary

Nutrition plays an important role in the growth and development of children, with a healthy diet synergistically enhancing physical and mental abilities. Malnutrition in children is detrimental to the development of their physical growth, cognitive abilities, and psychosocial skills, with multiple downstream effects in the short-term and long-term. Healthcare professionals are ideally placed to have a frank, open, and respectful conversation with parents about child nutrition, and should be encouraged to do so.

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Why is Nutrition so Important for Children?

The relationship between nutrition, health and learning is undeniably strong: **nutrition is one of the three major factors that impact a child's development.** As genes and environment are the other two factors, eating a certain food cannot guarantee that your child will be smarter, although my mother did successfully teach (trick?) me to eat fish when I was little for that very reason. Nevertheless, research studies show that nutrition in a child's early years is linked to their health and academic performance in later years.

Nutrition and Health

However you might personally define it, "a child's early years" begin before birth when it comes to nutrition. Under-nutrition during pregnancy stunts foetal growth and can lead to poor brain development that result in irreversible chronic illnesses. Under-nutrition of a breastfeeding mother will likewise negatively impact a child's development, especially in the first 6 months when breast milk is all he/she is consuming. For all soon-to-be and new mothers, it's worth making sure you're consuming a healthy and balanced diet full of the vital nutrients that both you and your child need: carbohydrates, protein, calcium, iron and vitamins A, C and D. Although at first glance this list seems overbearing, realistically you probably consume most of these nutrients already – it's just about following proportions, which the eatwell plate helps to illustrate.

Is it really that important for children to be consuming all of the above nutrients though? The short answer: yes. The benefits of good nutrition to health are endless, but the following few conclusions made by researchers serve to prove my point. Firstly, breastfeeding by mothers following nutritious diets leads to fewer and less severe cases among their children of illnesses including diarrhoea, ear infection and bacterial meningitis. This is because better-nourished children have an enhanced natural ability to fight infection. Secondly, since iron is a vital component of brain tissue, iron deficiency makes nerve impulses move slower and may cause permanent damage to a child's brain, especially in the first two years of his/her life; iron deficiency during this time is linked to behaviour changes and delayed psychomotor development. However, too much iron also presents problems. As my mother wisely often tells me, "the key is to find the middle way". Thirdly, under-nutrition has been proven to decrease a child's activity levels, social interactions, curiosity and cognitive functioning. Although parents everywhere probably harbour the wish that their child wasn't quite so hyperactively jumping on their bed at 6am, good nutrition remains a must.

FINANCIAL PERFORMANCE OF PRIVATE SECTOR BANKS IN INDIA

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Abstract

The government of India entered into the banking business on 1st July 1955, with nationalization of Imperial Bank of India and its conversion into the State Bank of India. Later on during the period 1959-60, seven subsidiary State Banks were also nationalized to form the SBI group. On July 19, 1969, fourteen major Indian scheduled banks have nationalized. On 15th April, 1980 six more private sector commercial banks with deposits over Rs. 200 crore were nationalized. Narsimham Committee in 1991 had solved the major problem of private sector banks by recommending a more level playing field for all types of players in the banking sector. The Banking Regulation Act, 1959 was amended and the ceiling of voting rights of an individual shareholder in a Private Sector was raised from one percent to ten percent. Similarly, in April 1994, Private Sector Banks were permitted to declare dividends up to 25 percent without prior approval from RBI, provided the dividend is paid out of the bank current year profits.

Keywords : Nationalization, SBI group, Narsimham Committee, Private Sector Banks, RBI.

Introduction

During the first half of the twentieth century, the private sector had played significant role in the growth of joint stock banks in India. As a consequence, there were in total 566 private sector banks in 1951, of which 474 were non -scheduled and 92 were scheduled. There was not a single public sector commercial bank at that time. Prior to that, in 1935, the British Government in India had started a central bank called the Reserve Bank of India as a private sector bank, Later on, by enacting the Reserve Bank of India Act 1949, the Reserve Bank of India was taken over as state owned central bank.

The government of India entered into the banking business on 1st July 1955, with nationalization of Imperial Bank of India and its conversion into the State Bank of India. Later on during the period 1959-60, seven subsidiary State Banks were also nationalized to form the SBI group. On July 19, 1969, fourteen major Indian scheduled banks have nationalized. On 15th April, 1980 six more private sector commercial banks with deposits over Rs. 200 crore were nationalized. Narsimham Committee in 1991 had solved the major problem of private sector banks by recommending a more level playing field for all types of players in the banking sector. The Banking Regulation Act, 1959 was amended and the ceiling of voting rights of an individual shareholder in a Private Sector was raised from one percent to ten percent. Similarly, in April 1994, Private Sector Banks were permitted to declare dividends up to 25 percent without prior approval from RBI, provided the dividend is paid out of the bank current year profits.

During 1994-95, six new Private Sector Banks out of ten banks approved. In 1995-96, four new private sector banks approved. In spite of their late entry, complete deregulation of interest rates, partial deregulation of exchange rates, recession ridden sluggish economy, dull capital market, violated money market and such other adverse conditions, private sector banks have recorded impressive performance. So it is become important to study the financial performance of Private Banks after merger and number of steps taken

by RBI for the soundness of Private Banking sector. This paper is an attempt to study financial performance of private sector banks in India.

Literature Review

For over two decades, after the nationalization of 14 larger banks in 1969, no banks were allowed to be set up in the private sector. In the pre reform period, there were only 24 banks in the private sector. The Narsimham committee, in its first report, recommended the freedom of entry into the financial system. It stated that the RBI should permit the establishment of new banks in the private sector provided they conform to the minimum start-up capital and other requirement.

Government and RBI has constituted various committees – Narsimham Committee (1990), Narsimham Committee (Jan, 1993), RBI guidelines (Jan. 1993), RBI license norms (Feb. 2005) etc. have found significance performance and growth of Private Banks in India. In the India context, several studies have been conducted on aspects of progress of Private Banks, notable among them Nirmal Nathwani (2004) Satya Swaroop Debasis (2005), Ketan upadhyay (2009), Hemal Pandya (2011), Dimple Dharamsi (2015). They observed that significant growth of Private Banks in all over India. They have also found that these banks reported profits in the very first year of their existence.

Methodology

The period of this study for key financial indicators confined to 2009 to 2013. The data regarding financial Total Income and Total Expenses of Private Banks were available from 2008-09 and profitability indicators ratios were available from 2008-09. Therefore financial performance analysis was confined to 2008-09 to 2012-13.

Analysis and Results

The recent development of Private Banks can be measured on many parameters. The key financial indicators of Private Banks were analyzed and it is presented in Table No. 1

No. of Banks

In 2008-09, there were 22 Private Banks in India and by the year 2011-12 the number decreased to two (2). In the year 2012-13, there were 20 Private Banks in India.

Deposits

From 2009-2013, the recoveries mobilized by way of deposits by the Private Banks have registered a phenomenal growth. In 2008-09 the total deposits with these banks were be around Rs. 73,63,776 Millions and by the year 2009-10 deposits increased to Rs. 82,28,007 Millions. In 2010-11, the total deposits were Rs. 1,00,27,588 Millions and by the year 2011-12 deposits increased to Rs. 1,17,45,874 Millions. In the year 2012- 13, the total deposits were Rs. 1,39,58,355 Millions. The deposits of these banks increased by Rs. 26,63,812 Millions (36.17%) in the period 2009-2011 and deposits of these banks increased by Rs. 39,30,767 Millions (39.20%) in the year 2012-13 in comparison of 2010-11.

ADVANCES

In 2008-09 the total advances with these banks were be around Rs. 73,63,776 Millions and by the year 2009- 10 advances increased to Rs. 82,28,007 Millions. In 2010-11, the total advances were Rs. 1,00,27,588 Millions and by the year 2011-12 advances increased to Rs. 1,17,45,874 Millions. In the year 2012-13, the total advances were Rs. 1,39,58,355 Millions. The advances of these banks increased by Rs. 22,22,164

Millions (38.62%) in the period 2009-2011 and advance of these banks increased by Rs. 34,57,046 Millions (43.35%) in the year 2012-13 in comparison of 2010-11.

Table 1 KEY FINANCIAL INDICATORS OF PRIVATE BANKS

Year	No of Banks	Deposits (Rs. in Millions)	Advances (Rs. in Millions)
2008-09	22	73,63,776	57,53,276
2009-10	22	82,28,007	63,24,409
2010-11	21	1,00,27,588	79,75,440
2011-12	20	1,17,45,874	96,64,030
2012-13	20	1,39,58,355	1,14,32,486

Sources: RBI, “Report on Trend and Progress of banking in India”. Various issues.

FINANCIAL PERFORMANCE OF PRIVATE BANKS

The key Financial Performance indicators of private banks were analyzed and it is presented in Table No. 2 and Table No. 3

Table 2 FINANCIAL PERFORMANCE OF PRIVATE BANKS

Year	Total Income (Rs. in Millions)	Total Expenses (Rs. in Millions)
2008-09	10,29,316	7,87,368
2009-10	10,32,295	7,40,566
2010-11	11,75,865	8,47,555
2011-12	15,96,035	12,08,144
2012-13	19,62,791	14,76.183

Sources: RBI, “Report on Trend and Progress of banking in India”. Various issues—

TOTAL INCOME

In 2008-09 the Total Income with these banks were be around Rs. 10,29,316 Millions and by the year 2009-10 Total Income increased to Rs. 10,32,295 Millions. In 2010-11, the Total Income was Rs. 11,75,865 Millions and by the year 2011-12 Total Income increased to Rs. 15,96,035 Millions. In the year 2012-13, the Total Income were Rs. 19,62,791 Millions. The Total Income of these banks increased by Rs. 1,46,549 Millions (14.24%) in the period 2009-2011 and Total Income of these banks increased by Rs. 7,86,926 Millions (66.92%) in the year 2012-13 in comparison of 2010-11.

TOTAL EXPENSES

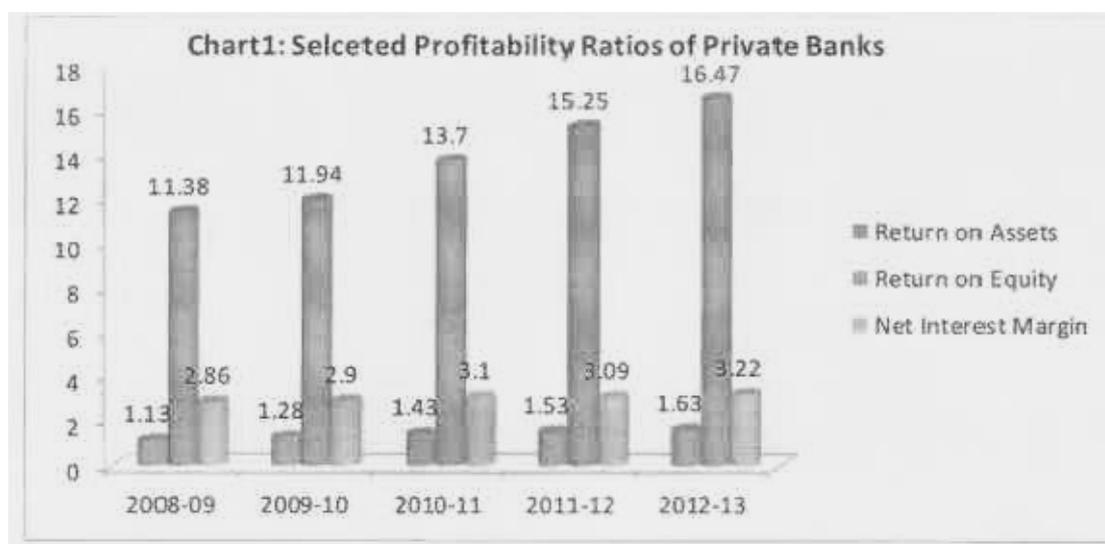
In 2008-09 the Total Expenses with these banks were be around Rs. 7,87,368 Millions and by the year 2009-10 Total Expenses increased to Rs. 7,40,566 Millions. In 2010-11, the Total Expenses were Rs. 8,47,555 Millions and by the year 2011-12 Total Expenses increased to Rs. 12,08,144 Millions. In the year 2012-13, the Total Expenses were Rs. 14,76.183 Millions. The Total Expenses of these banks increased by Rs. 60,187

(7.64%) in the period 2009-2011 and Total Expenses of these banks increased by Rs. 6,28,628 (74.17%) in the year 2012- 13 in comparison of 2010-11.

Table 3 PROFITABILITY INDICATORS OF PRIVATE BANKS

Year	Return on Assets	Return on Equity	Net Interest Margin
2008-09	1.13	11.38	2.86
2009-10	1.28	11.94	2.90
2010-11	1.43	13.70	3.10
2011-12	1.53	15.25	3.09
2012-13	1.63	16.47	3.22

Sources: RBI, “Report on Trend and Progress of banking in India”. Various issues.—



RETURN ON ASSETS

Return on Assets of Private Banks was 1.13% in 2008-09 and it was increased to 1.28% in 2009-10. This ratio was increased to 1.43% in 2010-11 and again it was increased 1.53% in 2011-12, 1.63% in 2012-13. This ratio indicates that Private Banks profitability was increased in respect of return on assets during the last five years.

RETURN ON EQUITY

Return on Equity of Private Banks was 11.38% in 2008-09 and it was increased to 11.94% in 2009-10. This ratio was increased to 13.70% in 2010-11 and again it was increased 15.25% in 2011-12, 16.473% in 2012-13.

NET INTEREST MARGIN

Net interest margin is most important indicator for the profitability of the banks. Net interest margin ratio was 2.86% in 2008-09 and it was increased to 2.90% in 2009-10. This ratio was increased to 3.10% in 2010-11. It was decreased 3.09% in 2011-12 but it was increased 3.22% in 2012-13.

Conclusion :

The study was shown that during 2008-2013 the private sector banking witnessed substantial growth and superior financial services. During the study period, the number of private banks decreased due to ongoing consolidation process of the private sector banks in the form of merger/acquisition among financial viable bank and exit of the Non-viable ones. Deposits, Advances, Total Income, Total Expenses of private banks have increased during the study period. The study also shows that overall financial performance of private banks improved during the study period. Reserve Bank of India and government should co-operate with private banks for their development.

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A STUDY ON SOCIO ECONOMIC IMPACT OF MGNREGA IN INDIAN ECONOMY

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Abstract

The Mahatma Gandhi National Rural Employment Guarantee act or (MGNREGA) was notified in India on September 2005 with a mandate to provide at least hundred days of guaranteed wage employment in a financial year to every rural household whose members above the age of eighteen years volunteer to do unskilled manual work. The main focus of the act is to facilitate the social protection for the people living in rural India by providing employment opportunities and therefore contributing towards the overall development of the local people. Mandate to provide at least hundred days of guaranteed wage employment in a financial year to every rural household whose members above the age of eighteen years volunteer to do unskilled manual work. The main focus of the act is to facilitate the social protection for the people living in rural India by providing employment opportunities and therefore contributing towards the overall development of the local people The present study was attempted to figure out the impact of MGNREGA on overall economic and social development of Indian Economy.

Keywords: Poverty, Economy, Development, Infrastructure, Employment.

INTRODUCTION

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the most inclusive and helpful employment generation process in rural areas since the independence. In the year 2005 Indian Government introduced this act and opened up a new work prospect for rural people. As per the Act 'to provide for the improvement of livelihood security of the households in rural areas of the country by providing at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled work. Now, this scheme has been covered 262,569 Gram panchayats from 6,865 Blocks (685 districts) Indeed it creates enormous job opportunity all over rural India. This legislation enables a certain job for every poorest household in the rural area and ascertains a minimum income for all. MGNREGA not only widens the employment opportunity but it seems to be a working tool for poverty alleviation in remote India. MGNREGA increases the income and the purchasing power of the member works at MGNREG project. After participating into MGNREG programme villagers are in a position to satisfy their minimum livelihood need. Pre and post MGNREGA joining status comparison of the villagers states that it enhances their socio-economic condition and provides a better standard of living.

REVIEW OF LITERATURE

There is no lack of literature for the understanding of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and also the implementation process of it in rural India.

We found, there are many empirical as well as theoretical studies in India on different districts, blocks and gram panchayets for evaluating the emergence of MGNREGA in a view of a poverty alleviation scheme. ARORA, V. et.al, (2013) aimed to analyze the relevance of MGNREGA project for women empowerment. They have surveyed 250 respondents of Rohtak district of Haryana through designed semi structure questionnaire in the year 2012. They applied stratified random sampling technique for analyzing the data. Their study reveals that through MGNREGA participation a significant change has been made in the life of the rural women regarding the employment opportunity and income generation.

ADEPPA, D. (2014) The main objective of the study was to examine the impact and implementation of said project on sample beneficiaries and evaluate the success and failure. He has taken sample of ninety respondents from three gram panchayets through random sampling method. The findings of the study were the number of household under the project remains constant during the six years of implementation and the percentage of working households never crossed 46.89 percent in the district under study. The study also shows that after MGNREGA implementation migration of rural labour has declined and wage rate in agricultural and allied sector has been increased but it fails in creation of durable assets.

XAVIER, G. AND MARI, G. (2014) worked on impact of MGNREGA on socio-economic Empowerment of women and the various risk associated with the women during the MGNREGA working time in Kalakkanmoipanchayet in Sivganga district of Tamilnadu. They have used both primary and secondary data for exploring their study and analyzed the data through SPSS statistical package and origin software. The study reveals that inclusion in the scheme increases the income and purchasing power of the households and it significantly enhances the financial freedom and social and economical decision making power of the rural women.

DUTTA, S. (2015) focused on the accountability of the MGNREGA programmes in the two states of India, Andhra Pradesh (AP) and Uttar Pradesh (UP). He argues that most of the development programmes have failed due to inefficiency, absenteeism, incompetence and corruptions, so MGNREGA, how far is it accountable for the ordinary people and civil society? His empirical results indicate that implementation of said programme is to some extent well in AP but lagged in UP.

METHODOLOGY

Secondary data have been collected from different books, research papers, reports, journals, news papers and online data base. The paper is based on descriptive arguments and incorporation of various qualitative and quantitative elements, related to MGNREGA activities in rural India.

Various statistics and charts of the MGNREGA in India have been extracted from different published reports and internet.

OBJECTIVES OF THE STUDY To study the role of MGNREGA in economic development of rural India.→

To study the impact of MGNREGA in employment generation of rural India→

To study the role of MGNREGA in asset creation and infrastructural development of rural India.

METHODOLOGY

Secondary data have been collected from different books, research papers, reports, journals, news papers and online data base. The paper is based on descriptive arguments and incorporation of various qualitative and quantitative elements, related to MGNREGA activities in rural India. Various statistics and charts of the MGNREGA in India have been extracted from different published reports and internet.

DISCUSSION

The Role of MGNREGA in Economic Development of Rural India:-

The economy of India is the sixth largest in the world measured by nominal GDP and the third largest by purchasing power parity (PPP). The country is classified as a newly industrialized country, and one of the G-20 major economics, with an average growth rate of approximately 7% over the last two decades.

India is also known as an agricultural country, as most of the population of villages depends on agriculture.

Agriculture forms the backbone of the country's economy. The agricultural sector contributes most to the overall economic development of the country and therefore the need of development programmes in rural India is substantial.

The government of India initiated many employment generating programmes to address development in rural area. Mahatma Gandhi national rural employment guarantee scheme one the of major flagship initiative which enhances the rural development and employment opportunity at rural area, Mahatma Gandhi national rural employment guarantee act aims at to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. This scheme was promoted by Shri Man Mohan Singh government now continued in NDA under Shri Narandar Modi. Budget 2017 allocated Rs. 48000 Cr. Rural Development has different aspect covering long term and short term aspects. Certain activities like sanitation, agriculture, road, electricity, health facility, skill development, market linkage, awareness about basic facilities, digital inclusion etc. Rural population gets wages if drought like situation erupts so it should be continued to stop migration to cities and for rural mass uplift it is necessary. Labor-intensive tasks like creating infrastructure for water harvesting, drought relief and flood control are preferred in MGNREGA which helps the economic development in rural areas.

The MGNREGA provides wages to rural employees against work done for the development of rural areas the various works for the economic development of rural areas are done through MGNREGA are as follows.

1. Water Conservation and water harvesting.

2. Drought proofing, including afforestation and tree plantation.
3. Irrigation canals including micro and minor irrigation works.
4. Irrigation facilities for landowners by households belonging to SC/ST or to land of beneficiaries of the INDIRA AWAAS YOJANA.
5. Renovation of traditional water bodies, including desilting of tanks.
6. Land development
7. Flood control and protection of works, including drainage of water-logged areas.
8. Rural connectivity to provide all weather roads.
9. Any other work, which may be notified by the Central government in consultation with the state governments. By these development works the MGNREGA has provide main role in infrastructure development in rural areas of India. There is a visible change in development in rural areas of India by MGNREGA like the development of roads, development of irrigation canals, development of housing in rural areas etc.

The impact of MGNREGA on employment generation in rural India.

Our country has completed more than sixty years of independence but poverty in rural India— continues increase day by day. The country cannot achieve its goal of reach the goal of economic development unless and until these two problems are completely eradicated. Therefore, since independence, employment generation programmes in India have been continuously redesigned to generate productive employment and additional income. In the seventies, the policy makers of India used the approach of rural development and rural employment programme to remove the rural poverty. In the last phase of nineteen seventies, Government had created three major antipoverty programmes namely Integrated Rural Development Programme (IRDP), Rural Landless Employment Guarantee Programme (RLEGP)), and National Rural Employment Programme (NREP). Moreover, the Indian Government had made different types of schemes under different names and purposes to give partial employment to the rural India to support their family economy like

Food for Work, Ensured Employment Scheme , JawaharRojgarYojana,— ,SampoornaGraminRojgarYojana, RashtriyaSramVikashYojana etc. But these programmes have not proved so much successful. due to their because the main reason behind that is inability to provide sufficient employment as per the demand and at the minimum wages. The limitations of these employment programmes created the need for making some other sort of employment model with the potential to provide employment and to reduce household poverty in rural India. In order to achieve this objective the government of India introduced The Mahatma Ghandi National Rural Employment Guarantee Act (MGNREGA) in 2006 Through MGNREGA, the Government was committed to providing employment to every rural family which demands such work and whose adult members volunteer to do such work, such work was to be provide at the minimum wage rate and, as far as possible, with a radius of five kilometre of the village where the applicant resided. Failure to provide

such wage employment within 15 days of the receipt of the application entitled the applicant to receive unemployment allowance. Starting with 200 districts across the country in Phase-1 during 2006-2007 MGNREGA was extended to an additional 130 districts in Phase-2 during 2007- 2008. From 1 April 2008 onwards MGNREGA covered the whole of rural India. MGNREGA was the main plank of the Eleventh Five Year Plan of poverty eradication. The graph below correlates the state rural the state rural poverty figures (2009-2010) with the average number of households provided employment (during 2009-10, 2010-11, 2011-12). At an aggregate level there appeared to be a correlation between the number of rural poor in a state and the number of households given employment under MGNREGA. There were, however, some notable exceptions to this. States like Andhra Pradesh, Chhattisgarh, Rajasthan, Tamil Nadu and West Bengal seem to have made greater utilisation of MGNREGA as compared to the poverty levels in these states. At the same time states like Bihar, Maharashtra, Odisha, and Uttar Pradesh seem to be relative laggards in utilization of MGNREGA funds when compared to their poverty levels.

(Source: Govt. web site MGNREGA. for employment data.)

The role of MGNREGA in asset creation and infrastructural development of rural India. The two basic objectives of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are to provide 100 days of wage employment to every household in need of it and to create durable assets to strengthen the livelihood resource base of the rural poor. In this context, the act and the operational guidelines prescribe a number of conditions for the works to be taken up:

The ratio of wage to material costs should not be less than 60:40 (paragraph 9 schedule 1 of the Act).

The list of priority-wise permissible works which can be taken up under MGNREGA should be as indicated in the Act (Paragraph 1B of the schedule 1 of the act)

Use of contractors and machinery are not allowed (Paragraph 11 and 12 of the schedule 1 of the act)

Allotment of at least 50 percent of the works to GPs for the execution (section 16(5) of the act)

Administrative and technical sanction for all works to be obtained in advance, by December of the previous year (Para 6.4.1 of the operational guidelines -nrega act)

According to Para 6.1.3 of the operational guidelines, the maintenance of assets created under the scheme including protection of afforested land was to be considered as permissible works under MGNREGA. Test check of records revealed that 56916 plantation works amounting to Rupees 25.19 crore in 202 GPs, one block and five districts in nine states of Andhra Pradesh, Bihar Gujarat, Jharkhand, Kerala, Manipur, Mizoram, Rajasthan, and Uttar Pradesh were rendered wasteful due to nonmaintenance of plants. The Physical inspection of plantation works corroborated the audit findings. The ministry stated (November 2012) that it had circulated to all the states 'muzzaffarpur model of roadside plantation' for implementation under MGNREGA vide an advisory dated 10 September 2012 in the said model, aged, widowed, handicapped and women job card holders of adjoining village who acted as Van Poshaks, were employed in raising and looking after the roadside plantations under MGNREGA. This gave the

villagers a sense of belonging and ownership and where was no need of physical fencing around the plants. The survival rate of these plantations was also high. Further the states were asked to find out the reasons for non-complete works and to take required measures to ensure their completion. The creation of durable assets was an important objective of the scheme as listed in the act. Further operational guidelines also provide for maintenance of assets created under the scheme. However, it was seen that assets created for 3,91,951 works amounting to 6,547.35 crore in 148 GPs in two states and one UT of Mizoram, West Bengal and Pondicherry and all test check units in three states, Gujarat. Kerala and Tamil Nadu were not of durable nature. The works included construction of boribandhs, earthen roads, etc. The ministry stated November 2012 that the durability and quality monitoring of assets created under MGNREGA were emphasized in the new draft operational guidelines. Further, the ministry had asked the states to effect convergence of MGNREGA with other programmes to enhance the durability of assets. States were asked to deploy independent state quality monitors to assess the quality of assets to ensure their durability. These SQMs would comprise retired chief engineers and executive engineers.

(Source: Union Government (civil) Ministry of Rural Development)

CONCLUSION The above evidence and observations unambiguously indicate that the role of the MGNREGA on overall poverty reduction and development of rural India is visible. The act and the operational guidelines require the states and the panchayati raj institutions to monitor the implementation of the scheme in a variety of ways Gaps in the envisaged monitoring mechanisms were noticed in a large number of states. There were significant shortages in verification of works by state officials. Quality monitors and vigilance and ineffective to large extent as social audit units had not been established. There were deficiencies in the approval and release of funds by the ministry. The ministry needs to take decisive steps to ensure proper implementation of the scheme. It needs to focus on developing intensive monitoring and evolution systems. An analysis of releases made to states for the period under review and poverty data showed that three states Bihar, Maharashtra and Uttar Pradesh had 46 percent of the rural poor in India, but accounted for only about 20 % of the total funds released under the scheme.

This would indicate that the poorest of poor were not fully able to exercise their rights under MGNREGA.

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MIGRATION AND HUMAN DEVELOPMENT IN INDIA

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Abstract

Migration in India is not new and historical accounts show that people have moved in search of work, in response to environmental shocks and stresses, to escape religious persecution and political conflict. However improved communications, transport networks, conflicts over natural resources and new economic opportunities have created unprecedented levels of mobility. Migrant labour makes enormous contributions to the Indian economy through major sectors such as construction, textiles, small industries, brick-making, stone quarries, mines, fish and prawn processing and hospitality services. But migrants remain on the periphery of society, with few citizen rights and no political voice in shaping decisions that impact their lives.

Keywords : Migration, Labour, Small Industries, Brick-making, work.

Introduction

India, like many developing countries, has experienced a rapid demographic transition during the last half of the 20th century. A steady fall in the fertility has been observed from a total Fertility Rate (TFR) of six during the 1970s to almost replacement in the life expectancy at birth from 50 years between 1970 and 1975 to 68 years between 2011 and 2015 (Census of India, 2017). India has also one of the youngest populations, with almost 60 percent of its population in the 15-59 year age group. Furthermore, India is the seventh largest country in terms of geographical areas and the second most populous country in the world, with a population of 1.2 billion according to the 2011 census. At the same time, India shows considerable regional demographic diversity and varied patterns of demographic and socio-economic change.

As corollaries of demographic transition, the mobility and urban transition being expected to be rapid. As a result, migration and urbanization have drawn considerable attention from the Indian researchers in recent years. The level of urbanization is relatively low (31.1 percent) but this is part the product of the restrictive definition of what constitutes an urban area (Bhagat 2005 Census of India 2011). At the same time, the low contribution of net rural-to urban migration to urban growth (Bhagat and Mohanty 2009) suggests a limited role of migration in population redistribution in the country.

Reasons of Migration

India's population is young, with 31 percent population – below the age of 14 and the median age of about 24 years at the 2011 census. Migration is known to be a selective process, particular with respect to age. This is the case in age where inter-state migration peaks early in life, a around age 22, similar to 21 in China. A large concentration of migration in the early 20s is consistent with earlier findings for Asian countries, which stand in contrast to the late migration peaks in Europe and North America (Bernard et al 2014).

An interesting of India's migration is that majority of migrants are women (63% in 5-year period in 2011) and little more than half reported marriage as a reason of migration. It is customary in India that women move to husband's household after marriage from the earlier household of parents. This is essentially a change in the usual place of residence and very much qualify the act of migration when the movement is across the village and town boundaries. The mean age of marriage of women in India is about 20 years which also close to the peak of migration around 22 years. In contrast to the majority of women migrated due to marriage (more than 50 per cent) only 4 per cent of them migrated due to employment related reasons-which remain identical between 2001 to 2011. On the other hand, there has been a 10 percentage point decline in the share of employment-related migration among males in the 10 year prior to 2011 (See Table 1). This is consistent with job less

economic growth in India (Bhagat 2016). Table 2 also shows that one-fourth of males and one-fifth of females migrate along with the movement of the households. There is a huge increase in respect with the reason of moved after birth among both males and females, and this relates to all those births which take place in the maternal uncle house or in hospitals which fall outside the village and town boundaries of current place of residence and characterized by census as migration when babies move their households. After 2005 the Govt. of India has launched a massive programme to promote institutional delivered under the National Rural Health Mission (BRHM). In this context, Indian census provides at exhaustive classification of population based on any move and attempts to capture both economic or otherwise migration related to the change in the usual place of residence.

Table 1 : Reasons of migration, India, 5-year period (in percentage)

Reasons	2001		2011	
	Male	Female	Male	Female
Work/Employment	36.9	4.2	27.8	3.6
Business	2.5	0.3	1.5	0.3
Education	8.4	3.2	6.7	2.8
Marriage	1.6	58.7	2.3	51.7
Moved after Birth	8.9	4.7	18.0	9.6
Moved with Household	24.4	21.6	26.5	21.1
Others	17.0	8.3	17.1	10.6

Migration flows from the places of origin to the places of destination, and is defined as in migration in relation to place of destination and out-migration in relation to the place of origin. It creates a spatial pattern of flows resulting from several spatial forces such as the level of economic development, amenities, education and employment and wages etc. Industrialization in Western Europe triggered massive rural to urban migration leading to the urbanization and growth of cities. It further spread to several parts of the world including India through colonization, but also created infrastructure of roads, railways, port centres and developed plantation, mining and civic administration. The new economic conditions led to the emergence of regional disparities that India has never seen before accompanied with movement of people to the new territories and locations of manufacturing, commerce and business. Further, hill stations and cantonments were established by the British. Some new cities spring up as transportation hubs along the railways, and market towns appeared for exporting agricultural produce during the British rule (Heitzman, 2008). The states and provinces that took advantages of this process have been showing consistent trend of in-migration compared to the out-migration trend from the disadvantaged states. The stability in the spatial pattern of migration is a prominent feature in India's history of development. The states like Maharashtra, Gujarat, Tamil Nadu, Karnataka, Punjab, Haryana and West Bengal have been leading states in industrial development since British days taking advantages of nuclei of growth poles of three port cities namely Kolkata, Mumbai, Chennai and the capital city of Delhi. Most of these states have been in-migrating states since then barring West Bengal and Tamil Nadu. On the other hand, vast swathes of central eastern and north-eastern India have been out-migrating states with low level of urbanization. This part also harbours majority of India's 100 million plus tribal population. These areas are also characterized by high population growth, high level of poverty and illiteracy. The out-migrating areas remain consistent throughout the period, and this has also larger share both in terms of areas and population compared to in-migrating areas. It may be noted that data from 2011 census by origin-destination is not yet available, but the pattern is stable for a long period of time (Tumbe 2012).

Figure 1 shows the bilateral flow of migrants between States and Union Territories measured over a five-year interval at the 2001 census. It is clearly visible that a major volume of migrants period. On the other hand, main receivers are Maharashtra, Delhi, Gujarat, Haryana, Madhya Pradesh

and Punjab. In terms of numbers Uttar Pradesh is the largest origin state of Inter-state migrants (2.1 million) and a major volume of migrants are destined to Maharashtra followed by Delhi, Haryana, Gujarat and Madhya Pradesh, Bihar is the second largest sender of migrants (1.2 million) with major flow towards Maharashtra and Delhi.

The states of Uttar Pradesh and Bihar which comprises of one-fourth of Indias population are known for chronic migrant sending states with outflow of 2.1 and 1.3 million in 5 year period in 2001 i.e. more than one-third of total inter-state out-migration. These two states are also almost a the bottom of Indias economic development. On the other hand, among the in-migrating states Maharashtra tops the list of states with 2 million in-migrants followed by Delhi with 1.1 million in-migrants in five-year period in 2001. While these two states comprise of just 11 percent of India's population, they receive about 30 percent of the total inter-state migrant. The imbalance between large sending areas but few receiving areas are very much evident from Map I and Figure 1.

Table 2 : Migration by streams and duration, India (in percentage)

Streams	2001		2011	
	All	5-year	All	5-year
	Duration	Duration	Duration	Duration
Rural to Rual	62.9	55.1	54.8	45.8
Rural to Urban	18.9	21.8	20.0	22.2
Urban to Rural	4.7	7.3	5.8	8.5
Urban to Urban	13.4	15.7	19.3	23.4
Total				

Migration by urban and rural status indicates that the rural-to-rural migration has remained the largest migration flows due to marriage-related migration. However, this stream has been declining rapidly as a result of speedier urbanization. The share of rural-to-rural migration 55 per cent in 2001 which declined to 46 per cent in 2011 in 5-year period (see Table 5). The fact that its share is lower than all duration migration at both the 2001 and 2011 censuses also suggests that its share has declined. On the other hand, rural-to-urban migration, the second largest flow account for about one-fifth of migration and has remained stable between the 2001 and the 2011 censuses. It is surprising to the counter stream of urban-to-rural migration has been rising, and this is one of the reasons why rural to urban migration is not the dominant contribution to the urbanization in India. Table 2 shows that the share of urban to rural migration was 8 percent compared 22 percent of rural to urban migration in 5-year period in 2011. Thus, on average about 3.7 million people are moving from rural to urban areas, while 1.4 million periople have returned from urban to rural areas as per the latest census of 2011. On the other hand, urban to urban migration which constituted about 15 percent in 2011 in 5-year period witnessed a jump to 23 percent in 2011, which is a sign of further progress toward the urban transition. It may be noted that urban to urban migration has no impact so far urbanization is concerned. There is also a component of rural-urban unclassifiable which may be due the fact that the rural or urban status pertains to places of origin at the timing of migration. Therefore, it differs from the rural of urban status of places of destinations. Many older or long duration migrants sometimes may not be able to reply this question. This has been excluded to maintain comparison between the censuses.

Summary

Understanding of India's migration trend and pattern is generally based on census data which is deficient to capture temporary, seasonal and circularity migration. It has thus perpetuated and impression that mobility in India has been historically low. On the other hand, census date clearly show that inter-state migration has been on rise and migration has also been getting feminized, although due to the reason of marriages. Further, along with rural to urban migration urban to urban migration has been rising consistent with the theory of mobility transition. Studies based on alternative sources of National Sample Survey show that temporary and seasonal migration for employment purposes is about 13.6 million annually – i.e. 7 times larger than permanent and semi-permanent migration. The temporary and seasonal migrants mainly belong to poor and lower socio-economic categories in contrast to permanent/semi-permanent migrant belong to the better off sections. As there is large

number of migrants who keep link with their native places and also return and circulating, contribution of migration to the urbanization and redistribution of population remains much low than expected as per the historical experience of mobility transition in Western countries. The development impact of migration has been positive, but there is no policy support as general perception about migration is negative and hostile.

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GROWTH AND DEVELOPMENT OF AUTOMOBILE SECTOR IN INDIA

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Abstract

The Indian auto industry is recognised as a 'sunrise industry' as it has emerged as one of the fastest growing sector over last few years. India's annual production stood at 29.08 million vehicles (including passenger vehicles, commercial vehicles, three wheelers, and two wheelers) in FY18 as against 25.33 million in FY17, registering a healthy growth of 14.8% over the same period last year. As of April 2018, India has about 120 vehicles (all segments including 19 cars per 1000) on every 1000 people, which is expected to rise to almost 300 vehicles in next 10 years for every 1000 people. While the population (vehicle parc) of automobiles in India is expected to surge to 404 million by 2028 from 162.31 million in April, 2018. Currently, 24.37 million automobiles are added every year and it is expected to rise to 55.84 million by 2028, still much lesser than the global average vehicle penetration. India is the 5th largest car manufacturer, 7th largest commercial vehicle manufacturer and largest manufacturer of two wheelers in the world. It is estimated that by 2020 the automobile industry in India will be the third largest in the World after China and USA. India, being a prominent auto exporter, the exports stood at about 14% of the automobiles produced annually. After declining by about 4.5% in FY17, exports witnessed a sharp growth of over 16% in FY18. Two decades of robust growth have propelled India from being a net importer of automobiles to a leading manufacturer and exporter of vehicles and components.

Keywords : Indian Auto Industry, Sunrise Industry', Commercial Vehicle, Growth, Manufacturer and Exporter

Introduction

The Indian auto industry is recognised as a 'sunrise industry' as it has emerged as one of the fastest growing sector over last few years. India's annual production stood at 29.08 million vehicles (including passenger vehicles, commercial vehicles, three wheelers, and two wheelers) in FY18 as against 25.33 million in FY17, registering a healthy growth of 14.8% over the same period last year. As of April 2018, India has about 120 vehicles (all segments including 19 cars per 1000) on every 1000 people, which is expected to rise to almost 300 vehicles in next 10 years for every 1000 people. While the population (vehicle parc) of automobiles in India is expected to surge to 404 million by 2028 from 162.31 million in April, 2018. Currently, 24.37 million automobiles are added every year and it is expected to rise to 55.84 million by 2028, still much lesser than the global average vehicle penetration. India is the 5th largest car manufacturer, 7th largest commercial vehicle manufacturer and largest manufacturer of two wheelers in the world. It is estimated that by 2020 the automobile industry in India will be the third largest in the World after China and USA. India, being a prominent auto exporter, the exports stood at about 14% of the automobiles produced annually. After declining by about 4.5% in FY17, exports witnessed a sharp growth of over 16% in FY18. Two decades of robust growth have propelled India from being a net importer of automobiles to a leading manufacturer and exporter of vehicles and components.

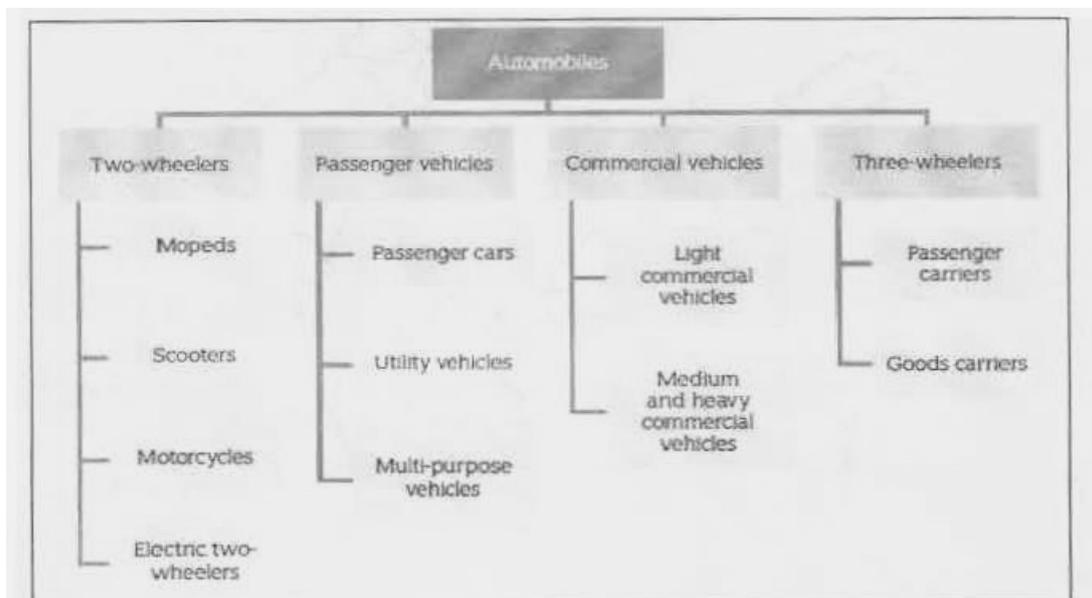
The Two Wheelers segment leads the Indian Automobiles market with 80% market share owing to a growing middle class and a young population. This is followed by the Passenger Vehicle (PV) segment with 14% market share. India is also likely to benefit from low car penetration, emerging demographic dividend, increasing urbanization, rising incomes levels and consumption.

The top companies like Maruti Suzuki, Hyundai Motors, M&M, Tata Motors, Ashok Leyland, Hero MotoCorp, HMTI, TVS, Bajaj Auto and Piaggio etc. with their ever expensive dealing networks, promotional, convenient customer services have played a key role in the growth and development of the automobile industry in India. Transport industry in India is also main menace of pollution in several cities as it accounts for about 11% of India’s carbon emissions. As many as 14 of the world’s top 20 most-polluted cities are in India, according to a 2018 World Health Organization (WHO) report. Keeping this in mind, Government of India has clearly demonstrated its intention to curb vehicular pollution through pivotal initiatives such as NEMMP, FAME scheme, and regulatory measures such as early introduction of Bharat Stage- VI in 2020. Also, fuel consumption standards (Bharat Stage IV in India, Euro VI standard worldwide) for Indian vehicles came into force in India in April 2017 for petrol, diesel, and liquefied petroleum gas (LPG) and compressed natural gas (CNG) passenger vehicles. These standards are based on a Corporate Average Fuel Efficiency (CAFE) system and targets to bring about around 18% improvement in fuel consumption of passenger vehicles by 2022, compared to 2012.

According to a new survey, about 87% of Indian drivers and vehicle owners would buy an electric vehicle (EV), if that helped reduce air pollution. A number of Information and Communication Technology (ICT) in transport, which fall under the umbrella of Intelligent Transport System (ITS) are being used for improving connectivity and efficiency of urban and rural transport. In India, ITS is at its nascent stages. Most uses of ICT technologies that have so far been restricted application of Electronic Toll Collection (ETC) technologies on national and state highways, use of technologies for tracking, surveillance and information systems on public transport, and parking management systems in cities.

The outlook for the industry is very strong with India expected to become 3rd largest automobile manufacturing country after China and USA by 2030. Industry experts believe that India will overtake European automobile manufacturing countries by 2020 and USA by 2035. Nevertheless, the industry will also be facing challenges of increasing use of greener and cleaner technologies, fuel efficient vehicles, affordability and lack of good road infrastructure in the country. Accordingly, it would be required to continuously invest in technological development to take care of the emerging environment issues like greener and cleaner technologies and emission levels while also developing new prototypes to meet customers’ expectations in terms of affordability and comfort. As per the data published by Department of Industrial Policy and Promotion (DIPP), Government of India, Cumulative FDI inflow of around US\$ 16.7 billion in the sector between April 2000 – March 2017.

Current Profile of the Industry



Trends in Domestic Production

Trends in production of various types of vehicles are a better indicator of performance of the automobile industry. For the FY18, according to data released by the Society of Indian Automobile Manufacturers (SIAM), the industry produced a total 2,90,73,892 (29.07 million) vehicles, including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in FY18, against 2,53,29,383 (over 25 million) in FY17, registered a growth of 14.8%.

Automobile Production Trends

(Number of Vehicles)

Category	2013-14	2014-15	2015-16	2016-17	2017-18
Passenger Vehicles	30,87,973	32,21,419	34,65,045	38,01,670	40,10,373
Commercial Vehicles	6,99,035	6,98,298	7,86,692	8,10,253	8,94,551
Three Wheelers	8,30,108	9,49,019	9,34,104	7,83,721	10,21,911
Two Wheelers	1,68,83,049	1,84,89,311	1,88,30,227	1,99,33,739	23,14,70,57
Grand Total	2,15,00,165	2,33,58,047	2,40,16,068	2,53,29,383	2,90,73,892

Source: SIAM

Source: SIAM

The FY18 produced around 4,010,373 (4.01 million) units of passenger vehicles, which is 13.79% of the total vehicle produced in the country. Utility vehicles, too, crossed 1 million production milestone in FY18. One out of every three passenger vehicles produced was a utility vehicle. The auto sector witnessed highest ever production in the passenger car and utility segment in the FY18. The industry produced 8,94,551 (0.89 million) units of Commercial Vehicles (CVs) in FY18 as against 8,10,253 (0.81 million) units in FY17. Total three-wheeler production registered a strong growth of 30% to 10,21,911 (over 1 million) units in FY18 from 7,83,721 (0.78 million) units in FY16-17.

Within three vehicles segment, passenger carriers up nearly 40%. In terms of the variants, passenger carriers commanded nearly 90% of total production at 8,99,023 (0.89 million) units, with goods carriers accounting for 1,22,888 (0.12 million) units. The two-wheelers production surged by 16.12% to 23 million, despite the high base of 19.9 million units. Within two wheelers the production of scooters crossed 7 million and motorcycles crossed 15 million. India's emergence as an important production hub for automobiles has also resulted in increase in FDI flows to the sector.

Trends in Domestic Sales

India is currently one of the largest markets in the world as far as automobile sales are concerned. Car manufacturers raised a toast for the financial year 2017-18 as it turned out to be one of their best in terms of sales. The industry registered double-digit growth between 1st April 2017 and 31st March 2018. The year also marked India surpassing Germany as the fourth largest automobile market on a global scale to stand right behind China, the US, and Japan. According to data released by the Society of Indian Automobile Manufacturers (SIAM),

- Passenger Vehicles: the domestic sales of Passenger Vehicles (PVs) grew at 7.89 % to 32,87,965 (3.28 million) units in 2017-18, against 9.23 % in 2016-17. o Passenger Cars grew at 3.33 % to 2.17 million units, o Utility vehicles expanded at a strong 21% to 0.92 million units.

- Commercial vehicle: (CV) segment sales registered a strong growth of 20% in 2017-18, significantly higher than 4% in 2016-17. o medium and heavy vehicles grew 12.48% to 340,313 (0.34 mn) units, o light vehicles expanded at over 25% to 516,140 (0.52 mn) units.
- Three-wheeler sales also hit a new record of 635,698 (0.63 mn) units, growing at a whopping 24% growth rate from the previous year. o passenger carriers grew nearly by 29%, o goods carriers grew just under 8%.
- Two-wheelers also touched a new milestone of 20.19 million units last year, grew at 14.80%, compared with 7% in 2016-17. o Motorcycle sales grew 13.69% to 12.61 million units, o scooters expanded 20% to 6.71 million units. o Mopeds, declined over 3% to 0.85 million units.

Automobile Sales Trends

(Number of Vehicles)

Category	2013-14	2014-15	2015-16	2016-17	2017-18
Passenger Vehicles	25,03,509	26,01,236	27,89,208	30,47,582	32,87,965
Commercial Vehicles	6,32,851	6,14,948	6,85,704	7,14,082	8,56,453
Three Wheelers	4,80,085	5,32,626	5,38,208	5,11,879	6,35,698
Two Wheelers	1,48,06,778	1,59,75,561	1,64,55,851	1,75,89,738	2,01,92,672
Grand Total	1,84,23,223	1,97,24,371	2,04,68,971	2,18,62,128	2,49,72,788

Source: SIAM

Fiscal year 2017-18 was a milestone year for the Indian automotive industry. “Sales volume built upon last year’s momentum to register double-digit growth for the first time since 2011-12, partly aided by improvement in the rural economy and partly due to the demonetisation-influenced low base in the second half of 2016-17. 3.3.

Trends in Exports

According to data released by the Society of Indian Automobile Manufacturers (SIAM), In April-March 2018, overall exports in automobiles increased by 16.12%.

Automobile Exports Trends

(Number of Vehicles)

Category	2013-14	2014-15	2015-16	2016-17	2017-18
Passenger Vehicles	5,96,142	6,21,341	6,53,053	7,58,727	7,47,287
Commercial Vehicles	77,050	86,939	1,03,124	1,08,271	96,867
Three Wheelers	3,53,392	4,07,600	4,04,441	2,71,894	3,81,002
Two Wheelers	20,84,000	24,57,466	24,82,876	23,40,277	28,15,016
Grand Total	31,10,584	35,73,346	36,43,494	34,79,169	40,40,172

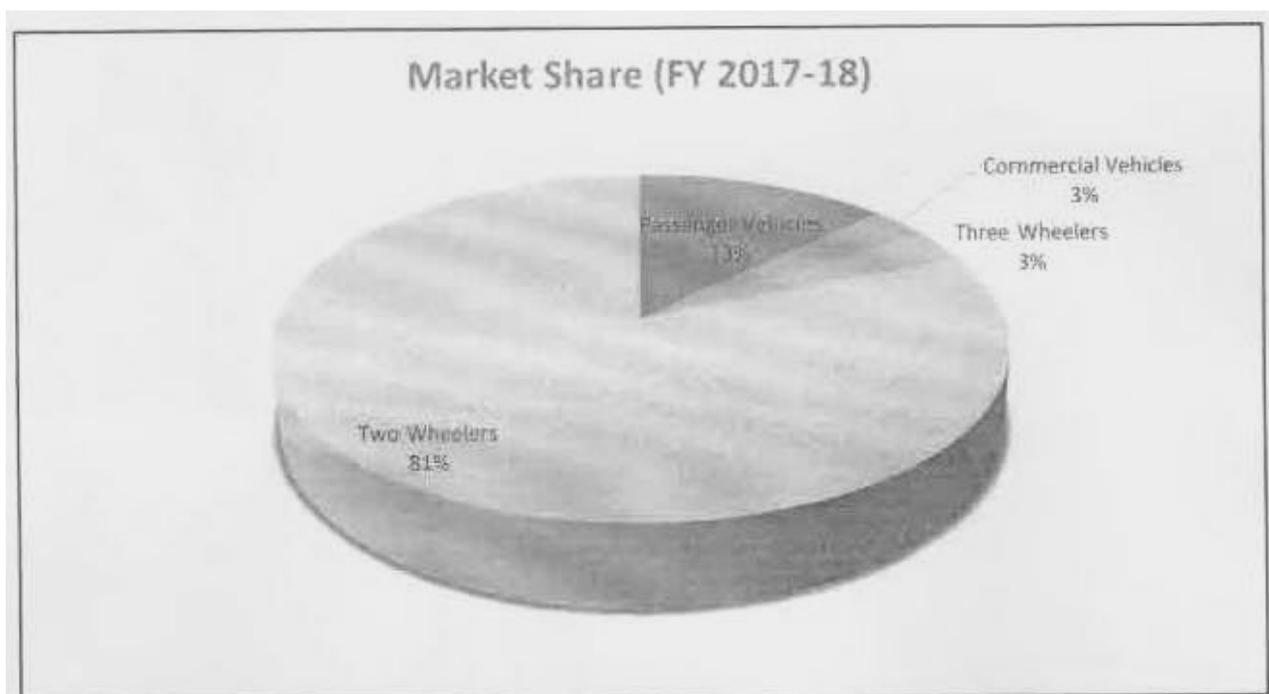
Source: SIAM

- The two-wheeler segment recorded highest-ever exports of 2.8 million, growing at 20.29%. Scooters and motorcycles individually touched exports peak at 314,000 (0.31 million) and 2.4 million, respectively.

- Three Wheeler exports jumped over 40% to 381,002 (0.38 million) units as against 271,894 (0.27 million) units. Of that, people carriers saw a growth rate of over 40% at 3,76,811 units, while goods carriers expanded nearly 45% to 4,191 units.
- Passenger Vehicles and Commercial Vehicles exports declined by (-) 1.51% and (-) 10.53% respectively in FY2018 over the same period last year.

Market segment

The Two Wheelers segment with 81 per cent market share is the leader of the Indian Automobile market owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector. This is followed by passenger vehicles having a share of 13%. Commercial vehicles and three-wheelers have about 3% share each in the automobile industry.



Domestic Market Share for 2017-18 (%)	
Passenger Vehicles	13
Commercial Vehicles	3
Three Wheelers	3
Two Wheelers	81
Grand Total	100

Source: SIAM

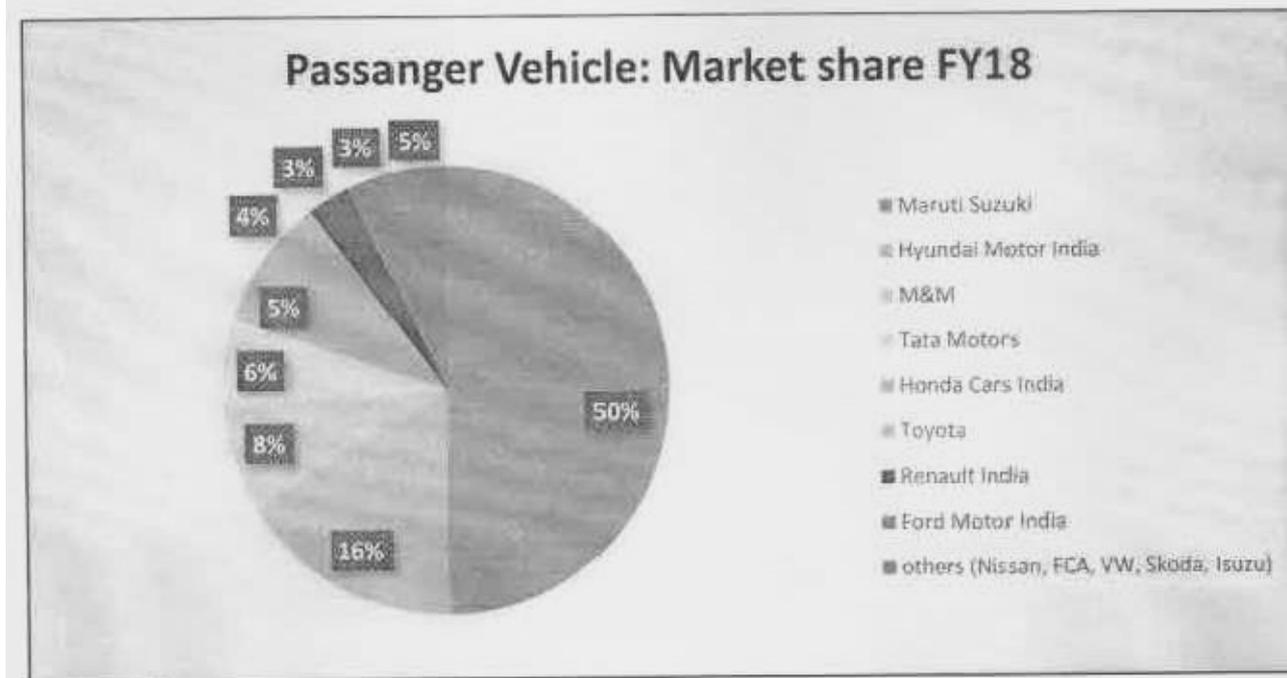
Market Players

Indian automobile industry is clearly dominated by 3 to 4 players in every vehicle category. Given below is the market share of automobile companies in India. The market share is mainly for top players in each segment based on vehicle sale for the period FY18.

Passenger Vehicles: Company wise Market Share:

Maruti Suzuki, Hyundai Motor India, Mahindra & Mahindra, Tata Motors and Honda Cars India stands in top 5 In terms of market share followed by Toyota, Renault, Ford, Nissan, General Motors, Volkswagen, Skoda, Fiat, etc.

Passenger vehicle Market Share FY18						
Company	Maruti Suzuki	Hyundai Motor	M&M	Tata Motors	Honda	Others
Market Share	49.98%	16.3%	7.56%	6.39%	5.17%	14.6%



Source: SIAM

Maruti Suzuki, India’s largest carmaker as usual led the market with sales of over 1.64 million vehicles in FY18, an increase of 13.84% from its sales in FY17. The carmaker upped its market share very close to 50% from 47.38% in FY17 on the back of a strong product performance. The company has not only managed to sustain its huge sales but have also increased its market share in both urban and rural buyers. New car launches like Maruti Suzuki Dzire, all-new Swift along with the constant demand of Maruti Suzuki Baleno and Vitara Brezza helped the company to achieve this huge growth. The company also exported about 1.23 lakh units to its export markets.

Indian arm of the Korean car maker Hyundai Motor did post a growth of over 5 % by selling over 5.36 lakh cars and grabbing a market share of 16.30% in India. The launch of facelifts of Hyundai Grand i10 and Hyundai i20 along with all-new Verna backed by strong sales of Hyundai Creta has seen its manufacturing units in Chennai running full houses to cope up with the increasing demand. The company also exported over 1.53 lakh cars to various countries especially middle-east. Mahindra & Mahindra (M&M) though growing 5.39% in terms of domestic sales to nearly 2.5 lakh units saw a slight slip in market share to 7.57% in FY18 from 7.75% an year earlier. Tata Motors however gained market share at 6.39% in FY18 from the earlier 5.66% in the previous fiscal. Its new product launches including the Tiago, Nexon, Hexa, Tigor and Nexon models have found the pulse of the consumers. Japanese automaker Honda Cars India finished the year at industry growth rate and sold over 1.7 lakh units and the launch of its Honda WR-V SUV played a crucial role for the company to sustain sales. After growing the volumes by 88% in FY17, European company

Renault India has witnessed sales decline of 24.4 % to 1 lakh units in FY 18 in a market that grew 8%. The company will be banking on interventions on the Kwid and the petrol variant of Captur to infuse some excitement in its product portfolio to keep the volumes above 1 lakh in FY19.

Commercial Vehicles (CVs): Company wise market share:

Tata Motors, Mahindra & Mahindra, Ashok Leyland, VECVs – Eicher and Force Motors stands in top 5 in terms of market share based on sale of vehicle for the period FY18 followed by SML Isuzu, Maruti Suzuki India, VECVs – Volvo, Piaggio Vehicles and Isuzu Motors India.

CVs Market Share FY18						
Company	Tata Motors	M&M	Ashok Leyland	Eicher	Force Motors	Others
Market Share	43.96%	25.31%	18.52%	6.52%	2.59%	3.10%

Homegrown Tata Motors

Continued to show an upswing in all vehicle segments including CVs with a growth of 23.18% to 376,456 units. It upped its market share 43.96% from 42.79% in FY17. The company has been actively restructuring its automotive businesses and the results are beginning to show.

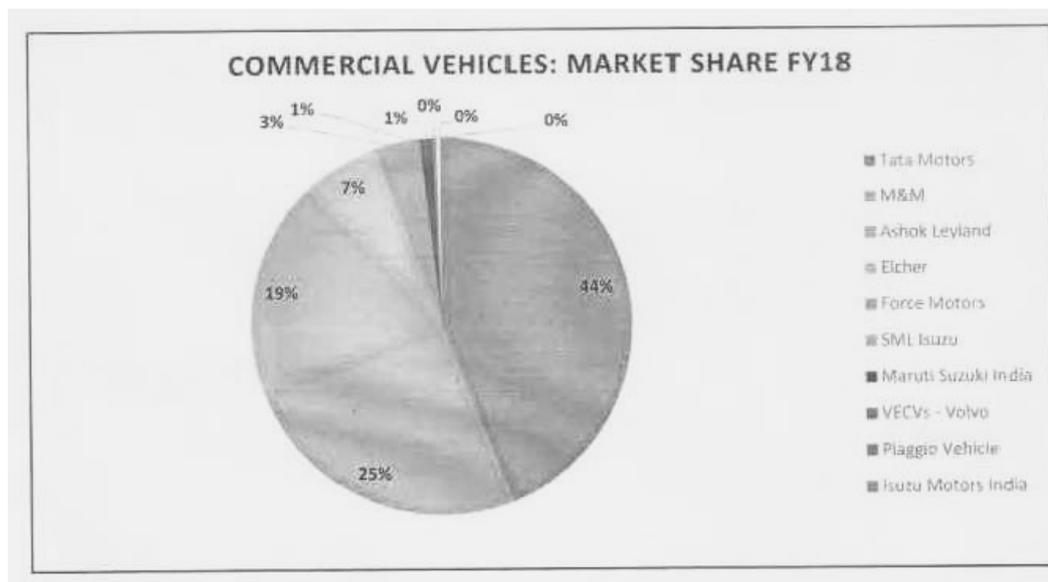
Mahindra & Mahindra

Retained its second slot with sales of 216,800 units and a growth of 19.81%. But its market share slipped marginally to 25.31% from 25.33% in FY17.

At third slot was Ashok Leyland with a decline in market share from 18.66% in FY17 to 18.52% in FY18. However it clocked sales of 158,612 units with a step up of 19.02 percent.

VE Commercial Vehicles,

The JV between Volvo Group and Eicher Motors, recorded sales 56,927 units (including 55,872 units of Eicher & 1,055 units of Volvo) in FY 18 as compared to 50,569 units in FY 2017, recording a growth of 12.5% per cent while Piaggio Vehicles sales declined by 31.4% to 2174 units in FY 18 from 3191 units in FY 17.



Source: SIAM

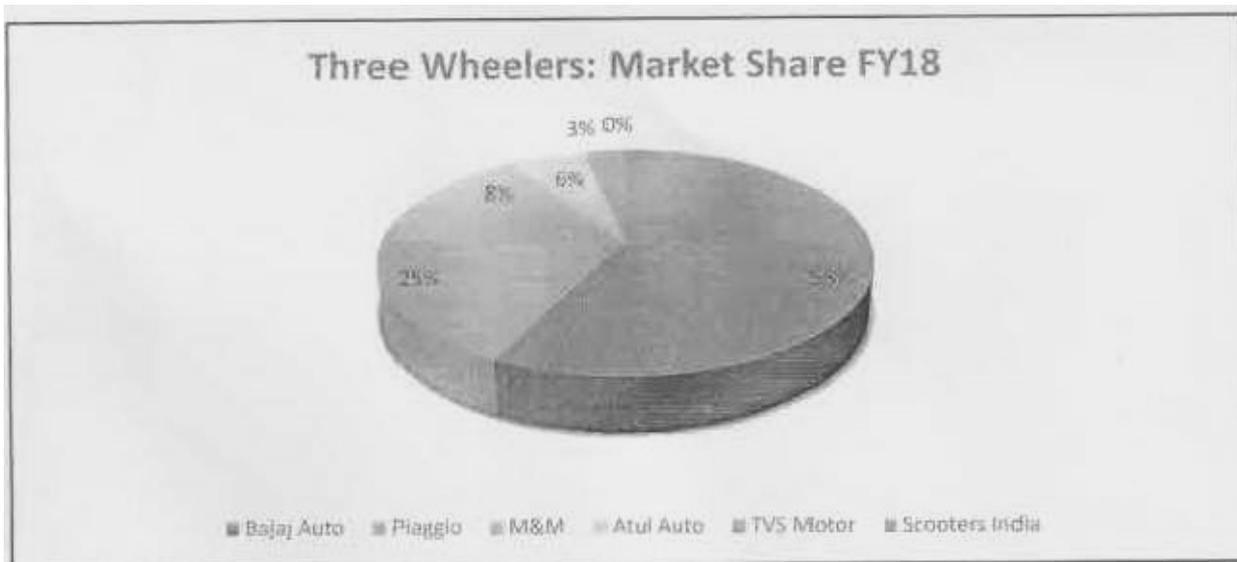
Three Wheelers: Company wise Market Share Bajaj Auto, Piaggio Vehicles, M&M, Atul Auto and TVS Motor stands in top 5. Bajaj Auto, three-wheeler market leader sold a total of 369,637 units, an increase of 8.7 percent, which includes 346,846 passenger carriers (+7.36%) and 22,791 goods carriers (+7.27%). The smart uptick helped the company further increase its market share from 49.45 percent in FY2017 to 58.15 percent in FY2018.

Three Wheelers Market Share FY18						
Company	Bajaj Auto	Piaggio	M&M	Atul Auto	TVS Motor	Scooters India
Market Share	58.15%	24.05%	8.59%	6.19%	2.58%	0.44%

The second largest player in the segment, Piaggio Vehicles sold 152,879 units, a marginal increase of 1.16 percent. Interestingly despite the marginal YoY growth, its market share came down to 24.05 percent in FY2018 from the existing 29.52 percent.

M&M continued to lose out on market share in the three-wheeler segment. It slipped to 8.59 percent share in FY18 from 10.22 percent in FY17. It however increased its sales volumes by 4.43 percent to 54625 units.

Atul Auto registered a growth of 7.74% in FY18, sold 39,333 units. In spite of its YOY growth, its market share slipped to 6.19% in FY18 from 7.14% previous year.



Source: SIAM

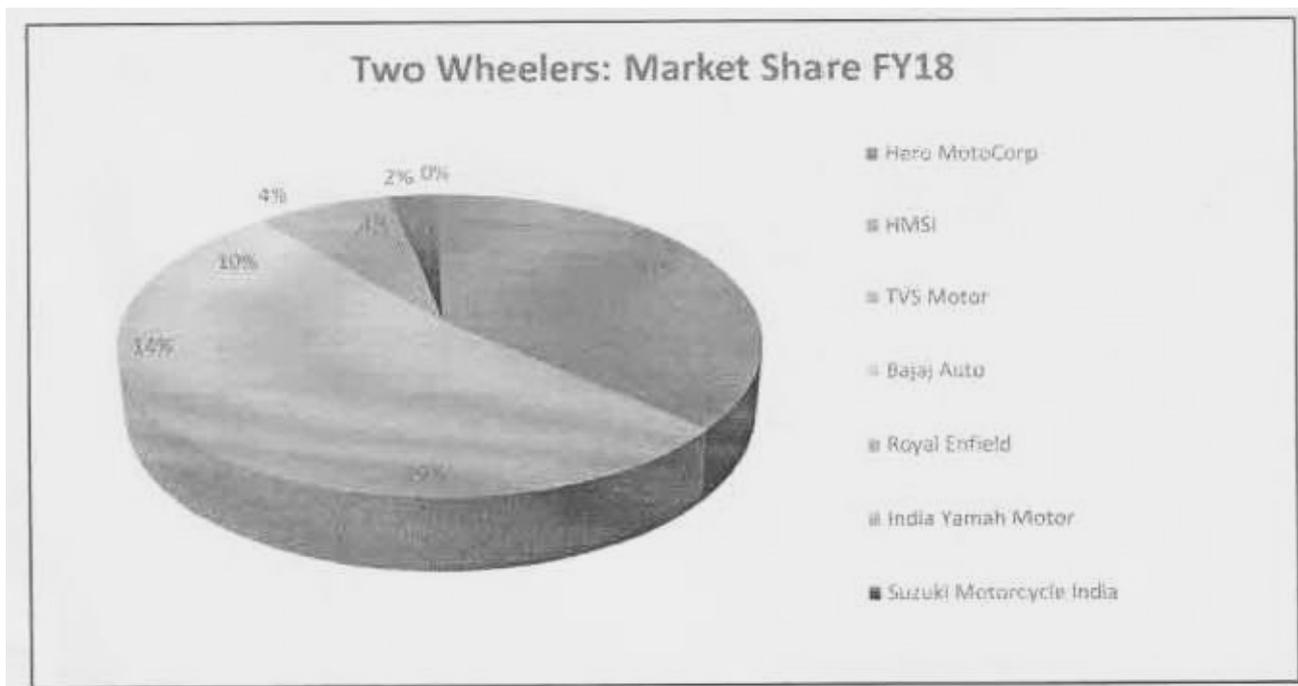
TVS Motor Company meanwhile bettered its market share to 2.58 percent from 2.40 percent in FY17. It also witnessed a strong growth of 33.81 percent to 16429 units in FY18.

Two wheelers: Company wise Market Share

As per SIAM report, India has 11 motorcycle manufacturers and 7 scooter manufacturers. Motorcycles contributed to 62.4 percent of the total sales, scooters increased their contribution to 33.27 percent and mopeds share declined to 4.25 percent. Hero MotoCorp, Honda Motorcycles and Scooters India (HMSI), TVS Motor, Bajaj and Royal Enfield stands in top 5 followed by Suzuki Motorcycle and Yamaha Motor India etc.

Two Wheelers Market Share FY18						
Company	Hero	Motorcorp	HMSI	TVS	Bajaj	Auto
Market	36.56%	28.60%	14.24%	9.78%	3.97%	3.93%

Hero MotoCorp, the world’s largest two-wheeler manufacturer has continued to be the leader in the Indian two-wheeler industry by selling over 73.82 lakh motorcycles with a growth of about 14 percent in FY18. Despite YOY growth it lost slight market share from 36.86 percent in FY17 to 36.56 percent in FY18. Hero Splendor has been India’s top-selling motorcycle and launch of new products like Hero Glamour and HF Deluxe continue to allure buyers especially in the rural markets. Hero MotoCorp did lose out on its scooter sales to its former Japanese partner Honda Motorcycles and Chennai based TVS Motor Company also overtook Hero in scooter sales. Hero also exported over 2 lakh motorcycles in India.



Source: SIAM

Honda Motorcycles and Scooters India (HMSI) has registered a massive growth of 22.23 percent in 2017- 18 and sold a total of over 57.75 lakh motorcycles. Scooters contributed to over 66 percent of Honda’s total two-wheeler sales in India with over 38.21 lakh scooters sold. Honda Active is the country’s most sold scooter and the company has also launched the Honda Grazia and Honda Cliq to cater to the younger audience. HMSI’s market share stands at 28.60 percent.

TVS Motor Company often referred in the industry as one of the most sorted companies in India has grown by over 15% last financial year and its new sports bikes in Apache series and also commuters like TVS Victor along with major boost from TVS Jupiter has helped the company to achieve a total sales of over 28.75 lakh, grabbing a market share of 14.24 percent.

Only motorcycle manufacturers **Bajaj and Royal Enfield** have reported a sales of 19.74 lakh units and 8.01 lakh units respectively. While Bajaj Auto’s sales did drop by 1.3 percent YoY, Royal Enfield grew by over 23 percent and recorded its most sales ever. Royal Enfield Interceptor 650 and Royal Enfield Continental GT 650 that were showcased at EICMA 2017.

Japanese two-wheeler manufacturers, **Suzuki Motorcycle and Yamaha Motor** India sold a total of 5.01 lakh and 7.92 lakh units respectively. Both of these companies sell scooters, commuters and premium

motorcycles in India. Suzuki Motorcycle closed the financial year at a market share of 2.48 percent and Yamaha's market share in India is 3.92 percent.

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