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28 & 29 January, 2017

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A Descriptive Study on Reforms of Financial Sector in India

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Abstract: *Finance and Growth are immediately interlinked. Financial sector is the backbone of any economy and it plays a crucial role in the mobilisation and allocation of resources. Reforms refer to the introduction of innovative policies such as eliminating the market barriers, encouraging economic participation from private sector, reducing the fiscal deficit, increasing exports and reducing imports, etc. for increasing the growth rate of the economy. As the Economy grows and become more sophisticated, the Finance sector has to develop pari-passu in manner that supports and stimulates such growth. With increasing global integration, the Indian financial system has had to be strengthened. India has had two and half decade (25 years) of Financial Sector Reforms during which there has been sustainable Transformation and Liberalization of these whole Financial System. This paper examines the Indian Financial Sector Reforms in terms of segments like Financial Institutions such as Banking Sectors, Financial Markets such as Capital Markets & Forex Market. Chanakya also known as Kautilya &Vishnuguptha was the World's First Economist, Master Strategist and Management Guru. As the 'Construct of Governance', he wrote many books, in the famous book named 'THE SAPTHANGAS', which refers "the Seven Pillars of the Successful Kingdom" in that 7 pillars, KOSHA -The Treasury (finance) is the one of the Pillar for the Successful Kingdom.*

Key words: *Finance, Reforms, Economic growth, World's first economist, KOSHA.*

Introduction:

Finance and Growth are immediately interlinked. Financial sector is the backbone of any economy and it plays a crucial role in the mobilisation and allocation of resources. Reforms refer to the introduction of innovative policies such as eliminating the market barriers, encouraging economic participation from private sector, reducing the fiscal deficit, increasing exports and reducing imports, etc. for increasing the growth rate of the economy. As the Economy grows and become more sophisticated, the Finance sector has to develop pari-passu in manner that supports and stimulates such growth. With increasing global integration, the Indian financial system has had to be strengthened. India has had **two and half decade** (25 years) of Financial Sector Reforms during which there has been sustainable Transformation and Liberalization of these whole Financial System. This paper examines the Indian Financial Sector Reforms in terms of segments like Financial Institutions such as Banking Sectors, Financial Markets such as Capital Markets & Forex Market. Chanakya also known as Kautilya&Vishnuguptha was the World's First Economist, Master Strategist and Management Guru. As the 'Construct of Governance', he wrote many books, in the famous book named 'THE

SAPTHANGAS', which refers "the Seven Pillars of the Successful Kingdom" in that 7 pillars, KOSHA -The Treasury (finance) is the one of the Pillar for the Successful Kingdom.

Objectives of the study:

The objectives of the study are as follows:

- To know what are the reforms taken place in financial sector from 1991 to till date.
- To know how much effect showed the reforms on financial sector towards economic development.
- To know how much the financial sector developed in terms of technology and how much it helped in economic development.

Methodology:

- The methodology used in this study is fully web based and secondary data is used.
- The data collected from the online data, Govt. sites and magazines.

Economic Reforms in India:

Government of India major economic reforms are taken in the years of 1990, In that Financial Sector reforms are plays a vital role to the help of economic development. Financial sector reforms are initiated in the early 1900s based on the Mr. **N.M. Narasimhan**Committee, the basic objective of the reform process was to create an efficient competitive and stable financial sector that could stimulate economic growth. Till the early 1900s, Indian financial system was characterized by extensive regulations, such as administered interest rates, directed credit programmes, capital control, week banking structure, Lack of proper accountancy, lack of proper transparency in operations.

There are two generations are there for the financial sector reforms, those are

- First generation (Early in 1990s) or First phase
- Second generation (Mid of 1900s) Second Phase

The first is a thrust towards liberalization, which seeks to decrease, if not eliminate a number of direct controls over banks and other financial market participants. That means creating an efficient, Productive and profitable financial sector to function with operational flexibility and functional autonomy. The second is a thrust in favour of strict regulation of the financial sector. This dual approach is also apparent in the reforms tried in India. That means strengthening the financial system and introducing structural improvements.

The major areas of financial sector reforms are as follows:

1. Financial institutional reforms
2. Financial market reforms

1. Financial Institutions reforms:

A. Banking Sector Reforms:

An efficient banking system and a well-functioning capital market are essential to mobilize savings of the households and channel them to productive uses. The high rate of saving and productive investment is essential for economic growth. Prior to 1991 while the banking system and the capital market had shown impressive growth in the volume of operations, they suffered from many deficiencies with regard to their efficiency and the quality of their operations.

The weaknesses of the banking system were extensively analysed by the committee (1991) on financial sector reforms, headed by Narasimhan. The committee found that banking system was both over-regulated and under-regulated. Prior to 1991 system of multiple regulated interest rates prevailed. Besides, a large proportion of bank funds was pre-empted by Government through high Statutory Liquidity Ratio (SLR) and a high Cash Reserve Ratio (CRR). As a result, there was a decrease in resources of the banks to provide loans to the private sector for investment.

Major reforms of Financial Institutions reforms:

- Weakness of the Banking system were analysed by the committee which is headed by the N.M. Narasimhan in the year of 1991: For controlling of banking activities.
- Reduction in SLR from 39% to 24 %: For proving Liquidity to the Private sectors.
- Reduction in CRR by 15% now present CRR is 4.5%: For proving Liquidity to the Private sectors.
- Interest rates deregulations: For providing loans to the society
- Maintaining capital adequacy ratio: For baring contemporary situations.
- Know your customer policy: For controlling of customer database.
- CAMELS' supervisory rating system has been initiated: Capital adequacy, Asset quality, Management, earnings, Liquidity, Sensitivity.
- Establishment of Private banks and Non-banking financial Institutionsfor the development of economy.
- Permission to banks to diversify product portfolio and Business activities.
- Introduction of technological changes: Banking activities done by electronically.
- Disclosure and transparency of accounting information to related person only: For smothering the activities.
- Financial Inclusion:To everyone has bank account.
- Internet Banking & Mobile banking: for time saving & convenient.
- Satellite Banking: Tosmothering banking activities for the hill stations.
- Demonetization:For reduction of Black money.

2. Financial Market Reforms:

Here in this paper financial market reforms tell about the following

1. Capital Market
2. Forex market

1.Capital market Reforms:

Capital market is defined as a financial market that works as a channel for demand and supply of debt and equity capital. It channels the money provided by savers and depository institutions (banks, credit unions, insurance companies, etc.) to borrowers and investees through a variety of financial instruments (bonds, notes, shares) called securities. A capital market is not a compact unit, but a highly-decentralized system made up of three major parts that include stock market, bond market, and money market. It also works as an exchange for trading existing claims on capital in the form of shares. The Capital Market deals in the long-term capital Securities such as Equity or Debt offered by the private business companies and also governmental undertakings of India. In the agenda of financial sector reforms, Improvement of the capital market is important area and action has been taken parallel with reforms in banking. India has experienced functioning in capital markets the Bombay Stock Exchange (BSE) for over a hundred years but until the 1980s, the volume of activity in the capital market was relatively limited. Capital market activity extended rapidly in the 1980s and the market capitalization of companies registered in the BSE rose from 5 per cent of GDP in 1980 to 13 per cent in 1990. It is observed that the Indian capital market has perceived major reforms in the decade of 1990s and thereafter. It is on the edge of the growth. Thus, the Government of India and SEBI took numerous measures in order to improve the working of the Indian stock exchanges and to make it more progressive and energetic. The Securities and Exchange Board of India (SEBI) was well-known in 1988. It got a legal status in 1992. SEBI was principally set up to control the activities of the commercial banks, to control the operations of mutual funds, to work as a promoter of the stock exchange activities and to act as a regulatory authority of new issue activities of companies. The SEBI was established with the vital objective, "to protect the interest of investors in securities market and for matters connected therewith or incidental thereto."

The main functions of SEBI are as follows:

- To control the business of the stock market and other securities market.
- To promote and regulate the self-regulatory organizations.
- To forbid fraudulent and unfair trade practices in securities market.
- To promote awareness among investors and training of intermediaries about safety of market.
- To prohibit insider trading in securities market.
- To regulate huge acquisition of shares and takeover of companies

Opening the Capital Market to Foreign Investors:

Significant policy initiative in 1993 was the opening of the capital market to foreign institutional investors (FIIs) and allowing Indian companies to raise capital abroad by issue of equity in the form of global depository receipts (GDRs).

Modernization of Trading and Settlement Systems:

Major developments occurred in trading methods which were highly antiquated earlier. The National Stock Exchange (NSE) was established in 1994 as an automated electronic exchange. It empowered brokers in 220 cities all over the country to link up with the NSE computers via VSATs (very small aperture terminal) and trade in a unified exchange with automatic matching of buy and sell orders with price time priority, thus ensuring maximum transparency for investors. The initiation of electronic trading by the NSE generated competitive pressure which forced the BSE to also introduce electronic trading in 1995. The settlement system was old-fashioned which involved physical delivery of share certificates to the buyer who then had to deliver them to a company registrar to record change of ownership after which the certificates had to be returned to the buyer. This process was consuming and also had significant risks for investors. The first step towards paperless trading was put in place by enacting legislation which allowed dematerialization of share certificates with settlement by electronic transfer of ownership from one account to another within a depository. The National Securities Depository Ltd (NSDL) opened for business in 1996.

Measures enhancing role of Market forces:

Sharp reduction in pre-emption though reserve requirement, Market determined prices for Govt. securities, disbanding of administered interest rates, Enhanced transparency and disclosed norms to facilitate market discipline, Introduction of pure interbank call money market and developing market for securitized market, Auction based repos and reverse repos for short term liquidity management and Improved payment and settlement mechanism. Present repo rate is 6.25% and reverse repo rate is 5.75%.

Futures Trading:

Currently, an important gap in India's capital market is future markets. Good market in index futures would help in risk management and provide greater liquidity to the market. A decision to present futures trading has been taken and the legislative changes needed to implement this decision have been submitted to parliament.

SEBI (Securities Exchange Board of India):

After the scam of Harshad Mehta SEBI was came in to the picture for controlling of Share market in India.

Indian International Stock Exchange:

Prime Minister **Narendra Modi** inaugurated India's first international exchange-India INX- at International Financial Services Centre (IFSC) in Gujarat International Financial Tech City (GIFT) located in Gandhi Nagar.

India International Exchange (INX), the wholly-owned subsidiary of the Bombay Stock Exchange (BSE), through its global bourse, will start trading initially in equity derivatives, currency derivatives, commodity derivatives including Index and Stocks. Subsequently, depository receipts and bonds would be offered once the required infrastructure for the same is in place. From January 16 onwards the exchange will going to work for 22 hrs a day.

2.Forex Market: Exchange of currency started in the year of 1939, the British government imposed the exchange activities, Forex market reform took place in 1993 and the successive adoption of current account convertibility were the acmes of the forex reforms introduced in the Indian market. Under these reforms, authorised dealers of foreign exchange as well as banks have been given greater sovereignty to perform in activities and numerous operations. Additionally, the entry of new companies has been allowed in the market. The capital account has become effectively adaptable for non-residents but still has some reservations for residents. The foreign exchange market is a global decentralized market for the trading of currencies. This includes all aspects of buying, selling and exchanging currencies at current or determined prices.

A Discussion on Forex Market Reformsin India

The foreign exchange currency trading in India is growing at a really good pace, however it is said that the forex market is still from the early phase in India. There are already several big players in the Indian forex market. Let us find out details on the forex market history in India to know more about Indian forex market.

The history of forex market in India owes its origin to an important decision taken by the Reserve Bank of India (RBI) in the year of 1978 which allows banks to undertake intra-day trading in foreign currency exchange. As a result of this step, the agreement of maintaining '**square**' or '**near square**' position was to be complied with only at the close of business every day. The history of currency trading in India also clearly shows that during the initial period when these economic reforms started, the exchange rate of national currency i.e. Indian rupee used to be determined by the RBI in terms of a weighted basket of currencies of India's major trading partners. Moreover, there were some fairly significant restrictions on the current account transactions.

Then again during early nineties, more economic reforms were introduced which witnessed the important two-step downward adjustment in the exchange rate of the Indian Rupee in order to place it at a suitable level in line with the inflation differential so that the competitiveness in exports could be maintained. With these economic reforms which resulted in the unification exchange rate of the rupee heralded the commencement of the new Era of market determined forex currency rate regime of rupee in the Indian forex history which was based on the demand and supply principle in the forex market.

Another landmark in Forex history of India came with the appointment of an Expert Group committee on Forex currency in 1994. This committee was made to study the forex market in detail so that step can be taken out to develop, deepen and widen the forex market in India. The result of this exercise was that banks were significant freedom in many of its market operations related to like forex market development and liberalization. The freedom was granted to banks in term of fixing their trading limits, allowed to borrow and invest funds in the overseas markets up to specified limits, accorded freedom to make use of derivative products for asset-liability management purposes.

Until the early seventies, given the fixed rate regime, the foreign exchange market was perceived as a mechanism merely to put through merchant transactions. With the collapse of the **Breton Woods** agreement and the floatation of major currencies, the conduct of exchange rate policy posed a great challenge to central banks as currency fluctuations opened up tremendous opportunities for market players to trade in currency volatilities in a borderless market.

The market in India however remained insulated as exchange rate controls inhibited capital movements and the banks were required to undertake cover operations and maintain a square position at all times. In 1981 the "Guidelines for Internal Control over Foreign Exchange Business" was framed for adoption by banks.

During the eighties, deterioration in the macro-economic situation set in, ultimately warranting a structural change in the exchange rate regime, which in turn had an impact on the FOREX market. Large and persistent external imbalances were reflected in rising level of internal indebtedness. The graduated depreciation of the rupee could not compensate for the widening inflation differentials between India and the rest of the world and the exchange rate of the Rupee was getting increasingly overvalued. The Gulf problems of August 1990, given the fragile state of the economy, triggered off an unprecedented crisis of liquidity and confidence. This unprecedented crisis called for the adoption of exceptional corrective steps. The country simultaneously embarked upon measures of adjustment to stabilize the economy and got in motion structural reforms to generate renewed impetus for stable growth.

As a first step in this direction, the RBI effected a two-step downward adjustment of the Rupee in July 1991. Simultaneously, in order to provide a closer alignment between exports and imports, the EXIM scrip scheme was introduced. The scheme provide a boost to exports and with the experience gained in the working of the scheme, it was thought prudent to institutionalize the incentive component and convey it through the price mechanism, while simultaneously insulating essential imports from currency fluctuations. Therefore, with effect from March 1, 1992, RBI instituted a system of dual exchange rates under the Liberalised Exchange Rate Management System (LERMS). Under this, 40% of the exchange earnings had to be surrendered at a rate determined by the RBI and the RBI was obliged to sell foreign exchange only for imports of essential commodities such as oil, fertilizers, life saving drugs etc., besides the government's debt servicing. The balance 60% could be converted at rates determined by the market. The scheme worked satisfactorily preparing the market for its emerging role and the Rupee remained fairly stable with the spread between the official and market rate hovering around 17%.

A critical component of the reform process was introduction of flexible exchange rate. It started with exchange rate adjustments in July 1991, continued with the introduction of Liberalised Exchange Rate Management System in March 1992 and March 1993 we had put in place a completelymarket determined exchange ratesystem. This was a critical step indeed.

- In **1966,** The Rupee was devalued by 57.5% against Sterlingon June 6.
- In **1967,**Rupee-Sterling parity change as a result of devaluation of the sterling.50 before reneging to Sterling at Rs. 18.8672 with a 2.25% margin on either side.
- In **1979,** Margins around basket parity widened to 5% on each side in January.
- In**1991,** Rupee devalued by 22% July 1st and 3rd. Rupee dollar rate depreciated from 21.20 to 25.80.

A version of dual exchange rate introduced through EXIM scrip scheme, given exporters freely tradable import entitlements equivalent to 30-40% of export earnings.

- In **1992,** LERMS introduced with a 40-60 dual rate converting export proceeds, market determined rate for all but specified imports and market rate for approved capital transaction. US Dollar became the intervention currency from March 4thEXIM scrip scheme abolished.
- In**1993,** Unified market determined exchange rate introduced for all transactions. RBI would buy/sell US Dollars for specified purposes. It will not buy or sell forward Dollars though it will enter into Dollar swaps.
- In **1994,** Rupee made fully convertible on current account from August 20th.
- In **1998,** Foreign Exchange Management Act – FEM Bill 1998, which was placed in the Parliament to replace FERA.
- In **1999,** Implication of FEMA started.
- **PADMANABHAN** also refers to expansion of forex market by allowing new participants like primary dealers and select NBFCs before 2015.

Conclusion:

From the study we can understand that the financial reforms play a vital role in economic development of Indian. As the reforms taken place in the financial sector the interest rates are regularized as a result the banking sector zoomed to get very profitable. Through these reforms the CRR and SLR slashed from 15% to 4%, 39% to 24% respectively which increases the liquidity and more loan availability. The supervisory measures and competitive enhance measure helped the public to get housing finance, car loans and retail credit. The banking sector evolved many technological changes to smoothen the transactions by launching E Banking, Mobile banking, Internet banking and satellite banking. Just because of the reforms only the FDI s increased in a significant way from 49% to 74% in the financial year of 2003-2004. By these reforms only the business opened gates for foreign investments as a result we could do the business not only correspondent country and also established over the Universe abroad the overseas. Due to this Indian economy development drastically and gain Indian Rupee got a value globally. As a part of reforms the Prime Minister of India **Narendra Modi** inaugurated the first ever **Indian International Exchange** (INX) which can establish our Indian fame at four corners of Universe.

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Empowerment of Rural Women Through Self Help Groups

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Abstract: *Self Help Groups (SHG) have become a key strategy for poverty alleviation and empowerment of rural women in India. The SHG movement aimed at systematically empowering marginalized grass root level women by the way of censcientization, income generations and capacity building. In recent years this movement has been working in the direction of empowering rural women. The study is carried out with the main objective to examine the role of SHGs in empowering rural women in Warangal and Karimnagar districts of Telangana state in India. This study is based on primary data. The stratified random sampling method have been used to select the sample beneficiaries. The structured questionnaires have been used to collect primary data from 400 members of various SHGs from both the districts. On the basis of the analysis it has been found that there is a significant increase in their income levels, standard of livings of their families. It is also found the positive relationship between income from their SHG ventures and empowerment in terms of economic independence and social status.*

Keywords: *Rural Women, Empowerment, SHGs, DWCRA and Ventures*

Introduction

Women throughout the world have been subject to gender discrimination and exploitation in various forms. They have lesser access to property and business. Their mobility is restricted as well as they have limited access to labour markets and are subject to discrimination in the matters of wages and compensation for their work. This condition varies from country to country, state to state and region to region depending upon their culture, prevailing tradition and economic opportunities available and educational opportunities. Thus, the World Bank (2012)[1] had given emphasis on necessity of gender equality. In order to provide gender equality the World Bank has identified empowerment of women as one of the key constituent element.

Indian society has been bound by culture and tradition since ancient times. The patriarchal system and the gender stereotypes in the family and in the society the sons are regarded as a mean of social security and women remain under male domination. Due to this subordinate position women became the victims of several evils such as child marriage, sati, polygamy, pardah system, female infanticide etc.

Thus the governments of India have recognized the need to create employment opportunities to empower the women, for this priority has been given to the income and employment generating programs under different five year plan periods. Among these programmes Self Help Groups (SHGs) scheme for women is that single largest programme introduced by government under Development of Women and Children in Rural Areas (DWCRA), provide assistance to rural women to empower the women in social, economic and political fields.

Therefore, the present study designs to examine the factors that determine the success of economic activity of SHG and MACS members and its impact on income, living conditions and also economic independence, social and political status of rural women. In order to analyze the role of SHGs in empowering women, brief review of literature has been made.

Review of Literature

Aurora Sukhwinder Singh (1994)[2] in his study stated that NGOs and SHGs of the poor were able to mobilized group savings to provide group guarantee, to reduce transaction costs, to achieve high repayment rate of loans. He suggested that bank can meet the credit needs of the poor by using NGOs and SHGs as financial intermediaries. Ajay Kumar Panda and Ashok Kumar Mishra (1996)[3] in a research paper have made an attempt at conceptual analysis of SHGs and their implications as a development alternative. The paper depicts how, in spite of several structural weakness and bottlenecks, the SHG movement has taken a definite step towards sustainable development by pooling locally available resources. Rao, V.M. (2001)[4] conducted a case study in Arunachal Pradesh, based on the concentration of various tribes. He found that vast majority of the women in the state is interested in organising SHGs. Women have opted for schemes like fishponds, vegetable cultivation, horticulture, garment shop, petty trade, weaving and breading mithuns to be taken up through SHGs. Chiranjeevulu T. (2003)[5] in his study, stated that the backward classes, Scheduled Castes (SCs) and Scheduled Tribes (STs) women shifted from consumption based SHGs to entrepreneurship -oriented SHGs, led to employment generation and empowerment of women. Sharma (2007)[6] found that the SHG movement has not get success in some north-eastern states for reasons that are peculiar to the region. The banking constraints as a factor that hinders the quality of SHG in North East India. Surender and Others (2011)[7] in their study made in Haryana stated that there is positive impact of SHGs on employment generation. Majority of beneficiaries accepted the improvement in economic condition after joining SHG. Dr. Balasubramaniyan R. (2014)[8] identified the success of micro finance rests with the achievements of SHGs in terms of getting the loans in time early start of business, producing consumable goods, marketability of commodities, earning profits and repayment of principal amount and interest.

Methodology

The present study is based on primary data. In order to elicit the information in regard to the socio-economic impact of SHGs on women, a structured interview scheduled is prepared and administered to a selected sample.

Objectives

The objectives of the study are as given hereunder:

1. to assess the income levels of the respondents before SHG ventures

and after SHG and MACS ventures.

2. to identify the efficiency of trade in attaining the improvement of living conditions of the respondents households.

3. to analyse the impact of income of respondents through ventures of SHG and MACS on their social, economic empowerment.

Hypotheses

The hypotheses of the study are formulated as follows:

1. The respondent's income is increased after availed loans under SHGs and MACS.

2. The success of ventures in terms of income generation is positively associated with the social, economic and political empowerment of rural women.

Selection of the Sample

For the purpose of conducting research, the sample size of 400 women from the self help groups of Warangal and Karimnagar districts covering 8 mandals of Telangana State. A multi stage stratified purposive random sampling design has been adopted for the present study. The study has chosen eight mandals i.e., Jangoan, Narsampet, Rayaparthi and Thorrur from Warangal district. Manakondur, Elkaturthi, Husnabad and Bhimdeverpally from Karimnagar district and two villages are selected from each mandal in both districts. The selection of above sixteen villages in Warangal and Karimnagar districts is based on the participation of women in Self-Help Groups and loans availed under SHGs and MACS for their venture.

The sample respondents are selected in such a way that covering all the communities, Forward Castes, Backward Classes, Scheduled Castes and Scheduled Tribes.

Table 1.1

Community-wise Distribution

Name of the mandals	FC	BC	SC	ST	Total
Jangoan	8	35	14	3	60
Narsampet	6	28	9	2	45
Rayaparthi	5	22	8	4	39
Thorrur	6	26	16	5	53
Manakondur	4	22	18	6	50
Elkaturthi	5	29	22	4	60
Husnabad	3	25	16	4	48
Bhimdeverpally	2	21	20	2	45
Total:	**39 (9.75)**	**208 (52.00)**	**123 (30.75)**	**30 (7.50)**	**400 (100.00)**

Source: Field Study

It can be seen from Table 1.1 out of 400 respondents that the percentage of selected sub-sample is the highest for Backward Classes with 52.00 per cent. While 9.75 per cent belonged to Forward Castes and 30.75 per cent belonged to Scheduled Castes Scheduled Tribe respondents are only 7.50 per cent of the total sample size.

Table – 1.2: Monthly Income of Respondents

Income	Before SHGs	After SHGs	After MACS
Nil	250 (62.50)	78 (19.50)	0 (0.00)
Below 3000	56 (14.00)	95 (23.75)	28 (7.00)
3000-6000	52 (13.00)	60 (15.00)	92 (23.00)
6000-9000	42 (10.50)	82 (20.50)	148 (37.00)
9000-12000	0 (0.00)	78 (19.50)	55 (13.75)
12000-15000	0 (0.00)	5 (1.25)	46 (11.50)
Above 15000	0 (0.00)	2 (0.50)	31 (7.75)
Total:	**400 (100.00)**	**400 (100.00)**	**400 (100.00)**
Average income	**Rs.1582.00**	**Rs.4867.50**	**Rs.8190.00**

Source: Field study

Note: Figures in parentheses denote percentage to total

Table 1.2 shows the monthly income of respondents before and after joining in the SHGs and MACs by the sample respondents. Out of total respondents, 14.00 per cent expressed that their monthly income was below Rs.3000 and 13.00 per cent said that their monthly income was between Rs.3,000 and Rs.6,000 before joining in the SHGs, while, 23.75 per cent expressed that their monthly income was below Rs.3000 and 20.50 per cent said that they earned a monthly income in the range of Rs.6,000 to Rs.9,000 after joining the SHGs. In the same way, 37.00 per cent expressed that their monthly income is between Rs.6000 and Rs.9000 and 7.75 per cent said that their monthly income is above Rs.15000 after joining the MACs i.e. present position of income. Thus, the table states that there is an improvement in the economic status of women after joined in SHG and further improvement can be seen after MACS venture. The monthly income level of beneficiaries has increased from below R.3,000 to above Rs.15,000 in certain ventures.

It is to be noted that non of the respondents earned in the range of above Rs.15000 before joining in SHGs, only 2 respondents were earned in this range after starting the SHG venture. It is interesting to note that 7.75 per cent of the respondents have been earning more than Rs.15,000/- per month after starting the MACS ventures.

The table also states that the average income of the respondents before joining in SHG is Rs.1582.50, after starting the SHG venture the average income of the respondents is Rs.4867.50 and after availing the loan from MACS they are running the both SHG venture as well as MACS venture. From these ventures the average income of the respondents per head is Rs.8190. That's why we can conclude that the income range is increased for respondents after SHG ventures and further increased after starting the ventures through MACS loan.

Table – 1.3: Monthly Savings of Respondents (Monthly savings)

Savings	Before SHGs	After SHGs	After MACS
Nil	352 (88.00)	150 (37.50)	25 (6.25)
Below 1000	30 (7.50)	78 (19.50)	42 (10.50)
1000-2000	8 (2.00)	48 (12.00)	142 (35.50)
2000-3000	6 (1.50)	45 (11.25)	65 (16.25)
3000-4000	4 (1.00)	32 (8.00)	58 (14.50)
4000-5000	0 (0.00)	25 (6.25)	36 (9.00)
Above 5000	0 (0.00)	22 (5.50)	32 (8.00)
Total:	**400 (100.00)**	**400 (100.00)**	**400 (100.00)**
Average	**140.00**	**1422.50**	**2343.75**

Source: Field study: **Note:** Figures in parentheses denote percentage to total

Table 1.3 shows the savings of respondents before and after joining the SHGs and MACS by the sample respondents. Out of the total respondents, 88.00 per cent expressed that they had no savings before joining in SHGs. This declined to 37.50 per cent after they started SHG Venture and it is further declined to 6.25 per cent after starting the MACS venture 7.50 per cent said that they saved below Rs.1,000 monthly savings before joining the SHGs whereas, 19.50 per cent expressed that they saved below Rs.1000 after joining the SHGs. 35.50 per cent said that they saved between Rs.1000 and Rs.2000 and 14.50 per cent expressed that they saved between Rs.3000 and Rs.4000 after joining in MACS. The average monthly savings of the respondents before join in SHG scheme is Rs.140. After starting the SHG venture it is increased to Rs.1422.50, it is further increased to Rs.2343.75. The table shows the savings of SHG members in a positive manner in the higher brackets of savings from before SHGs to after SHGs and MACS ventures. Thus MACS also have been responsible for an improvement in the levels of savings of is members.

The debt position of the respondents also tend to follow the trend of savings of the respondents and are taking loans from SHGs and banks and also MACS, the debt amount is increased after SHG and MACS loans. Most specifically the cash flow in terms of debt in the hands of the women entrepreneurs is increased the got higher access to debt amount due to increased income levels.

Table – 1.4: Family Average Monthly Consumption (In Rupees)

Average monthly consumption	Before SHGs	After SHGs	After MACS
Food	3148	3478	3712
Clothing	276	278	307
Health	248	259	275
Education	371	400	495
Transport	184	186	242
Entertainment, festivals, etc.,	346	352	455

Source: Field study

Table 1.4 shows the family average monthly consumption after SHGs and after MACS by the sample respondents. It is found that after becoming a member of DWCRA the total expenditure is significantly increased on food, clothing, health, education, transport and even for entertainment and festivals. And it is further increased after MACS loan is availed.

Table – 1.5: Maintenance of Durables

Durables	Before SHGs	After SHGs	After MACS
Nil	352 (88.00)	250 (62.50)	225 (56.25)
Tractors	0 (0.00)	15 (3.75)	20 (5.00)
Scooters	15 (3.75)	75 (18.75)	78 (19.50)
Milch animals	25 (6.25)	35 (8.75)	40 (10.00)
Auto	0 (0.00)	15 (3.75)	22 (5.50)
Bus	8 (2.00)	10 (2.50)	15 (3.75)
Total:	400 (100.00)	400 (100.00)	400 (100.00)

Table 1.5 shows the maintenance of durables before SHGs, after SHGs and after MACS. The data indicates that 88.00 per cent of respondents have not any durables before SHGs. This percentage is declined to 62.50 per cent and 56.25 per cent after respondents become the members of SHGs and MACS respectively. When women entered into SHGs and MACS their income levels are increased and in turn demand of tractors, scooters and are also significantly increased. It can be inferred that the purchasing power has increased due to MACS.

Table – 1.6: Change in the status of respondents in their families and Income from Venture

(Income per month in Rs.)

Status	Below 3000	3000 – 6000	6000 – 9000	9000 – 12000	12000 – 15000	Above 15000	Total
No change	9 (32.14)	14 (15.21)	19 (12.83)	4 (7.27)	4 (8.69)	2 (6.45)	52 (13.00)
Marginal Change	5 (17.85)	20 (21.73)	24 (16.21)	22 (40.00)	12 (26.08)	9 (29.03)	92 (23.00)
Considerable change	14 (50.00)	58 (63.04)	105 (70.94)	29 (52.73)	30 (65.21)	20 (64.52)	256 (64.00)
Total	28 (100.00)	92 (100.00)	148 (100.00)	55 (100.00)	46 (100.00)	31 (100.00)	400 (100.00)

Source: Field study, **Note:** Figures in parentheses denote percentage to total

Table 1.6 shows the change in the status of respondents in their families and income from ventures of the sample respondents after SHG and MACS ventures. It indicates that of the total respondents, 13.00 per cent of respondents are not having any change in the status, 23.00 per cent of the respondents have marginal change and 64.00 per cent of the respondents have considerable change in the status. Among the income from venture, out of 28 respondents earning below Rs.3000, 50.00 per cent of respondents have considerable change in the status and 32.14 per cent of respondents have no change in the status. Out of 148 respondents earning to Rs.6000 – Rs.9000 range of income, 16.21 per cent of respondents have marginal change and 70.94 per cent have considerable change in their status. The table also denotes that, out of 31 respondents earning above Rs.15000 per month, 64.52 per cent of respondents have considerable change in their families and only 19.35 per cent of respondents have no change in their status.

Thus, it is observed from the table that the status of respondents within the family is positively associated with the income from ventures of SHG and MACS.

Table – 1.7: Change in the status of respondents in the Society and Income

(Income per month in Rs.)

Status	Below 3000	3000 – 6000	6000 – 9000	9000 – 12000	12000 – 15000	Above 15000	Total
No Change	6 (21.43)	4 (4.35)	5 (3.38)	3 (5.45)	2 (4.34)	2 (6.45)	22 (5.50)
Marginal Change	10 (35.71)	27 (29.35)	41 (27.70)	15 (27.27)	10 (21.74)	4 (12.90)	107 (26.75)
Considerable change	12 (42.86)	61 (66.30)	102 (68.92)	37 (67.27)	34 (73.91)	25 (80.64)	271 (67.75)
Total:	28 (100.0)	92 (100.0)	148 (100.0)	55 (100.00)	46 (100.00)	31 (100.00)	400 (100.00)

Source: Field study

Note: Figures in parentheses denote percentage to total

The table 1.7 indicates that out of the entire sample 67.75 per cent of the respondents opined the better status, they have considerable change in their status after availing the loans and starting the ventures under SHG scheme and MACS and another 26.75 percentage of respondents have marginal change in their status in the society. Only 5.50 percentage of beneficiaries felt that they have no change in their status in the society. When we look into income earned by them, beneficiaries who have earning income below Rs.3000 per month, 42.86 per cent of women have considerable change and 21.43 per cent of women have no change in their status in the society. Further, 80.64 per cent of women who are earning more than Rs.15000 per month have considerable change and another 12.90 per cent of respondents have marginal change in their status in the society. The table shows that there is a positive relationship between respondents' income from SHG and MACS ventures and change in the status of respondent in the society. That is when income range increases the status of women also increase.

Table – 1.8: Change in the Economic Independence and Income from Ventures

(Income per month)

Economic Independence	Income from Ventures						Total
	Below 3000	3000 - 6000	6000 - 9000	9000 - 12000	12000 - 15000	Above 15000	
No Change	12 (42.86)	35 (38.04)	10 (6.76)	6 (10.91)	2 (4.35)	0 (0.00)	65 (16.25)
Marginal Change	14 (50.00)	23 (25.00)	42 (28.38)	18 (32.73)	16 (34.78)	12 (38.71)	125 (31.25)
Considerable Change	2 (7.14)	34 (36.96)	96 (64.86)	31 (56.36)	28 (60.87)	19 (61.29)	210 (52.50)
Total	28 (100.00)	92 (100.00)	148 (100.00)	55 (100.00)	46 (100.00)	31 (100.00)	**400 (100.00)**

Source: Field study

Note: Figures in parentheses denote percentage to total

Table 1.8 shows that economic independence and income from venture of the sample respondents. Among the income from ventures, out of 28 respondents who are earning income from venture below Rs.3000 per month, 50.00 per cent of respondents have marginal change in their economic independence. Out of 148 respondents who have income from ventures in the range of Rs.6000 to Rs.9000, 64.87 per cent of respondents have considerable change, 67.56 per cent of respondents have no change and 28.37 per cent of respondents have marginal change in their economic independence. Out of 55 respondents had income from ventures in the range of Rs.9000 to 12000, 56.38 per cent of respondents have considerable change and 28.37 per cent of respondents have marginal change in their economic independence. Out of 31 respondents had income from ventures above Rs.15000, 38.90 per cent of respondents have marginal change and only 6.30 per cent of respondents have considerable change in their economic independence.

The table denotes that most of respondents who are getting the high level income from ventures are getting more economic independence after starting the ventures under SHG scheme and MACS.

Conclusion and suggestions:

During the nineteenth and twentieth centurys in the modern states, the concept of welfarism had occupied a significant place in the government's objectives. Since the states declared themselves as welfare states, the responsibilities of amelioration of the vulnerable sections of the society have followed them. The dawn of Independence has given a chance to propose several programmes. The government of India had evolved several income generation programmes. One such programme is women SHG programme. The field study analyze the impact of SHGs on the process of income generation and impact of SHGs on living conditions of respondents. There is a clear positive change in the living conditions of members of SHGs from before SHG to after joining SHG programmes and after MACS loan availing. It is evident that the SHG and MACS performance is so considerable.

The study has concluded that: The study observed that the income level of respondents increased their purchasing power and living standards of their families. The income levels of respondents are positively associated with the expenditure on health and children's education. The success of ventures in terms of income generation is positively associated with the social, economic empowerment of rural women in the was the hypothesis formulated this study are proved correct i.e. they are measured to the study results. However, the following suggestions are made to make the SHG programme more effective in attaining its objectives.

Self-Help Groups are to be encouraged to take up programmes to increase their social awareness and make them active in participating in decision-making related to the household and society. Women in business should be offered loans and subsidies for encouraging the industrial activities. The financial institutions should provide more working capital assistance both for small scale and large scale ventures. Self-Help Groups of women entrepreneurs to mobilize resources and pooling capital funds in order to help the women in the field of industry, trade and commerce can also play a positive role to solve this problem. All these suggestions are made to make SHG under DWCRA more effective, to make the rural women economically independent, socially conscious and politically active, to reduce rural poverty and to improve gender relations which are expected to smoothen the way for attaining the women's empowerment.

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Siblings Nutritional Conditions in Low and High Fertility States

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Abstract: *Nutritional status is the condition of health of an individual as influenced by nutrient intake and utilization in the body. In developing countries like India various forms of malnutrition affect a large segment of the population and both macro and micronutrient deficiencies are of major concerns (R. Handa et al., 2008). In India there is presence of child malnutrition. The reduction of child malnutrition is certainly one of the most desirable components of economic development. The broad objective of this paper is to understand the association between sibling composition and nutritional status in low and high fertility states of India. Result shows when compare the nutritional status among siblings in high and low fertility states there is decrease in proportion of stunting,wasting and underweight from High fertility states to low fertility states. It can be observed that when index Child with only 1 or more brother & no sister is showing the highest decrease in stunting from high to low fertility states (i.e.approximately 14% or more). A crucial reason for this is that index child consist of both boys and girls.Especially in cases of index child being a girl the preference for having succeeding increases for having a desire of expected number of sons. Hence in sibling composition where the index child is followed by one or more male children shows this kind of differentials between high and low fertility state.*

Keywords: *Nutritional Status, siblings, high and low fertility states*

1.1Introduction:

The research on sibling composition is very old and over a century ago Galton in 1874 suggested that first born child is more likely than their later born counterparts, to become an eminent scientist. Dumont in 1890, in his "law of capillarity action" said that if there is presence of siblings it dilutes resources necessary for social mobility and asserted the superiority of the eldest over younger children. Since then social and behavioral scientists have speculated on and examined the relationship between sibling composition and possible child outcomes. Notably the sibling effect in health research is quite recent. In the recent times importance of nutrition has been a poignant topic of discussion in academicians and policy makers. Nutritional status is the condition of health of an individual as influenced by nutrient intake and utilization in the body. In developing countries like India various forms of malnutrition affect a large segment of the population and both macro and micronutrient deficiencies are of major concerns (R. Handa et al., 2008). In India there is presence of child malnutrition. The reduction of child malnutrition is certainly one of the most desirable components of economic development. Not only is child malnutrition strongly associated with increased child mortality and morbidity but there is now ample evidence that inadequate nutrition in childhood (and in utero) hinders long-term physical development, reduces the development of cognitive skills, and, as a consequence, affects negatively on schooling attainment and several outcomes later in life, including productivity, mortality, and the likelihood of developing chronic diseases (Strauss & Thomas,1998),(Behrman, Alderman, and Hoddinott, 2004), and (Maluccio *et. al*. 2006). Adequate nutrition is critical to child development. Thatcher and Amirthaveni and Barikor in 2008, suggested that the health of children is dependent upon food intake that provides sufficient energy and nutrients to promote optimal physical, social, cognitive growth and development. Inadequate energy and nutrients have a variety of poor outcomes, including growth retardation and development of psychosocial difficulties. There is consistent evidence in sociological studies that sibling group size is negatively associated with child cognitive development and adult achievement (Jeanne Brooks-Gunn, 1997).

Global & Indian Scenario:

Malnutrition is an underlying cause of death of 2.6 million children each year – a third of child deaths globally. One in four of the world's children are stunted; in developing countries this is as high as one in three. Under-nutrition accounts for 11 per cent of the global burden of disease and is considered the number one risk to health worldwide. Globally, more than one third of under-five deaths are attributable to under-nutrition. About 20 per cent of children under-age five in India are wasted, 43 per cent underweight and 48 per cent stunted. In India, around 46 per cent of all children below the age of three are too small for their age, 47 per cent are underweight and at least 16 percent are wasted. Many of these children are severely malnourished. The prevalence of malnutrition varies across states, with Madhya Pradesh recorded the highest rate (55 per cent) and Kerala among the lowest (27 per cent). India has one of the poorest health records in the world with the highest TB prevalence, every three out of four children have anemia, and polio eradication is actually backsliding. With varying social sector budgets, health indicators differ greatly across the country. Kerala is better off with only 21% stunted children. Uttar Pradesh has the worst record with 46% of the children being underdeveloped. The U5MR for the state of Kerala is 14 deaths per thousand live births, whereas for larger states like Madhya Pradesh and Uttar Pradesh, the U5MR is 92 and 91 per thousand live births respectively. The reasons for this high mortality are that few women have access to skilled birth attendants and fewer still to quality emergency obstetric care.

Objectives:

The broad objective of this paper is to understand the association between sibling composition and nutritional status in low and high fertility states of India.

Data Source and Methodology:

The paper uses the third round of National family health survey conducted in 2005-06 (NFHS-3). To achieve the objectives of the study bi-variate and multi-variate analysis is carried out. Bi-variate analysis has been used to check the impact on Nutritional status among siblings. Sibling composition has been composed by combining the total number of Boys and Girls and further bifurcated according to Gender of the child creating Male composition and Female composition. Binary Logistic regression has been used to show the impact of the death of the index child on the nutritional status of surviving children of a mother and also gender differentials in nutritional status among siblings. The three standard indices of physical growth: Stunting, underweight and wasting are used and classified as per the WHO standard norm to assess the Nutritional status. The children whose weight for age is below minus two standard deviations from the median weight for age of the standard reference population are considered as underweight. The children whose height for age is below minus two standard deviations from the median height for age of the standard reference population are considered as stunted. The children whose weight for height is below minus two standard deviations from the median weight for height of the standard reference population are considered as Wasted.

1.9 Results:

To study the nutritional status among siblings in India three high and three low Fertility states have been selected. The high fertility states are Bihar, Uttar Pradesh and Rajasthan & the low fertility states are Punjab, West Bengal and Tamil Nadu. A comparative study has been done between these high fertility states and low Fertility states.

The background characteristics like current age of the child, Gender of child, place of residence and the major component Sibling composition is highlighted. It can be seen that 67.80 percent population of children belongs to High fertility states comprising of children below age five. Due to the societal norms of son preference majority of the child population in the sample are Male (52.54%) and mostly belong to rural areas (68.04%). It can also be observed that 36.76 percent children are of Birth-order 4 and above category and also the major component of the study, sibling composition it can be seen that 17 percent children are with no brother and 2+ sister and 43.91 percent are children with 1+ brother and 1+ sister. And 2.79 percent of Index child died among children with siblings.

The background characteristics like current age of the child, Gender of child, place of residence and the major component Sibling composition is highlighted. It can be seen that 32.19 percent population of children belongs to low fertility states comprising of children below age five. As it is known that there is lot of son preference in India,male children are more (57.54%) and also the sample mainly comprises of rural areas (53.54 %). It can also be observed that 39.73 percent comprise to first Birth-order and also the in major component of the study sibling composition it can be seen that 28.79 percent children are with 2+ brother and no sister. And 1.52 percent of Index child died among children with siblings.

It can be seen that when there is only 1brother and no sister 51.32 percent and 34.03 percent are stunted in high fertility and low fertility states respectively. In the same way, it can be seen for other categories of sibling composition too. When there is only 1brother and no sister the wasting is 19.48 percent in High fertility states and 16.44 percent in low fertility states. Likewise, it can be obseverd for other categories of sibling composition as well. When there are 2 brothers and no sister it can be seen that there is 50.59 percent underweight occurrence in high fertility states, but in low fertility states it can be seen that 40.01percent are underweight.

It can be observed that 2.85 percent of the previous child died among children with sibling in High fertility states and 1.45 percent of the previous child died among children with sibling in Low fertility states. It can be seen that age below 1 year have 3.64 percent of dead previous children in High fertility states more than Low fertility states where it is 2.36 percent. Female previous child had died more in High fertility states than in Low fertility states where it is 1.64 percent. Due to less facility in a rural area there is a high death of the previous child in rural area as compared to urban area but in High fertility states it is more (2.92%) than in Low fertility states (1.71%).

The incident of stunting of succeeding children in Low fertility state when there is no death of previous child is 54.02 percent 45.07 percent of the succeeding children are underweight and 18.78 percent are wasted. Also, when there is a death of previous child 54.97 percent of succeeding children are stunted, 45.15 percent the succeeding children are underweight and 18.86 percent are wasted.

It can be seen that when there is no death of previous child 38.68 percent of succeeding children are stunted, 32.80 percent of the succeeding children are underweight and 16.46 percent are wasted. Likewise, when there is a death of previous child 43.26 percent of succeeding children are stunted, 36.16 percent children are underweight and 16.65 percent are wasted.

It can be observed that predicted percentage of stunting and underweight is high in Male child who have 2+ brothers & have no sisters and predicted percentage of wasting is highest among those male child who do not have any siblings. And in low fertility states it can be observed that predicted percentage of stunting is highest in Male child with 1+ brother & 1+ sister. And predicted percentage of wasting is highest in Male with no brother & 2+ sisters. Also Male child with no brother & 2+ sisters have highest predicted percentage of being underweight.

High fertility states it can be observed that predicted percentage of stunting is high in female child who have 2+ brothers & have no sisters and predicted percentage of wasting is highest among those female child who have 1+ brother & 1+ sister. The predicted percentage of underweight is highest in Female child with 1+ brother & 1+ sister. And in low fertility states it can be observed that predicted percentage of stunting is highest in Female with no brother & 2+ sisters. And predicted percentage of wasting is highest in Female with 1+ brother & 1+ sister. Also Female with 2+ brothers & no sister have highest predicted percentage of being underweight.

Binary Logistic Regression is used to determine underweight among male composition. In Model 1 only male composition is regressed with dependent variable underweight. In model 2 one by one background characteristics are introduced and it can be seen that the main confounding variables are mother's occupation, education, and wealth index.

In high fertility states it can be seen that the odds ratio of being underweight for male with only 1 brother & no sister is 1.07 times more likely than male with no siblings in Model 1. The odds ratio of being underweight for a male with no brother & only 1 sister is

1.01 times more likely than male with no siblings. The odds ratio of being underweight for Male with 2+ brothers & no sister is 1.77 times more likely than male with no siblings. The odds ratio of being underweight for Male with no brother & 2+ sisters is 1.57 times more likely than male with no siblings. The odds ratio of being underweight for male with 1+ brother & 1+ sister is 1.67 times more likely than male with no siblings. In High fertility states it can be seen that the odds ratio of being underweight for male with only 1 brother & no sister is 0.96 times less likely than male with no siblings in Model 2. The odds ratio of being underweight for a male with no brother & only 1 sister is 0.97 times less likely than male with no siblings. The odds ratio of being underweight for Male with 2+ brothers & no sister is 1.24 times more likely than male with no siblings. The odds ratio of being underweight for Male with no brother & 2+ sisters is 1.15 times more likely than male with no siblings. The odds ratio of being underweight for male with 1+ brother & 1+ sister is 1.07 times more likely than male with no siblings.

In low fertility states it can be seen that the odds ratio of being underweight for male with only 1 brother & no sister is 1.08 times more likely than male with no siblings in Model 1. The odds ratio of being underweight for a male with no brother & only 1 sister is 1.24 times more likely than male with no siblings. The odds ratio of being underweight for Male with 2+ brothers & no sister is 1.65 times more likely than male with no siblings. The odds ratio of being underweight for Male with no brother & 2+ sisters is 1.77 times more likely than male with no siblings. The odds ratio of being underweight for male with 1+ brother & 1+ sister is 1.70 times more likely than male with no siblings. In low fertility states it can be seen that the odds ratio of being underweight for male with only 1 brother & no sister is 0.78 times less likely than male with no siblings in Model 2. The odds ratio of being underweight for a male with no brother & only 1 sister is 1.00 times more likely than male with no siblings. The odds ratio of being underweight for male with 2+ brothers & no sister is 0.87 times less likely than male with no siblings. The odds ratio of being underweight for a male with no brother & 2+ sisters is 1.01 times more likely than male with no siblings. The odds ratio of being underweight for male with 1+ brother & 1+ sister is 0.91 times less likely than male with no siblings.

In model 2 when the current age of the child was introduced in high fertility states, less than 1 year category is considered as the reference category. It could be seen that with a unit change in age of the child there is 1.84 times more likely for the child to become underweight. The odds ratio of being underweight when the age of the child is 2-3 years is 1.91 times more likely than less than 1 year. The odds ratio of being underweight when the age of the child is 3-4 years is 1.75 times more likely than less than 1 year. The odds ratio of being underweight when the age of the child is 4-5years it is 1.71 times more likely than less than 1year. Likewise, when the current age of the child was introduced in low fertility states, less than 1year category is considered as the reference category. It could be seen that with a unit change in age of children there are 1.44 times more likely for the child to become underweight. The odds ratio of being underweight when the age of the child is

2-3 years it is 1.58 times more likely than less than 1year. The odds ratio of being underweight when the age of the child is 3-4 years is 1.48 times more likely than less than 1year. The odds ratio of being underweight when the age of the child is 4-5years it is 1.54 times more likely than less than 1year.

In model 2 when Mother`s education was introduced in high fertility states, No education category is considered as the reference category. The odds ratio of being underweight when Mother`s education is Primary education it is 0.66 times less likely than no education. The odds ratio of being underweight when Mother`s education is secondary education it is 0.77 times less likely than no education. The odds ratio of being underweight when Mother`s education is Higher education it is 0.50 times less likely than no education. When Mother`s education was introduced in low fertility states, no education category is considered as the reference category. The odds ratio of being underweight when Mother`s education is secondary education it is 0.73 times less likely than no education. The odds ratio of being underweight when Mother`s education is Higher education it is 0.45 times less likely than no education.

In model 2 when the wealth index is introduced in high fertility states, poorest category is considered as the reference category. The odds ratio of being underweight when poorer is 0.78 times less likely than poorer. The odds ratio of being underweight when middle is 0.67 times less likely than poorer. The odds ratio of being underweight when richer is 0.59 times less likely than poorest. The odds ratio of being underweight when richest are 0.32 times less likely than poorest. When wealth index is introduced in low fertility states, poorest category is considered as the reference category. The odds ratio of being underweight when poorer is 0.86 times less likely than poorest. The odds ratio of being underweight when middle is 0.62 times less likely than poorest. The odds ratio of being underweight when richer is 0.55 times less likely than poorest. The odds ratio of being underweight when richest are 0.22 times less likely than poorest.

Conclusion:

When we compare the nutritional status among siblings in high and low fertility states there is decrease in proportion of stunting,wasting and underweight from High fertility states to low fertility states. It can be observed that when index Child with only 1 or more brother & no sister is showing the highest decrease in stunting from high to low fertility states (i.e.approximately 14% or more). A crucial reason for this is that index child consist of both boys and girls.Especially in cases of index child being a girl the preference for having succeeding increases for having a desire of expected number of sons. Hence in sibling composition where the index child is followed by one or more male children shows this kind of differentials between high and low fertility state.

The impact of the death of the previous child on the nutritional status of surviving children of a mother is also assessed for high and low fertility states. In depth analysis of Nutritional status of sibling among household where there is been death of index child (infant death in last 12months) do not show any substantial difference among these and normal household. Also the P-test gives insignificant scores showing weak association between death of index child in a household and Nutritional status of sibling among household. The result is similar in low fertility and high fertility states.

When gender differentials in nutritional status among siblings in High and low fertility states are compared, it can be seen that the Odds ratio for each category of independent factors like mother's education and wealth indexes are more or less same. It doesn't matter if they are from high fertility states or low fertility states, wealth index and mother's education are found to be important predictors for assessing nutritional status and here Underweight among siblings. The predicted probability of logistic regression shows with increasing sibling composition the probability of being stunted increases. Hence we can infer that policy makers should give due importance to issues of rising mother's education level and their financial status of the household irrespective of high or low fertility states.

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Table 1. Nutritional status among by fertility levels

	High fertility states			Low fertility states		
Sibling composition	Stunted	Wasted	Underweight	Stunted	Wasted	Underweight
Child with no siblings	43.46	21.83	37.29	34.39	14.39	27.49
Child with only 1 brother & no sister	51.32	19.48	39.08	34.03	16.44	27.44
Child with no brother & only 1 sister	48.42	17.74	39.42	36.68	18.34	32.94
Child with 2+ brother & no sister	61.71	18.94	50.59	47.29	16.78	40.01
Child with no brother & 2+ sister	56.38	19.1	48.47	44.73	18.69	39.9
Child with 1+ brother & 1+ sister	58.75	18.76	48.61	51.01	17.56	38.89
Total	54.88	19.01	45.48	40.16	17.15	33.54

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Table 2. Predicted probability

	High fertility states						Low fertility states					
	Stunted		Wasted		Underweight		Stunted		Wasted		Underweight	
Male composition	Mean	Std error	Mean	Std error	Mean	Std error	Mean	Std error	Mean	Std error	Mean	Std error
Male with no siblings	0.41	0.01	0.22	0.03	0.36	0.00	0.30	0.01	0.17	0.00	0.26	0.01
Male with only 1 brother & no sister	0.50	0.01	0.18	0.04	0.37	0.01	0.33	0.01	0.17	0.00	0.28	0.01
Male with no brother & only 1 sister	0.45	0.00	0.17	0.03	0.36	0.00	0.35	0.00	0.17	0.00	0.30	0.00
Male with 2+ brother & no sister	0.60	0.01	0.19	0.04	0.50	0.01	0.44	0.01	0.17	0.01	0.37	0.01
Male with no brother & 2+ sister	0.55	0.00	0.19	0.02	0.46	0.00	0.42	0.01	0.19	0.00	0.38	0.01
Male with 1+ brother & 1+ sister	0.58	0.00	0.18	0.01	0.48	0.00	0.49	0.01	0.17	0.00	0.37	0.00

Table 3. Predicted probability

	High fertility states						Low fertility states					
	Stunted		Wasted		Underweight		Stunted		Wasted		Underweight	
Female composition	Mean	Std error	Mean	Std error	Mean	Std error	Mean	Std error	Mean	Std error	Mean	Std error
Female with no siblings	0.40	0.01	0.19	0.00	0.37	0.01	0.26	0.02	0.14	0.00	0.23	0.00
Female with only 1 brother & no sister	0.50	0.01	0.17	0.00	0.43	0.01	0.35	0.02	0.13	0.00	0.28	0.01
Female with no brother & only 1 sister	0.45	0.01	0.17	0.00	0.36	0.00	0.35	0.01	0.17	0.00	0.30	0.00
Female with 2+ brother & no sister	0.59	0.01	0.14	0.00	0.45	0.01	0.45	0.01	0.17	0.01	0.40	0.01
Female with no brother & 2+ sister	0.58	0.00	0.18	0.00	0.46	0.00	0.48	0.01	0.14	0.00	0.34	0.01
Female with 1+ brother & 1+ sister	0.57	0.00	0.19	0.00	0.48	0.00	0.45	0.00	0.19	0.00	0.40	0.00

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Financial Inclusion In India: Some Issues

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Abstract: *Financial exclusion is the main cause of poverty. Lack of opportunities and access to finance besides financial illiteracy are the main causes of financial exclusion. This article discusses reviews of financial inclusion in India to identify how it serves the households and economy for growth. A predominant role is being played by financial inclusion policy for inclusive growth all over the world to transform financially excluded population which is numbered as 2.5 billion, of which, one third is populated in India. Financial inclusion is originated from the initiatives of United Nations, which extensively reported the key goals of the policy as access to wide range of financial services to all at an affordable cost, which started its operation effectively in India in the year 2005. As India is the land of rural supremacy, it is mandate to provide suitable financial services for economic growth which will increase the income and living standards of the households. Consequently, greater financial inclusion in rural segments is crucial meanwhile the focus on urban and suburban regions is also required. The core objective of this study is to review literature on financial inclusion in the Indian perspective, discussed by different researchers all over the world and also to highlight the awareness level of financial inclusion, digital financial inclusion and barriers confronted to financial access. The vision of the Reserve Bank for the year 2020 is to open more than new 600 million customer accounts. It is expected from the government to encourage the banks to adopt financial inclusion for proper financial assistance to achieve full inclusion in this decade.*

Keywords: *awareness, barriers, digital technology, financial inclusion, India*

Introduction:

The process of economic growth, especially when it is on high growth line, must attempt to take participation from all sections of society. Lack of access to financial services for small/ marginal farmers and weaker sections of the society has been recognized as a serious threat to economic progress, especially in developing countries.

The recent developments in banking technology have transformed banking from the traditional brick-and-mortar infrastructure like staffed branches to a system supplemented by other channels like automated teller machines (ATM), credit/debit cards, online money transaction, internet banking, etc. The moot point, however, is that access to such technology is restricted only to certain segments of the society. Many of research reports and surveys clearly show that large numbers of population does not have an access to basic banking and financial services not only in India but also whole world. This is termed "financial exclusion". These people, particularly, those living on low incomes, cannot be access mainstream financial services and products such as bank accounts which are used for making payments and keeping money, remittances, affordable credit, insurance and other financial services, etc

Concept of Financial Exclusion:

Before we understand financial inclusion we should have knowledge about financial exclusion. The word of financial exclusion first time used in 1993 by Leyshon and thrift who were concerned about limited access on banking services as a result number of bank branches were closed. In1999, kempson and while defined financial exclusion in border sense which refers to those people who have excluded access to mainstream financial services and product till date numbers of analysts added their views to define financial exclusion. Financial exclusion's describes as a situation in which people do not have access to mainstream financial product and services such as banks accounts, credit cards and insurance policies, particularly home insurance, education loan. The effects of financial exclusion can include exclusion from other mainstream services, such as pension or saving schemes, and can also lead to debt and/or cut off from essential utilities. According to the European Commission, Financial exclusion is: A process whereby people encounter difficulties accessing or using financial services and products in the mainstream market that are appropriate to their needs and enable them to lead a normal social life in the society in which they belong.In India, The Report of the financial inclusion in January 2008 by C Rangarajan, Financial exclusion is defined as restricted access to financial services to certain segment of the society. Generally, this large section of the population comprises individuals or family falling into low income groups, which are not able to access even the most basic banking services like bank accounts, credit, insurance, financial advisory services and payment services. So basically, financial exclusion is the situation where certain group of population is excluded or unable to access low cost an appropriate mainstream financial products and services.

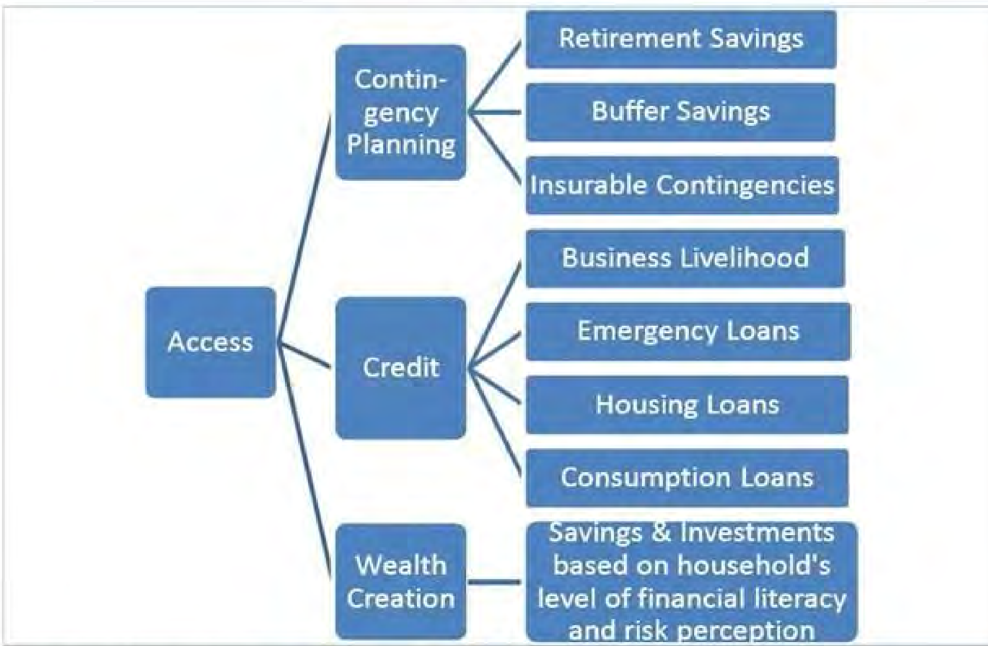
Concept and Definition of Financial Inclusion:

Financial inclusion is one of the most important aspects in the present scenario for inclusive growth and development of economies. The financial inclusion term was first time used by British lexicon when it was found that nearly 7.5 million persons did not have a bank account. But financial inclusion concept is not a new one in Indian economy. Bank Nationalization in 1969, establishment of RRBs and introduction of SHG- bank linkage programs were initiatives taken by RBI to provide financial accessibility to the unbanked groups.

According to committee on Financial inclusion headed by Dr. C. Rangarajan defined financial inclusion as ***"The process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost."***

Financial inclusion does not stand for delivery of financial services for all at all cost. But it means that the delivery of financial services and products at affordable costs of excluded sections of population and low income groups. It plays a crucial role to remove away the poverty from the country. Financial inclusion is to provide equal opportunities to vast sections of population to access mainstream financial services for better life, living and better income. It provides path for inclusive growth.

Household Access to Financial Services



Source: A Hundred Small Steps - Report of the Committee on Financial Sector Reforms (Chairman : Dr. RaghuramRajan).

Financial inclusion can be described as the provision of affordable financial services, viz saving, credit, insurance services, access to payments and remittance facilities by the formal financial systems to those who are excluded. So, financial inclusion refers to access to vast range of financial product and services at affordable cost. It not only includes banking products but also other financial services such as loan, equity and insurance products. Households need access to finance for several purposes like creating buffer, retirement, saving to hedge against unpredictable situations and take products for insurable contingencies. Household also needs access to credit for livelihood creation, housing, consumption and their emergencies. Finally households require financial services to access a wide range of saving and investment products for wealth creation but it is all depends upon their level of financial literacy.

Importance of financial inclusion:

Easy access to financial services will allow the population leaving in lower strata, to save money safely and help in preventing concentration of economic power with a few individuals, thus mitigating the risks that the poor could face as a result of economic shocks. Therefore, providing access to financial services is becoming an area of concern for the policymakers as it has far reaching economic and social implications.

In India, The single most frequently used source of loan for medium Indian household is still moneylender. Large parts of our financial system are still hampered by political intervention and bureaucratic constraints, limiting their potential contribution. India's poor, many of who work as agricultural and unskilled semi-skilled wage labourers and low salaried workers are largely excluded from the formal financial system. Even micro and small enterprises, find it difficult to have an access to formal sources of finance and thus are largely excluded from financial system. Over 40% of India working population earn but have no saving. Financial inclusion provides protection to poor from the control of the spurious money lenders.

Review of literature:

A study by Ms G.S. Nalini in (2012) on Role of Banks in Financial Inclusion states the measures taken by the banks for financial inclusion. It examines the difficulties involved in the adoption and to enhance the extent of financial inclusion. In this paper a study was conducted among the banks in Tiruchendur area of Tamil Nadu. She suggested that the banks should encourage the people to access banking services by ways of no frills account, financial inclusion campaign , business correspondent, advertisement and awareness programme etc. to achieve the aim of 11th plan of Inclusive Growth. Radhika dixit & Munmunghoshthe (2013) focused on the understanding of inclusive growth phenomenon and its need, this Paper attempts to disscuss financial inclusion as an instrument to attain it with reference to its extent in Indian states. The paper explains the meaning and need for inclusive growth, the role of financial inclusion in inclusive growth and to the extent of diversity in Indian states with regard to financial inclusion. Dr. Anupama Sharma (2013) explored the need and significance of financial inclusion for economic and social development of society. The researcher analysed the current status of financial inclusion in Indian economy. The paper attempted to study the access of rural people to bank branches and the number of ATM opened in those areas an d studied the progress of State Cooperative Banks in financial inclusion plan. She explained the Forthcoming Plan of Banks for Financial Inclusion in her paper. Archana H. N (2013) directed her paper towards understanding the importance of Financial Inclusion for Inclusive Growth. It also aims at analyzing the role of various institutions like MFIs, SHGs, and RRBs in achieving Financial Inclusion. According to her an initial effort has been made for the widespread network of banking system through the establishment of Regional Rural Banks, Microfinance Institutions, self Help Groups etc with the objective of providing easy and timely finance. But she argued that despite of various initiatives undertaken, there are still many obstacles cropping up in attaining Financial Inclusion. Hence, both public and private sector institutions should work together to overcome these challenges and contribute towards Inclusive Growth. DR.A. TAMILARASU (2014) said that financial inclusion is the key for inclusive growth. In his study he talked about role of banking sectors on financial inclusion.he discussed that India is considered as largest rural populations in the world and belongs to agriculture activities so he argued that financial inclusion is aimed at providing banking and financial services to all people in a fair, transparent and equitable manner at affordable cost.He said that Financial Inclusion growth is possible only through proper mechanism which channelizes all the resources to all the direction of the customers. Raihanath (2014) studied the role of commercial banks in the financial inclusion programme. He explains the phases of Financial Inclusion (Evolution of Commercial Banks) in his study. He talk about the role of commercial banks to be performed as part of financial inclusion programme in which he discuss about Financial literacy, Credit counselling, BC/BF model, KYC norms , KCC/GCC ,No-frill accounts, Branch expansion and Mobile banking. Sakshi Sachdeva(2015) explained the role of public sector banks in financial inclusion. In this report she discussed about the "Pradhan Mantri Jan DhanYojna" which aims to provide financial services to each andevery part of country. She talked about the various initiatives taken by R.B.I and various banks for encouraging financial inclusion services to achieve rural and growth. Moreover she argued that financial inclusion is possible only through proper mechanism and governance of banking sector.

Objective of study:

1. To analyze the Role of financial inclusion in India.
2. To introduce the Initiatives taken by government of India and R.B.I. to promote financial inclusion.

Research Methodology:

The study is partly descriptive, partly analytical .For this study data and information has been collected from secondary sources, with the help of Newspapers, Research Articles, Research Journals, E-Journals, RBI Publication , World bank publication and Government of India, Ministry of Statistics and Programme etc.

Financial Inclusion in India:

Post-independence, the major focus of the Government and the Reserve Bank of India was to develop a sound banking system that could support planned economic development through mobilization of resources and channel them into productive sectors. Accordingly, the Government and the RBI use the banking system as an important agent of change. The RBI setup a commission (Khan Commission) in 2004 to look into Financial Inclusion and the recommendations of the commission were incorporated into the Mid-term review of the policy (2005-06). in the report RBI insisted the banks with a view of achieving greater Financial Inclusion to make available a basic "no-frills" banking account. In India, financial inclusion first featured in 2005, when it was introduced, that, too, from a pilot project in union territory of Pondicherry, by Dr. K. C. Chakraborthy, the chairman of Indian Bank. Mangalam Village became the first village in India where all households were provided banking facilities.In addition to this KYC (Know your Customer) norms were relaxed for people intending to open accounts with annual deposits of less than Rs. 50, 000. General Credit Cards (GCC) were issued to the poor and the disadvantaged with a view to help them access easy credit. In January 2006, the Reserve Bank permitted commercial banks to make use of the services of non-governmental organizations (NGOs/SHGs), micro-finance institutions and other civil society organizations as intermediaries for providing financial and banking services.

Schemes Initiatives taken by RBI, Central Government and NABARD:

- **Prioritized activities / institutions for support from Financial Inclusion Fund (FIF)**

  Training and Capacity Building of the staff of cooperatives including Primary Agricultural Cooperative Society (PACS)

  1. Training and Capacity Building of the staff of RRBs / Business Correspondents (BC) / Business Facilitators (BF)
  2. Financial Literacy Centres by Cooperative Banks and RRBs.
  3. Financial Literacy Campaign/Programmes.
  4. Projects involving awareness at field level and support in opening of accounts for micro insurance / pension.
  5. Generic content to be developed on Financial Literacy.

- **Prioritized activities / institutions for support from Financial Inclusion Technology Fund (FITF)**

  1. Support to weak State Cooperative Banks (SCB) / Central Cooperative Banks (CCB) / Urban Cooperative Banks (UCB) for implementing Core Banking Solution (CBS).
  2. Support to SCBs / District Central Cooperative Banks (DCCBs) / Regional Rural Banks (RRBs) for implementing Information and Communication Technology (ICT) based solutions.
  3. Support for establishing ATMs for weak Cooperative Banks / RRBs.
  4. ICT enabled Kisan Credit Cards (KCC) for both RRBs & Cooperatives.
  5. Onboarding of Aadhaar Enabled Payment Systems (AEPS) for RRBs / Cooperative Banks

- **Other Financial Inclusion Schemes:**

  1. Pradhan mantra surakha bimayogna (PMSBY)
  2. Pradhan mantrijeevanjyotibimayojana (PMJJBY)
  3. Pradhan mantrijandhanyojana (PMJDY)
  4. Sarvashikshaabhiyan (SSA)
  5. Atal pension yojana (APY)
  6. Surakshabandhan scheme (SBS)

The above schemes will pull the unbanked and deprived people to be get included into the system willingly, So that the more number of people have been the part of system in productive manner and their money can be utilized for productive purposes. It will results to high capital formation and the government can move forward on the path of inclusive growth.

Conclusion:

To conclude, it can be said that India is at moderate level of financial inclusion as compared to other countries on different grounds. Various studies examined that there is a close relationship between financial inclusion and development. But due to the constraints like financial literacy, poverty, advanced technology etc., the inclusive growth is not possible. Inclusive growth is possible only through proper mechanism which channelizes all the resources from top to bottom. Literacy is a prerequisite for creating investment awareness, and hence innately it seems to be a key tool for financial inclusion. But the above observations imply that literacy alone cannot guarantee high level financial inclusion, although it can help to achieve better results in poverty alleviation. Thus, there is a titanic need to adopt strategies like adaptation of advanced technology, opening up the bank branched in rural areas, no-frill account, use of regional languages, synergistic partnerships with technology service providers, simple KYC norms, introduction of new saving schemes for low income people etc. to strengthen financial inclusion. Also, in order to achieve the goal of total financial inclusion, policymakers, banks, MFIs, NGOs and regulators have to work together. While the results from the study should be of help to policymakers and bankers as they consider innovative approaches to improve the participation of excluded populations in formal finance, this study is by no means a final evaluation of the financial inclusion drive.

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Employmet and Wage Structure of Women Agricultural Labour in Guntur District of Andhra Pradesh

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Abstract : *The women in India, especially in rural areas are discriminated and disadvantaged in many aspects of employment such as employment diversification, quality of employment and wage earnings. In this background the present study is undertaken to explore the options for solving the problems of women labourers by making a detailed study assessing their employment position in agriculture, unemployment situation during off season, alternate source of employment and further suggesting the strategies to improve the present situation. The study is undertaken with the following specific objectives. 1. To measure the season wise employment of woman labour in agriculture. 2. To examine the pattern and composition of woman labour employed .3. To measure the extent of unemployment during off season and document the alternative sources of employment. The study was conducted in Guntur district of Andhra Pradesh state during 2014-2015.Guntur district was purposively selected for the study as it is the major agricultural district in the state and more than 50 per cent of the total women workforce is employed in agriculture. Based on the highest number of women labourers and high production commercial crops. four mandals namely Mangalagiri, form Guntur revenue devision,Narasaraopet from narasaraopet devision, Ponnuru from tenali devision and Gurajala from Gurajala revenue devision was selected. From each mandal one village was randomly selected which is Nidamarru from mangalagiri mandal, Jonnalagadda from Narasaraopeta mandal,Chintalapudi from Ponnuru madal and Chatragudipadu from Gurajala mandal, from each village 50 women labourers was randomly selected. Thus a total of 200 women agricultural labourers were selected using multistage random sampling technique for collecting the required information.*

Key Words*: Employment, Wages, Women, Agricultural*

Introduction

Agricultural workers constitute the neglected class in Indian rural structure .Their incomes are low and employment is irregular, since they possess no skill or training and they have no alternative employment opportunities either. Most of the agricultural workers belong to the depressed classes, which have been neglected for ages. The low caste and depressed classes have been socially handicapped and they never have the courage to assert themselves. The number of agricultural labourers being very large and skills they possess being meager, there is generally more than urplus supply of agricultural labourers in relation to demand for them. However it is only during the sowing and harvesting seasons that there appears to be near full employment in the case of agricultural labourers. But, once the harvesting season is over, majority of agricultural workers will be jobless especially in areas, where there is single cropping pattern. Due to all the above mentioned factors, the bargaining power and position of agricultural labourers in India is very weak.

In Indian population women constitute 48.27 per cent accounting for 49.57 of whom million, 72.72 per cent live in rural areas, while 45.84 per cent of the female population is illiterate. The labour force participation rate of women is 31.56 per cent, less than half of the mens' rate of 68.44 per cent.

In India the labour force is largely masculine, with only one out of every four workers being a female. Women today play a pivotal role in agriculture - as female agricultural labour, as farmers, co-farmers, female family labour and (with male out-migration, widowhood, etc.) as managers of farms and farm entrepreneurs. Three-fourths of women workers are in agriculture. Among rural woman workers, 87 per cent are employed in agriculture as labourers and cultivators.

Woman is molder and builder of any nation's destiny. They are regarded as the backbone of the rural scene. Most of the women perform various types of work for their livelihood and agriculture is considered the biggest unorganised sector where large numbers of rural women take part actively. While women always play a key role in agricultural production, their importance both as workers and as managers of farms has been growing, an increasing number of men move to non-farm jobs. Women constitute 40 per cent of the agricultural work force and this percentage is rising.

The women in India, especially in rural areas are discriminated and disadvantaged in many aspects of employment such as employment diversification, quality of employment and wage earnings. In this background the present study is undertaken to explore the options for solving the problems of women labourers by making a detailed study assessing their employment position in agriculture, unemployment situation during off season, alternate source of employment and further suggesting the strategies to improve the present situation.

Objectives

The study is undertaken with the following specific objectives. 1. To measure the season wise employment of woman labour in agriculture. 2. To examine the pattern and composition of woman labour employed .3. To measure the extent of unemployment during off season and document the alternative sources of employment

Methodology

The study was conducted in Guntur district of Andhra Pradesh state during 2014-2015.Guntur district was purposively selected for the study as it is the major agricultural district in the state and more than 50 per cent of the total women workforce is employed in agriculture. Based on the highest number of women labourers and high production commercial crops. four mandals namely Mangalagiri, form Guntur revenue devision,Narasaraopet from narasaraopet devision, Ponnuru from tenali devision and Gurajala from Gurajala revenue devision was selected. From each mandal one village was randomly selected which is Nidamarru from mangalagiri mandal, Jonnalagadda from Narasaraopeta mandal,Chintalapudi from Ponnuru madal and Chatragudipadu from Gurajala mandal, from each village 50 women labourers was randomly selected. Thus a total of 200 women agricultural labourers were selected using multistage random sampling technique for collecting the required information.

Results and discussions:

Socio-Economic status of women Agricultural labourers:

The general characteristic features of the women agricultural labourers are presented in Table.1. The study covered 80 women labourers spread living in two villages, one village in each mandal of Mangalagiri mandal and Tadikonda of Guntur district Andhra Pradesh. It is evident from the table that majority of the women labourers constitute 33.75 per cent belonged to the age group of 35-44 years. About 22.5 per cent were in the age group of 45- 54 years, 12.5 per cent each were above 55 years of age and younger age group and 18 .75per cent were in age group of 25-34 years.

. It is observed that 75 per cent of the women labourers were married, 8 per cent of them were widows, 10 per cent of the labourers were unmarried and 3.75 per cent of the labourers were divorced. The educational level of labourers showed that 50 per cent of the labourers had primary education, 31.25 per cent of the labourers were illiterate, 12.5 per cent of the labourers had upper primary education and 6.25 per cent of the labourers had high school education.It is also observed from the Table 1 that the family type of 82.5 per cent of the women labourers was nuclear family, that of 17.5 per cent of the women labourers was joint family family. The average family size of the sample labour households was 4.64 members. In the study area majority of the labourers belonged to backward caste category which 43.5 per cent followed by scheduled caste category which constituted 37 per cent. Among the women labourers 93.75 per cent was the main occupation of women agriculture labour. Only 6.25 per cent women labourers would engage both farming and labour activities. In the study area 93.75 per cent of labourers worked as casual labour. Only 6.25 per cent worked both cultivators and casual labour. There was no permanent labour in agriculture in the region. As regards to possession of assets by the agricultural labourers it is evident that 80 per cent of sample women labourers possessed ration card, 100 per cent had voter's ID card and 3.75 per cent of labours had agricultural land which is below 0.25 hect and 12.5 per cent of labourers had gold of below 10 grams

Table.1 General Characteristics of the women agricultural labourers

		Women labour	
Sl.No	Category	Number of labours	Per cent
1	Age		
	a. 15-24 years	10	12.5
	b. 25-34 years	15	18.75
	c. 35-44 years	27	33.75
	d. 45-54 years	18	22.5

	e.55 years above	10	12.5
2	material status		
	a. Married	60	75.00
	b.Unmarried	10	12.50
	c.separated	0	0.00
	d.Divorced	3	3.75
	e.Wideo	7	8.75
3	Educational styatus		
	a.Iliterate	25	31.25
	primary	40	50
	c.upper primary	10	12.5
	d.Secondary	5	6.25
4	Family type		
	a.Joint family	17.5	
	b,.Nuclear family	82.5	
5	Caste		
	a.SC	30	37.5
	b.ST	10	12.5
	c.Obc	35	43.75
	d.General	5	6.25
6	Main occupation		
	a.Self farming and labour	5	6.25
	Agricultural labour	75	93.75
7	Type of Labour		
	a.Casual labour	75	93.75
	b.Cultivator and Agricultural labour	5	6.25
8	Persons possessing		
	a.Ration card	80	100
	Agricultural land	3	3.75
	gold	10	12.5
9	Average monthly income	48,580	

Source: Primary data

The season wise employment of women labour in agriculture is presented in Table 2. There are three main agricultural seasons in the study area, namely *Kharif*, *Rabi* and Summer. Cotton and chillies are the major crops in the study area and they are mainly grown in *kharif* and *rabi* seasons.

Table-2 Season wise employment of women labourers in agriculture

Season	Employment days per worker		Average wage
	Days	Percent	
Kharif	77.75	38.82	120
Rabi	98.55	49.20	150
Summer	24.00	11.98	145
Total	200.30	100.00	

Source: Primary data

The labourers would secure 77.75 days of employment in kharif season and 98.55 days of employment in rabi seasons. The employment for the labourers in the two seasons showed variation. Generally cotton and chillies crops are sown in between the month of June and July. Most of the labourers are working in sowing transplantation works and weeding works. In the rabi season most of the labours employed under the cotton and chillies picking works which provide highest number of days employment in this season. During the summer season the women labourers are employed only for 24 days which is 12 per cent. In this season employment can be provided only in the month of March which is a meager number of days. There was no employment for the labourers in the month of May .Thus in the total the women labourers are employed on an average of 200 days in an agriculture year which is 54.88 per cent of the total days in the year which is 12.68 per cent high when compared to traditional crops like paddy. Hence commercial crops are produced 12.68 percent high when compared to traditional crops.

Cotton and chillied are the major crops in the study area. The involvement of women labour is high in the commercial crops cultivation. Women labours are mostly involved in the crop production and the men would performed the works like in the application of fertilizers and pesticides and irrigation and look after works and also heavy works like ploughing and seed bed preparation of crops. The women labourers are mostly involved in the sowing, weeding, application of fertilizers, harvesting of chillies and cotton works.

The operation wise involvement of women labourers is presented in the table- 3. The operations are very traditional, the women labourers got maximum number of employment days in a year weeding (42 days) followed by cotton and chillies picking (62 days),sowing (19 days),gapfilling (5days), rosining the nursery(5 days),tranansplantation work(8 days). Weeding is one of the major operations in the crop production which would provide 25 per cent employment in crop production. In crop production weedisides applied for control the weeding. As a result, the numbers of employment days have got decreased. Further low and erratic rainfall added more to the decrease of number of employment days. Another major operation is the cotton and chilles picking which is the final stage of crop production. Most of the women labourers are operated by traditional way picking by hands .Nearly 31 per cent of the employment would be provided by the harvesting stage. The women labourers would do the operations mostly by hands, application of pesticides are operated by power spryer .The women labourers worked for 8 hours with a lunch break. The wage rate of women labourers in the study area ranged between 80-150 this is 30 to 40 per cent less when compared to men in the study area (200-250).

Table-3. Operations carried out by women labourers in crop production

Operations	Wage	Kharif	%	Rabi	%	Summer	%	Total	%
Seed bed preparation	80-100	5	6.410	0	0.00	0	0.00	5	2.50
Sowing	80-100	9	11.538	10	10.20	0	0.00	19	9.50
Transplanting	80-100	5	6.410	3	3.06	0	0.00	8	4.00
Weeding	100-120	30	38.462	12	12.24	0	0.00	42	21.00
Gap filling	80-100	3	3.846	2	2.04	0	0.00	5	2.50
Application of fertilisers	100-120	10	12.821	20	20.41	0	0.00	30	15.00
Harvesting	120-150	10	12.821	43	43.88	9	37.50	62	31.00
Threshing	120-150	3	3.846	5	5.10	10	41.67	18	9.00
Grading	120-150	3	3.846	3	3.06	5	20.83	11	5.50
Total		78	100.00	98	100.00	24	100.00	200	100.00

Source: Primary data

Note: Figures in parentheses indicates percentages to total

Alternative sources of employment for women laborers in agriculture

Because of absence of irrigation facilities in the study region no crop was raised during summer season. It was off season for agricultural activities and women labourers could not find any job in agriculture during this season. As a result the women labourers had to find alternate sources of employment (Table-4). Among the 80 sample labourers, 107 labourers got involved in other activities during off season. About 28 labourers got employment through National Rural Employment Guarantee Scheme. They got employment for 35 days at a wage rate of Rs.80/day. They were employed during the months of December to March. The labourers also worked as domestic servants. About 8 labourers were involved in this work. They worked for 25 days and the wage rate was Rs.80-

100 per day. The labourers also got employment in agriculture in neighboring villages. In the months of January to March they would go for picking, for about 25 days to the neighboring villages and would earn wages at the rate of Rs.100-150 per day. About 13 labourers were involved in plucking of flower in the same village and neighboring villages in the month of March to May. They worked for 40 days and the wage rate was 30-50 per 5 hours.

Table-4 Alternative sources of employment for women laborers in agriculture

Source	No.of labourers involved	Months	Average number of days	Wage rate per day
NREGA	20	December-January	35	80
Domestic work	08	March - April-May	25	80-100
Cotton picking in near by village	30	January-March	25	100-150
Picking of flowers	12	March - April-May	40	30-50
Total	70			
Labourers not moved to other jobs	10			
Total labourers	80			

Source: Primary data

Conclusion

The present study on 'Woman labour in agriculture-With reference to Commercial Crops was conducted in Guntur district of Andhra Pradesh state during 2010-11. A total of 80 women agricultural labourers were selected using simple random sampling technique from two mandals namely Mangalagiri and Thadikonda for collecting the required information. The data were collected from the respondents by personal interview method, their season wise employment and unemployment days in agriculture, the pattern and composition of employment, the impact of off season unemployment etc. The results of the study showed that the women labourers got maximum employment in agriculture during rabi season (65.52 days) and karif season (77.75 days). The women labourers got 155.52 days of employment in agriculture in a year. The labourers got maximum number of days of employment during harvesting (80.25 days) followed by weeding and post harvest operations (38.72 days). They received wages in cash for all operations. They worked for 8 hours a day. The women labourers had maximum unemployed days in summer (108.75 days) as this is the off season for agriculture in the study area. The lack of employment opportunities in agriculture during off season compelled the women labourers to seek alternative employment sources like NREGS activities, flowers picking etc. The seasonal woman unemployment in agriculture has caused a severe impact on the income of labourers, family expenditure, their savings and debt position. It also caused migration of labourers to other activities and other places.

Suggestions:

The women labourers had some suggestions of their own to overcome the problem of unemployment. Majority it is suggested that the NREGS programme should be implemented properly assuring 100 days of work in a year. And this programme must be provided during agricultural off season, which would benefit both for agricultural labourers and other farming communities. It is also suggested that SHG activities should be enhanced and training for developing entrepreneural skills. Some of them also suggested that existing wage rate in agriculture should be increased and some other required loan at lower interest rate to purchase livestock's and poultry. Women agricultural labourers are unemployed for most of the days in summer. Some labourers were involved in employment guarantee programmes and also other non agricultural activities, but only for a few days. So steps should be taken to provide nonfarm employment for more number of days. Further it is also suggested the local authorities should implement the employment guarantee programmes in such a way that the prescribed days of employment is assured.

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Impact of Environmental Degradation on Civic Society – A Study in Telangana

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Abstract: *Today environmental pollution is permitting to rural areas apart from urban areas. Hence, there is a need to study the effects of environmental degradation in highly populated districts of Telangana state including tribal areas. The study would concentrate how the urbanization and industrialization cause for environmental degradation. Most of the writers on Environmental crisis consider population as the prime cause of environmental problems. This study examines the trends of population growth, industrialization and urbanization on environment in India in general and in Telangana in particular.As per a study nearly 30% of country's total geographically area is undergoing degradation. Telangana is the newly emerged state in India consisting of 10 districts. They are Adilabad, Nizambad, Karimnagar, Warangal, Khammam, Medak, Ranga Reddy, Nalgonda, Hyderabad and Mahaboobnagar. As per 2011 census report the total population of Telangan is 3,52,86,747. The author is interested to study the environmental degradation in Telangana districts especially in Tribal areas.*

Key words: *planetary inheritance, ecological balance, rapid population growth*

Introduction

Environment may be defined as total planetary inheritance and totality of all the resources. The state of environment and human conditions are closely related to each other. Most of the writer's on environmental crisis consider growing population as the prime cause of environmental problems. For example Lamont Cole said 'Many of the important problems currently facing man are ecological problems arising from the unrestrained growth of the human population and the resultant increasing strains being placed on the earth's life support system1." The deterioration of the human environmental through the population explosion, pollution of air and water, and other disruption of the ecological balance pose a major international health hazards and a serious challenge. At present the most rightful thing either in case of India or to the world is rapid population growth. The total population of the world is now it is 7,162,119,434 (7,162 millions). India is the world's second populous country. It has more people than Africa or that of USA, Japan and Indonesia all combined. It has not only a large population but also it growth rate is over 1.58 percent per annum. As per 2011 census report India's total populations is 1,21,01,93,422 (1.21 billions). In India a baby is born every one and a half seconds the tick of a clock has the cry of a new born baby. One of every six persons in the world is an Indian. India, with only 2.4 percent of the world's land are maintains over 17.3 % of the world's population.

Some of the reasons for India's rapidly growing population are poverty, illiteracy, high fertility rate, rapid decline in deaths rates or mortality rate etc., It is quite appropriate to quote the words of Sir Edmund Hillary, "Environmental problems are really social problems: They begin with people as the cause and end with people as victim's. The impact of people on the eco-systems is alarming. As Enrilich says, while over population in poor nations tend to keep them poverty stricken, over pollution in rich nations tends to undermine the like support capacity of the entire planet.

The rapidly growing population along with the stress on industrialization and urbanization has places significant pressure on our country's infrastructure and natural resources. Two factors can be identified as environmental threats, viz: (i) proximate causes such as population growth, poverty, and population density and (ii) ultimate factors, i.e., developmental imperatives like urbanization, industrialization, and economic development, all of which often result in unsustainable use of natural resources and eventual degradation of the environment. Environmental degradation often tending to become inevasible damage costs on the economy resulting in output and human losses, loss of labour productivity from ill health and loss of crop output. Nature is recuperative powers and future. "The earth does not belong to man but man belongs to the earth".

Objectives of the Study

The following are the objectives of the research study by the investigator:

1. To observe the trends of population growth in India in general and in Telangana in particular in the light of environmental issues.
2. To analyse the relation between urbanization and environment pollution.
3. To observe how the industries cause to environmental degradation.
4. To explain the nexus between the environmental pollution and health hazards.
5. To relate the findings of the field study to the policies of the government.
6. To study various measures adopted by government to combat environmental degradation and to suggest appropriate measures for controlling environment degradation.

A special attribute of the population growth especially in the second half of the 20th century is urbanization. Two reasons can be attributed to the increase of population in urban areas. I) Natural increase of urban population and ii) Net migration from the rural areas. As pointed out rightly by Lesber E. Brown, "As the size of cities increase so do noise, air and water pollution and competition for goods, services and space intensities". In the present study the author will try to discuss some problems of urbanization and industrialization – Air Pollution, Noise Pollution, Water Pollution, Green house effect and depletion of ozone layer and other problems. Environment and development are not the two separate entitles but linked together is a complex systems of cause and effect. Economic growth will be undermined, without growth environmental protection will fail, Essentially environmental problems are associated with renewable resource use for production of goods and services. But, rapid economic growth has been resulting in the danger of exhaustion from excessive use of renewable resources. Industrial development has been associated with air and water pollution, excess reliance on chemical, noise pollution etc., As rightly pointed out by Lesber R. Brown, "As the size of cities increase so do noise, air and water pollution and competition for goods, services and space intensities". Since it is evident that urbanization is almost an inevitable and very significant phenomenon in the country, it is important to identify the environmental problems cause by it. Unplanned urbanization, broadly speaking creates the following major problems.

1. **Deforestation:** The adverse impact of urbanization on ecological balance is mainly reflected through deforestation. An increase in urban population increases the demand for firewood partly because of the rise in price of oil-based fuels and poor distribution system. Besides this, increased demand for fire wood, makes it commercially attractive. All this leads to deforestation.
2. **Depletion of Resources**: Urbanization depletes both renewable and non-renewable resources faster because of the excess energy requirements of urbanites. According to an estimate the world energy use may be increased five times that of present use by 2025.
3. **Air Pollution:** Air pollution caused by vehicular fumes, smoke from industry, burning of domestic fuels and other related sources is one of problem of urbanization. The World Health Organization defines air pollution as the presence materials in the air that harmful to man and his environment. Air pollution causes the health hazard like eye irritation, bronchial problems, muscular degradation, lung infections, abortions, genetic disorders, skin diseases, skin cancer, asthama, cough etc. The list is long and the effects drastic.
4. **Water Pollution:** Urbanization also cause for water pollution. Dr. Emilsalim has said "In most developing environmental and polluted water', polluted water is the main cause of spread of epidemic disease like malaria, cholera, jaundice, dysentery, typhoid, gastroenteritis etc.
5. **Noise Pollution**: Noise Pollution generated by traffic, industry and other sources such as railways, air-ports etc. Noise pollution is another serious threat to to the environment. Noise damages the ear drum, it is a cause for headache, construction of blood vessels and it increases blood pressure. The increase in blood pressure affects brain and liver. Thus, noise pollution can cause damage to heart, brain and liver.
6. **Sewage and Waste Water Disposal**: A major environmental problem of urban areas is that they generate a great amount of sewage, waste water and industrial effluents. The 'throw away' societies of cities generate the most trash disposal, which poses a major threat today.
7. **Radio Active Pollution**: The radiations emitted or leaked by the nuclear power plants and other

nuclear installations result in contamination of the environment. The radiations cause diseases like, skin cancer, leukemia etc.,

8. **Proliferation of slums**: One important impact of urbanization in developing economies particularly, is the proliferation of slums. The environment in the cities is affected not so much by industrial or automobile exhausts than by poverty of the people. In India slum dwellers account for nearly 25 percent of the population. As a result, communicable diseases like tuberculosis flourish and lowering resistance among inhabitants due to malnutrition.

We all are aware that the man is a powerful manipulator of his environment. This tremendous power of his adaptability is undoubtedly responsible for successful survival on the earth. Every success however, has undesirable consequences too.

For present study some industrial areas of Erstwhile Ranga Reddy District i.e. Saroornagar, Uppal, Malkajigiri and Balanagar were chosen and the effect of urbanization and industrialization on environment was observed. There are nearly 25247 small scale registered industrial units, 30 medium and large scale industrial units locate in Ranga Reddy districts. 2.5lakhs workers are employed in small scale industrial units .The industries basically Agro based, forest based, textile based engineering based, chemical based, mineral based, limestone based and other industries. 100 respondents were taken for the study among them 54 is native people and 46 are migrated from other districts. People migrated to Ranga Reddy district from employment, education purpose, for business and other reasons. Nearly 50.0 per cent of the respondents are migrated for the purpose of employment.

About the industrialization, the respondents told that there are many cottage and small scale industries are there in their localities. And the major large industries are textile, leather, garments, fertilizers, rubber, plastics, electronics, etc. Due to these industries air, water and noise are polluting and the people are facing various problems. 90 per cent of the respondents have stated that increase of populations is one of the important causes for air, water and noise pollution but 10 per cent of respondents could not tell anything specially about the effect of urban population over environmental pollution as they are uneducated and have no specific idea about it. Many of the respondents said that there is a problem of scarcity of residential houses and water, sound pollution by frequent running of automobiles/vehicles. In addition to this, they said that they are facing health problems like asthama and other respiratory problem's skin diseases, typhoid, gastric problems, jaundice etc. Due to increase of automobiles a lot of sound pollution is being created which is causing to hypertension, frequent headache etc.,

Conclusion

The Problems of urbanization highlighted above do not mean that urbanization is an evil. It Provides greater employment opportunities, generates more and more economic activity and gives birth to technical, scientific and artistic urban settlements. But on the other hand, it degrades man in the long run. Therefore, the argument is for a cleaner city and for a just and suitable balance in the rural, urban population and economic activity. This can be achieved by:

The protection, preservation and the enhancement of environment for the present and future generations is the responsibility of state and central governments. Therefore methods should be devised to control pollution. General awareness regarding the consequences of hazardous impact of environment should be popularized. Every activity related to deforestation has to be discouraged and afforestation should be done under time bound programme. Government has taken steps to solve the problem of environmental degradation by various steps. Telangana State Pollution control board (TSPCB) was established to a vision of "To achieve economic growth with environmental management for an improved Quality of Life" – The board is charged with enforcing Laws related to environmental protection. The board identified 1160 polluting industries in Hyderabad and recently they are shifted to out of Hyderbad city. And also Telangana Government supporting programmes of Swatch Bharath and Haritha Haram Programmes to control the environmental degradation.

Conclusion:

The State of environment and human conditions are closely related to each other. Environmental degradation and social justice are two sides of the same coin. Mrs. Indira Gandhi said that the 'natural resources of earth including the air, water, land, flora and fauna must be safeguarded for the benefit of the present and future generations through careful planning or management'. Government alone cannot control every thing of environmental pollution. Therefore, voluntary organizations should actively participate in environmental protection programme. In our country Narmada Bachao, Chipko Moment by Voluntary Organizations is good examples for this.

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Economics of agricultural production and natural disasters: A holistic approach of risk management

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Abstract : *India has a peculiar geographical setting, wherein there are floods in some parts and droughts in other parts and they co-exist. Natural disasters affect the developed, developing and underdeveloped world similarly. However, the developed countries are relatively well equipped in disaster mitigation systems, preparedness and response mechanisms, than their counterparts. In the developed countries, the dependency on ex-post funding and consequent disruption of planned activity is less. But the relevant policy documents show that the financing of post-disaster relief and rehabilitation expenditures has had the major chunk in the resources allocated by the Government of India, especially to rural India. This comes only as temporary relief and at a high cost, amounting to over Rs.32bn ($575.5m) in 2000–2010, and over Rs.77bn ($1.39bn) for 2010–2015. One angle is that the relief, with this cost usually is not adequate to restore those most affected to their original economic status. The State Governments face many hurdles in providing immediate relief to the victims. The amount of assistance given by the Centre was far short of what the State Governments actually needed. Another angle is that the government, as the insurer of the last resort should have a smaller exposure in case of major catastrophes. But the Indian government is spending billions of rupees in disaster relief and social insurance. There is a need of the hour to find out the alternative approaches to transfer these risks, which could relieve Government burden and to divert those funds to developmental expenditures. So far, the disaster risk management is seen as a cost rather than an investment by reprioritizing planned budgets, increasing tax and borrowings.*
Key words: *Sustained Manpower, Water quality, erosion, property*

Introduction

Major Natural Disasters in India from 1900 to 2015 occurrences were around 663; more than 9 million were killed; more than 2 billion were affected and the Economic Damage Costs at 2015 prices was $84.58 billion. Being a peninsular country, India is predominantly dominated by floods. Out of total number of disasters, 45.7per cent were due to floods and number of people affected by these floods were more than 44 million in India. If we look at the Damage costs due to floods, it is more than 63per cent of the total cost affected by the natural disasters[1]. Climatic disasters which are frequent and predictable mostly are threat to property than life. Developing a holistic approach for managing “Agricultural Production Risks” due to the cited disasters is the need of the hour.

Natural Disasters:

Until a decade ago, the economic impacts of natural hazards have received

[1] Source:"EM-DAT: The OFDA/CRED International Disaster Database, www.emdat.be - Université catholique de Louvain - Brussels - Belgium"

relatively little attention in India. Belief in Fate and Karma was more than pragmatic planning. Even the manageable risks are also treated as the acts of God. A significant progress was made in the economic analysis of disasters, especially in the field of economic modeling for disaster impact in developed countries. Understanding of and the preparation for hazards, including their impacts on the production of agriculture is warranted. In developing countries, damages by a catastrophic disaster to Crop, Cattle, Agricultural Infrastructure and Sustained Manpower, can become totally devastating. To estimate the true impact of these disasters, apart from direct damage to physical and human capital, higher order effects of indirect losses have to be estimated to arrive at the correct and actual damage. Such estimation is not attempted and is beyond the scope of this paper.

The major types of agricultural risks: It may include financial, environmental, legal, human resource management, marketing/pricing and production risks. Most of the financial risks in agriculture are due to increases in key input costs & interest rates, excessive borrowing, lack of adequate cash or credit reserves and changes in exchange rates. Water quality, erosion and pesticide use are some of the problems of environmental risks. Patent rights and land disputes are legal risks. Poor communications and people-management practices are human resource management risks. Increased supply or decreased consumer demand, loss of market access lack of marketing power due to the small size of the farm come under agricultural marketing risks. Availability of Ware housing and logistics is also marketing risk. All these risks are manmade. With the efficient and selfless management these risks can be controlled. But the Production Volatility and Livestock Morbidity, directly caused by natural catastrophes like drought, floods, pests, diseases and weather conditions, are beyond human control. They are to be managed through risk financing techniques to insulate against economic damage. It is thoroughly identified that the major natural disaster risk to agriculture in India are either floods or drought. In floods, it could be river flooding, flash floods or coastal flooding. Figure 1 shows the major weather risks in India. The flood damages reported by States from 1953 to 2010 (at 2011 price level) as Rs. 8125 billion and the expenditure incurred in various plans was used in flood control sector is about Rs. 1260 billion (at 2011 price level)[2].

Indian agriculture depends mostly on monsoons. Loss of crops, delinquency on seasonal production loans, damage to infrastructure and loss of public revenues are all the impact of weather risks. Financially, it hits agricultural producers, agricultural supply chains, rural financial institutions (such as agricultural banks), and Governments (loan rescheduling or, in catastrophic cases, loan cancellation).

Existing 'Agriculture Risk Management' mechanism in India:

The existing agriculture risk management in India is both in the form of formal and informal ways. In the formal mechanisms, Agricultural

[2] Government of India, Planning Commission, Report of Working Group on Flood Management and Region Specific Issues for XII Plan

Insurance, Public Insurance schemes were in vogue since 1972. The government of India started offering widespread crop insurance schemes from 1985, with the Comprehensive Crop Insurance Scheme (CCIS). The CCIS has been replaced by the National Agriculture Insurance Scheme (NAIS). The CCIS and NAIS were mandatory for loanee farmers growing covered crops. Non-loanee farmers have no obligation to purchase crop insurance. Recently NAIS is replaced with Modified National Agricultural Insurance Scheme (mNAIS). Index-based risk transfer products (IBRTPs) or weather derivatives like Weather-Based Crop Insurance Scheme (WBCIS) mostly with area yield index is a recent phenomenon in agricultural / crop insurance programs in India. Unlike indemnity-based insurance, it will be written against a physical trigger (parametric insurance), based on rainfall measured at a regional weather station. Farmers collect insurance compensation if the index reaches a certain measure or “trigger,” regardless of actual losses and the payout is fixed in advance. Ultimately in all these programs the Compensation of the loss is assessed on the basis of yield data and weather data notified by the implementing states. The main aim of the existing mechanism is to help farmers to stabilize their incomes in disaster years. Government of India (Premium subsidies, investment in training and infrastructure), private insurance companies, Agriculture Insurance Company of India (AIC) and World Bank are actively partnering in this formal mechanism. Commercial Insurers like IFFCO-Tokio & ICICI Lombard are offering Private rainfall index insurance. The aim is to reduce farmers' vulnerability to rainfall volatility Most of these schemes are marketed and distributed by microfinance institutions, NGOs (Ex: BASIX and SEWA) and Government of India.

The existing informal risk management mechanisms include avoidance of highly risky crops, diversification across crops and across income etc., are thoroughly advised by agricultural scientists and agricultural departments so far. Minimum support price system by the Government in times of disasters is also in vogue. Local authorities including Panchayati Raj Institutions (PRI), Urban Local Body (ULB), District and Cantonment Boards and Town Planning Authorities[3] will ensure capacity building of their officers and employees for managing disasters, carrying out relief, rehabilitation and reconstruction activities in the affected areas and will prepare disaster management plans (DMPs) in consonance with the Guidelines of the National Disaster Management Authority (NDMA), State Disaster Management Authority (SDMA)s and District Disaster Management Authority (DDMA)s. NGOs, volunteers and paid humanitarian professional staff, the international humanitarian organizations, UN Agencies and the international affiliates of the Red Cross have contributed significantly in the development of a large pool of skilled human resource in the country that are readily deployed in any disaster situation. Government agencies have often made use of this resource.

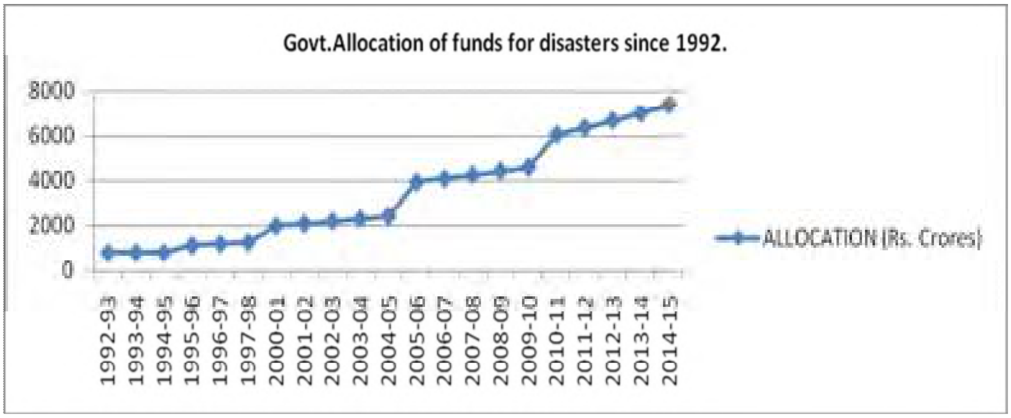
The study reveals that in India, the existing formal mechanism of agricultural insurance is not developed and informal mechanism is more reactive

[3] NDMA Guidelines - Role of NGOs in Disaster Management, Sept.2010

than proactive and little is prepared for catastrophic outcomes. There is no role for insurance linked securities or catastrophe bond market. Insurance for specific risks like floods is also not available.

The decision making of any risk management involves loss control and loss finance techniques. Controlling techniques of disaster include avoidance, reduction of such losses by taking preventive steps like construction of check dams, giving warning signals to the public to vacate the place in case of floods. As the Mother Nature is not always in the control of individuals, it is imperative to finance these risks. All the other agricultural risks like financial, environmental, legal, human resource management, marketing/pricing can be controllable. But the production risks due to natural disasters have to be financed. The prudent risk finance mechanism includes retention, sharing, insurance and non insurance transfers.

The insurance transfers (formal mechanism), in India is only 5-10% of the total disaster costs. Observing the global markets, it can be seen that there are high insured losses and low fatalities in the developed countries and more fatalities and low insured losses in the emerging markets in Asia. It can be observed from Figure 5 that 85% of the people killed and affected are from Asia and out of it 21% are from India. Natural disasters of similar nature and intensity, affect the developed and underdeveloped countries differently in terms of the damage to property and loss of lives. While the developed countries are well-equipped to cope up with them through good disaster mitigation systems, preparedness and response mechanisms; the developing countries, are ill-equipped in terms of each of the above three parameters, and suffer most because of natural disasters. It is partly because the private insurance market is under-developed, and partly because risks are not well understood. It also can be observed from Fig.5 & 6 that the insurance density and insurance penetration in India is very low compared to the global market. But by observing the Indian market, it is seen that the order is reverse in bearing disaster losses. Here the disaster losses are mostly borne by the government and households. The disaster losses borne by the Government mostly provide temporary relief and often come at a high cost. Fig. 1 shows that the increasing Government allocation of funds for disaster management since 1992.



Source: Ministry of Home Affairs, Govt. of India

Disasters put the government, economic and social systems to tremendous burden whenever they occur. The efforts needed for disaster response, relief, rehabilitation and the expenditure on all these activities can disturb even the best of governance systems. Natural catastrophes impact governments' budgets significantly. Ex-post funding is usually a un-planned expenditure which was actually meant for development activity disturbs the planned economic activity. It may lead to a standstill or status quo situation where progress is prescribed and could not be delivered due to the forced un-planned expenditure. Needless to say, this situation hurts a developing country like India, as the requirement of developmental fund is higher and well found. Figure-2 shows the ever increase in amount of Plan and the Non–plan expenditure of Indian Government.

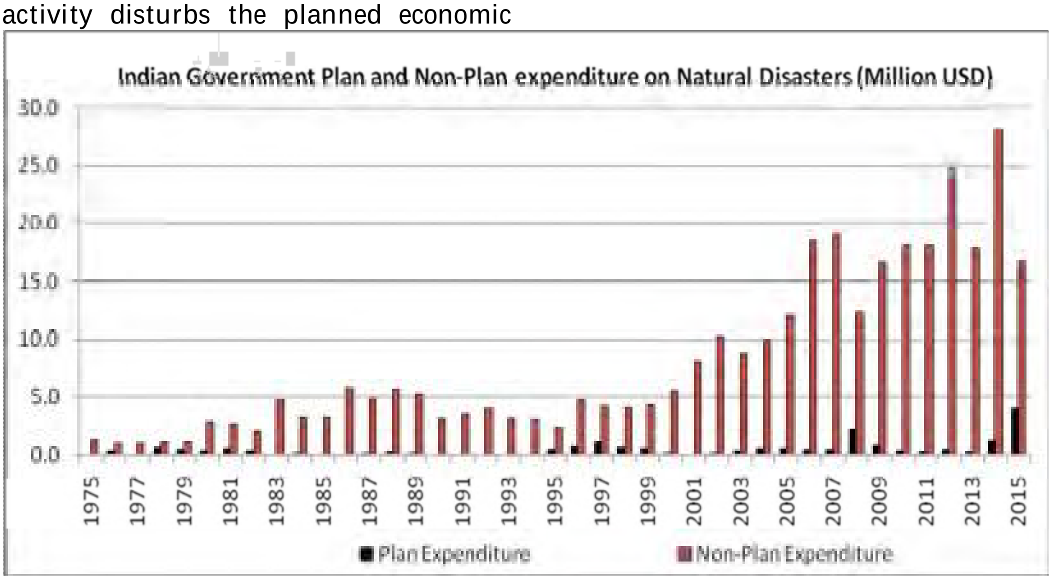
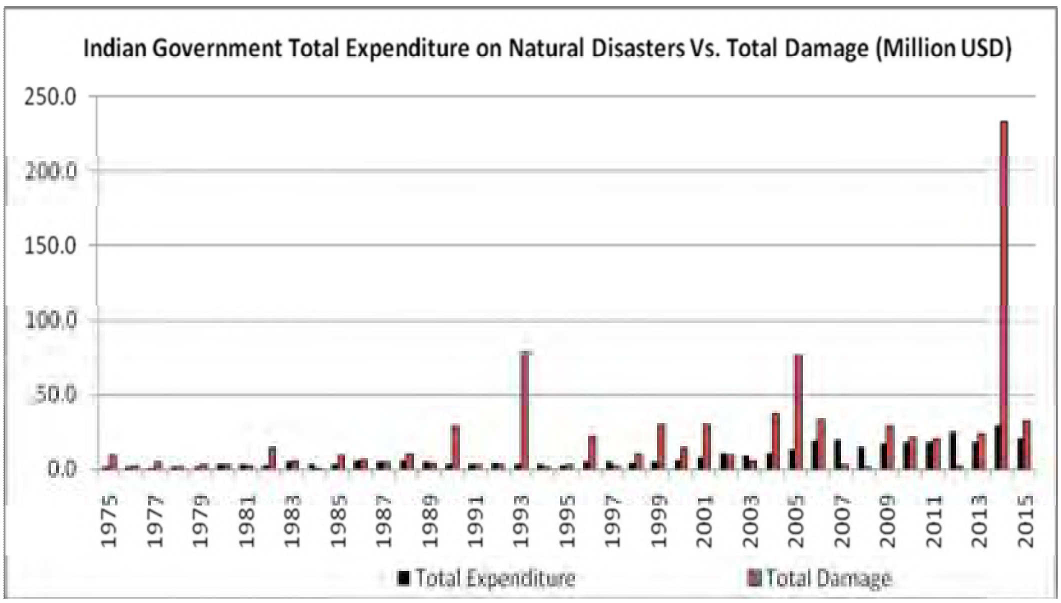


Figure 2

It can be noted that there is not much change in planned expenditure on disasters but the amount on non plan expenditure is increasing continuously. One has to understand that it would be practically difficult for any government to estimate the cost of post-disaster funding and maintaining the amount for uncertain contingencies, keeping more tangible and current requirements of the economy on the back-burner. It also can be observed from the Figure.3 that the amount for both planned and non-planned expenditure of Indian Government on natural disasters management was much lesser than the actual damage. And that Government expenditure comes only as temporary relief at a high cost, amounting to over Rs.32 bn in 2000–2010, and over Rs.77bn for 2010–2015[4].

Figure 3



Source: EPWRF, India

[4] Vankayalapati Padmavathi "Non-Life Insurance in India: Managing Disaster Risk Exposures – an Opportunity for Better Risk Management and Growth", No.88 Think Piece, CII

Non-life insurance sector has to address the problem of disaster risk coverage. As per world Insurance statistics 2014-15, the share of America in world non-life insurance market is about 44% followed by Europe with around 33% and the share of India is 3%. For the past decade, the penetration of non-life insurance sector in India remained steady in the range of 0.5-0.8 per cent. Indian non-life insurance sector witnessed a growth of 4.8 per cent (inflation adjusted), compared to growth in global non-life premium (2.9 per cent). However, the share of Indian in global non-life insurance premium was 0.69 per cent only[5].

The share of non- life insurance business in total premium (life and non-life) in India too was small at 20.88 per cent during 2014-15. Its density has gone up from USD 2.4 in 2001 to USD 11.0 in 2014. But increase in density is due to Mandatory Motor insurance which constituted 44.14% of the total gross written premium followed by health (26.73%) in the year 2014-2015[6] and the sector remains far from tapped, with penetration rates remaining abysmally low in the range of 0.5 - 0.8 percent in FY2014-2015 (it was 0.55% when the sector has opened up in 2001) in the world market, as compared to an average of 4% in America, 3% in Europe and 1.6% in Asia. Hence a great potential for non-life insurance market is seen, in India – which has to be taken advantage by disaster Risk Insulation mechanisms – for creating a 'win-win' situation.

Specific to catastrophe management, so far, India has largely focused its disaster risk management at the farmer level and the overall level response is mostly ad hoc and need based. Crop insurance, though subsidized by Government, has very low coverage. After having agricultural insurance for more than 3 decades, it could not cover more than 10 to 15 per cent of the farmers[7] and most of which is linked to loanee farmers. And there are high administrative costs and long delays in making claim payments. On catastrophic claim event this agricultural insurance is not insurance at all because almost the entire risk like giving inputs, buying the damaged crop output, writing off the existing loans etc.is being borne by the Government in the form 'reliefs' to the victims of the natural disaster. In fact, the government, funding premiums will be far cheaper and budgeted for than shelling out unbudgeted reliefs. Indian Government announced a crop insurance scheme "Pradhan Mantri Fasal Bima Yojana (PMFBY) in January, 2016 is one such an attempt. Under this scheme, the farmer has to pay 1.5 to 5 % of the sum insured as premium and the remaining premium will be paid by the Centre and State Governments. The share of the central government in claims liability is always major than the insurance coverage. The proposal for an insurance catastrophe pool (INCIP)/ Natural catastrophe insurance pool (Nat Cat Pool) is also under consideration with the present government. It may be useful for

[5] Source: compiled data from Swiss Re Sigma No.4/2015
[6] Annual Report, 2014-15, IRDA

[7] Abhijit Sen, Member, Planning Commission, Govt. of India, excerpts from the key note address "weather Insurance: Risk mitigation for weather – sensitive Industries in India.", National Seminar, 28-29 January, 2011, Administrative Staff College of India, Hyderabad

protecting the vulnerable class but for the insurers, a pool can be viable only if the premiums are adequate. To address this problem in the European Union, governments are not legally required to give post-disaster support. Instead, public are encouraged to buy insurance for disaster management[8]. This is to compel people to buy insurance or suffer the consequences.

As per the World Bank (2003) report, the approach for disaster management in India lacks institutional incentives and the role of risk financing through ex-ante mechanisms (such as catastrophe reinsurance and contingent credit facilities) is non-existent, which provide financial liquidity and economic recovery in post disaster. The Economic Survey (2009-10) has also addressed the need for Catastrophic Bonds, Index-based risk transfer products (IBRTPs), and weather based insurance products in India. The urban market so far has not been considered much for IBRT Products in India (Ex: Extreme catastrophes like floods in Chennai and Andhra Pradesh, 2015). There are no Instruments for such extreme catastrophes of future events to get coverage. The Asian Development Bank (ADB) has said that for every US$1 dollar spent on urban disaster risk management by Asian governments, the economic impact of catastrophes will be reduced by US$7 (2011)[9]. With the annual economic cost of disasters averaging US$53.8 billion in Asia and the Pacific, the focus must shift from post-disaster reconstruction and recovery to pre-disaster investment in risk reduction, adaptation and innovative disaster financing. The first catastrophe bond was issued in 1994, it is barely known in Asia and more so in India. The world wide Issued Cat bonds in the year 2002 were a mere US$ 0.8 billion and reached to US$ 6.2 billion for the period 2002-2015 and the outstanding business for the same period reached to US$ 22.5 billion from US$ 3.1 bn.

Though the market has reached to US$ 22.5 billion outstanding, the market share on risk capacity by peril is predominantly dominated by US wind and Quake (80%) and Euro wind (8%) and there is no place for neither India nor Asia except a 6% of market share for Japan Quake. It is already observed that the existing approach of managing agricultural production risks is not prudent. The penetration of insurance is low. Agricultural insurance is further low. No insurance linked security market for catastrophes is available and there is no specific risk insurance like flood insurance.

To have the holistic approach for managing agricultural production risks due to specific natural disasters say like floods, the cited challenges have to be addressed. With a holistic approach these challenges can be addressed. For this, a chain of information is required between different bodies. For ex: The required data to the insurance industry to develop a product for flood risk insurance, those are critical for underwriting, pricing, and loss adjustment are likelihood, and

[8] Vankayalapati Padmavathi, *Managing Disaster Risk Exposure in India – an opportunity for better risk management and growth,* Fact File, CII, U K.

[9] Vulnerable cities: waking up to the need for urban disaster risk management" Vinod Thomas, speech given at the 45th Annual Meeting of the Board of ADB Governors (2012), Manilla

severity of flood risks. For this, in the beginning Flood risk zones have to be identified and then quantification of flood risk as well as the verification of flood losses has to be done. Then, there is a requirement of flood modeling. Here, there is a requirement of computer-based technology and involvement of software technology, to support, which could be supplemented by IT companies. To develop flood modeling software companies need direct observations of flooded areas. For this, software companies have to take the help of satellite remote sensing. Hence the required associations for this modeling are software companies, Meteorological Department (latest weather reports and historical charts) and Independent third-party weather stations. With these chains of associations, a product can be designed with an actuarially fair premium. When premiums are actuarially priced based on targeted population, weather and yields experience, it reduces costs. Actuarially priced premium helps better monitoring of the risk exposure and administrative costs of the scheme.

Investment Approach for Agricultural Production Risks: Instead of disaster relief funds or non developmental expenditure, the Government investment pattern can be focused on the following lines.

- On financial instruments
    - commodity derivatives for price risk
    - ILS--- weather derivatives for volumetric risk-Cat bonds for catastrophic risks
- On structural development
    - irrigation infrastructure,
    - drought and pest tolerant seed varieties,
    - soil and water conservation
    - Diversification of crops
    - Adoption of drip irrigation,
    - Maintain equipment
- On technical/software packages for
    - Flood risk modeling
    - flood forecasting,
    - flood alleviation scheme designs,
    - flood risk mapping and
    - catchment management planning
    - in technological capacity to manage claims,
    - monitoring and evaluation
- On policy support
    - access to agricultural inputs
    - procurement, storage, and grains release policies to manage strategic reserves
- On educating /awareness
    - o financial literacy
    - o insurance literacy
    - o awareness raising campaigns about insurance and risk management,
    - o training in operations

  - mitigating risk through preventative measures,
- On information
  - On data collection,
  - On agricultural conditions,
  - On early warning systems
  - information systems

Conclusion:

When everything else fails, the poor rely on their governments and the adhoc generosity of donors. An insurance contract is a more dignified means of coping with 'agricultural production risks due to disasters', than relying on the adhoc generosity of donors only after a disaster strikes. Creating an insurance ecosystem is a complex proposition perse. The government should stop trying to play God but should develop an integrated model of an automatic mechanism for the coverage of economic losses of disasters. Planning upfront can limit the Government's exposure to risk and avoid the failure of the scheme due to the lack of funds. Investment in agricultural infrastructure/research, infrastructure, structural defenses, better land-use practices would be more equitable as opposed to subsidies to crop insurance and temporary relief of non-development expenditure, to yield more long-term benefits. Further investing in financial literacy and consumer education about insurance, mitigating risk through preventative measures, creating data to enable actuarial analyses, and exploring new technologies that can reduce costs are ideal expenditure than giving temporary relief to the under privileged. So far, Indian market is not in tune with the accepted principle of risk financing mechanism for disaster risk management. Once these challenges are addressed it creates a win-win situation for the public, government, the economy, and the growth of the insurance industry. A definite shift of focus from 'post-disaster reconstruction and recovery' to 'pre disaster investment and economic-insulation for Risk Reduction, Adaptation and innovative disaster financing is recommended to India. There is a need for Proactive Disaster Risk Management Solutions for agricultural production risks in India with a public and private partnership. Low to medium private risk level could be covered by domestic insurance. With this, premiums may be too low which result that individuals and corporations assume too much risk and neglect prevention. This increases the total economic loss and is not good news for tax payers who usually have to pay for excess losses. The Indian government planned and unplanned expenditure is already in billions of rupees for disaster management and social insurance, much of which could be relieved by issuing Cat bonds. Government can buy cat bonds to enhance social welfare with minimum government expenditure. Government can also sell cat bonds for commercial business. In this procedure, the risk is transferred to the capital markets which are envisaged to have the risk bearing capacity instead of the government getting affected with contingencies of diverting funds from developmental budgets.

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Impact of prime minister's employment generation programme on income generation of educated youth in Telangana

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Abstract : *Indian Economy has been facing challenges with regard to poverty unemployment and low economic growth. By and large unemployment in India is structural in organized sector. During the past five decades population of India has grown at alarming rate of around 2.2 per cent per annum, whereas employment opportunities have not been increased correspondingly due to slow economic growth. The PMEGP was a far weep from the economic planners and political pundits for the burgeoning problem of the educated unemployment. The programme was introduced with an expectation to bring solace to the educated, but unemployment souls living in rural and urban areas got the least benefit. This paper highlights the Performance of PMEGP on income generation of educated youth. The paper concludes that the PMEGP hold promotes to channelize energy of educated unemployed youth. The three main advantages of this loan are not requiring any collateral guarantee, to give concessional time for the repayment and the normal interest rate. Most of the beneficiaries who availed of finance assistance under the programme have succeed in self- employment themselves, generating reasonably adequate returns, providing employment opportunity etc. to the public and also engaged in productive activities under these projects.*

Key words: *Educated Unemployed Youth, Self Employment and Income Generation.*

Introduction: Indian economy has been facing many challenges like poverty, unemployment and economic growth. By and large unemployment in India is structural in organized sector. During the past six decades population of India has grown at an alarming rate of around 2.2 per cent annum. Whereas employment opportunities have not been increased corresponding due to slow economic growth[1]. However, Eradication of poverty and unemployment has been the major goals of development planning in our country, since its independence[2]. Poverty and unemployment, planning and social transformation have all been topics of national discussion in recent times. Mass poverty and the chronic under utilization of the vast human potential are widely recognized as our most pressing problems[3]. To eradicate these two major problems the governments have been introduced several programmes. Among them Prime Minister Employment Generation Programme is one of the largest programme introduced by the government.

Prime Minister's Employment Generation Programme (PMEGP)

Government of India has approved the introduction of a new credit linked subsidy programme called PMEGP by merging the two schemes that were in operation till 31.03.2008, namely Prime Minister's Rojgar Yojana (PMEGP) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. This programme was introduced by the Government of India in 15th August 2008 and the main objective of this programme is to generate new employment opportunities through micro enterprises. PMEGP will be a central sector scheme to be administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME). The Scheme is implementing by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of MSME as the single nodal agency at the National level. At the State level, the scheme will be implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks. The Government subsidy under the scheme will be routed by KVIC through the identified Banks for eventual distribution to the beneficiaries and entrepreneurs in their Bank accounts. The implementing agencies, namely KVIC, KVIBs and DICs will associate reputed Non-Government Organization (NGOs) reputed autonomous institutions and Self Help Groups (SHGs), National Small Industries Corporation (NSIC) Udyami Mitras Empanelled Under Rajiv Gandhi Udyami Mitra Yojana (RGUMY), Panchayati Raj institutions and other relevant bodies in the implementation of the Scheme, especially in the area of identification of beneficiaries, of area specific viable projects, and providing training in entrepreneurship development[4].

Besides PMEGP scheme, the Government of India has initiated various other unemployment alleviation schemes like Integrated Rural Development Programme (IRDP), Jowahar Rozgar Yojana (JRY), Khadi and Village Industries Corporation (KVIC), Supply of Improved Tool Kits for Rural Artisans (SITRA), Self-Help Groups (SHGs) etc. However, the PMEGP scheme is specially designed to suit the educated unemployed youths, who constitute a large chunk of part of unemployed figure. The district characteristic of the scheme is to assist financially in establishing business ventures in the field of industry, service and business sectors.

Review of Literature

In the part of research work pertaining to this topic, there were significantly less literacy reviews. The carried studies related directly or indirectly to the present investigation are reviewed in the following sections.

Aliva Mohanty (2004)[8] conducted a study in three districts of Orissa, namely Cuttack, Phulbani and Sumbalpur, Sample beneficiaries were belongs to SEEUY, PMEGP, KVIC, SSI, IRDP Schemes. The author opined that the Governmental agencies need to increase and expand their support and service in a proactive and liberal manner as in the rural areas, it is the Government which has got the widest as well as most penetrating infrastructure net work with most educated and well paid manpower. He suggests that market potential and survey of consumption pattern will help in minimizing most of the post operative problems of the women entrepreneurs and preferential treatment may be arranged for purchase of products of such enterprises. **C.Muthulakshmi (2007)**[9] opines that after the Independence in 1947, the Government of India as well as the state Governments was trying to show concern for the rural poor. The rural scenario in India was quite disturbing and needs much attention to eradicate poverty through employment opportunities. Therefore, the Government has come up with different scheme such as PMEGP to eradicate poverty. **S.Dhineshsankar and DR. S. Mayilvaganan (2012)**[10] in their study Performance of Prime Minister's Employment Generation Programme Scheme in Nagapattinam District. **Shoba Ajithan K (2014)**[11] in his research paper Perception of the Beneficiaries of PMEGP: A Micro Level Study discuss the beneficiary can directly approach Bank, Financial Institution along with his/her project proposal or it can be sponsored by Khadi and Village Industries Commission (KVIC), Khadi and Village Industries Boards KVIBs, District Industries Centre (DIC) and Panchayat Karyalayas etc. **Satrajeet Choudhury and Anupam Ghosh (2015)**[12] in their study Economic Development through Prime Minister Employment Generation Programme in India: An Analysis Gandhiji often said that village economics is different from industrial economics and the nation can progress only, when the villages are self reliant. **Shallu (2015)**[13] in his study Prime Minister Employment Generation Program: Solution to Punjab's Unemployment studied the generation of productive and adequately remunerated employment is an indispensable component in the fight against poverty. The task of employment generation requires fruitful action by several ministries and Government departments both at national as well as at state levels. The findings indicate hat PMEGP is on much rooming stage.

Thus many studies conducted at individual scholars and banks have brought out the direct and indirect functioning of PMEGP scheme. Hence, the present study has been under taken to fill up the gap in the existing literature and to examine the Working of Prime Ministers Employment Generation Programme on poverty alleviation in rural and urban areas

Objectives of the study

The objectives of the study are as given hereunder:

1. to examine the performance of PMEGP scheme on the beneficiaries in terms of income and employment generation in the study areas.
2. to asses repayment of the loan of the beneficiaries in the selected area;
3. to derive the policy implications which may emerge from the study and suggest policy measures for the strengthening of the PMEGP scheme.

Hypothesis

The hypotheses of the study are formulated as follows:

1. There is a positive impact of the PMEGP scheme on employment and income of the respondents.
2. There is a positive relationship between success of industry/business ventures and repayment of loan.

Methodology

The present study is based on primary source of data. All together 240 beneficiaries have been selected using simple random sampling method. The research study covers a period of eight years of the working of PMEGP scheme in Karimnagar and Warangal districts. Accordingly, the period of study is from 2008-09 to 2015-16.

Analysis of Field Study

Table 1 shows the employment generation by the PMEGP venture. Out of the total respondents, 43.33 per cent of respondents are in business sector and 20.42 per cent of respondents are in industries sector. Out of 37 respondents, 24.32 per cent of respondents are in business sector and 40.54 per cent of respondents are in industrial sector. Further, out of 203 respondents, who are providing same employment 46.80 per cent of the respondents are in business sector and 17.73 per cent of respondents are industrial sector. The table also indicates that in business sector the majority of the respondents are in better position in terms of providing employment to other unemployed poor.

Efforts have been taken to know about the details on types of activity whether single or partnership in table 2 indicates the type of activity of the sample respondents. Out of the total respondents, 93.75 per cent of respondents said that they took the single and whole responsibility and 6.25 per cent of respondents said that they are working along with other partners. In Warangal district, 91.67 per cent of respondents said that they took the single and 8.33 per cent of respondents said that they have partnership in that venture. While, in Karimnagar district, 95.83 per cent of the respondents said that the single maintenance and 4.17 per cent of respondents said that they went for partnership. The table revels that the majority of the respondents maintaining their own business and least percentage of respondents went for partnership in both districts.

Table 3 reveals that the income from venture and educational levels of the sample respondents. Out of the total respondents, 61.67 per cent are earning income between Rs.50,000 and Rs.75,000, 21.67 per cent are earning income below Rs.50,000 and only 3.33 per cent of the respondents are earning income above Rs.1,50,000. The table denotes that among the educational levels, out of 25 respondents who studied SSC, 60.00 per cent are earning income below Rs.50,000, 24.00 per cent are earning income between Rs.50,000 and Rs.75,000 and only 16.00 per cent of the respondents are earning income between Rs.75,000 and Rs.1,00,000. Out of 65 respondents who had completed intermediate education, 53.85 per cent are earning income between Rs.50,000 and Rs.75,000, out of 82 respondents who had completed graduation, 76.83 per cent of the respondents are earning income between Rs.50,000 and Rs.75,000. Out of 23 respondents who completed post graduation, 60.67 per cent are earning between Rs.50,000 and Rs.75,000 and 13.04 per cent are earning above Rs.1,50,000. Out of 45 respondents who had completed other courses and technical education, 66.67 per cent are earning between Rs.50,000 and Rs.75,000 and only 4.44 per cent are earning below Rs.50,000 only.

The earnings of the respondents who have studied and post graduation are more as they do posses different skills and knowledge about the functioning of the units. These category respondents state that they are able to review the units constantly and adopting the strategies according to the needs of the markets. Majority of the respondents agree that PMEGP scheme is able to help their lives. Table 4 shows the relationship between generation of income and age group. Among the age groups, 36 respondents belong to age group of below 20 years, 55.56 per cent of respondents are able to earning between Rs.50,000 and Rs.75,000 and 11.11 per cent of respondents are able to earning below Rs.50,000. While, 78 respondents belong to age group of 20 and 25 years, 67.95 per cent of respondents are able to earning between Rs.50,000 and Rs.75,000 and 6.41 per cent of respondents are able to earning above Rs.1,50,000. Out of 74 respondents belong to the age group of 25 and 20 years, 54.05 per cent of respondents are able to earning between Rs.50,000 and Rs.75,000 and 10.81 per cent of respondents are able to earning between Rs.75,000 and Rs.1,00,000. Out of 34 respondents are belong to the age group of 30 and 35 years, 73.53 per cent of respondents are able to earning between Rs.50,000 and Rs.75,000 and only 5.88 per cent of respondents are able to earning between Rs.75,000 and Rs.1,00,000. Similarly, out of 18 respondents belong to the age group of above 35 years, 55.56 per cent of respondents are able to earning Rs.50,000 and Rs.75,000 and only 11.11 per cent of respondents are able to earning between Rs.75,000 and Rs.1,00,000.

Therefore the younger age group respondents are earning more from PMEGP ventures than elders thus the impact of PMEGP is more on younger generation. Thus, the study indicates that younger people can work longer hours and able to run the business in a proper way. Table 5 reveals that the repayment of loan and community-wise respondents. Of the total respondents, 24.17 per cent of respondents are totally repaid the loan amount, 70.00 per cent of the respondents are partially repaid and 5.83 per cent of respondents are non-repaid. Among the social strata, out of 45 respondents belong to Forward Castes, 68.89 per cent of respondents are partially repaid and 4.44 per cent of respondents are non-repaid. In case of Backward Classes sample respondents out of 115 respondents, 73.04 per cent of respondents are partially repaid, 24.35 per cent of respondents are totally repaid. Of the scheduled Caste beneficiaries, 70.83 per cent of respondents are partially repaid and 8.33 per cent of respondents are non-repaid. Similarly, among the

Scheduled Tribe households, 25.00 per cent are totally repaid and 59.38 per cent of respondents are partially repaid. Non-repayment of the loans can be seen more among the Scheduled Tribes and Scheduled Castes then Other Castes and Backward Classes.

Conclusion and Suggestions

Prime Minister Employment Generation Programme is on mushrooming stage. This programme works as silver spoon for entrepreneurs as they got subsidy for starting new venture; on the other hand, this programme helps Govt. by alleviating the problem of unemployment. This study showed that Prime Minister Employment Generation Programme is a golden Opportunity for the new as well as existing entrepreneurs for starting their own venture. Telangana Government is requested to pay attention towards Warangala and Karimnagar districts in rural and urban areas. Therefore, this programme also generates more employment and business activities in Telangana State. The Study had concluded that a positive impact of the PMEGP scheme on employment and income of the respondents. Positive relationship between success of industry/business ventures and repayment of loan for beneficiaries.

Suggestions

- The beneficiary should take PMEGP only as a tool and as a solution for the problem by itself. The beneficiary himself is the solution for unemployment.
- The PMEGP benefit is only part finance and not a total finance, i.e., it is only a seed money and not a tree itself.
- The scheme money is a social resource and social resources are scarce and have their own cost. Timely repayment and better utilization social responsibilities.
- Since PMEGP is a social scheme and benefits are to be social oriented, the beneficiaries should extent benefits to outsiders rather than his own family members in employment fold, the objective should be "employment to others" and not the self employment and family employment.

A well conceive, managed and followed up scheme on one side and an emancipated and positive beneficiaries on the other side, are the two pillars on which the social-economic impact of the scheme can be well built, the coming tougher of these two things would generate a thumping sound of two hands in the form of heightened socio-economic impact.

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Table – 1: Employment Generation by PMEGP Venture

Sector	Employment Generation		Total
	No	Yes	
Business	9 (24.32)	95 (46.80)	104 (43.33)
Services	15 (40.54)	72 (35.47)	87 (36.25)
Industries	13 (35.14)	36 (17.73)	49 (20.42)
Total	**37 (100.00)**	**203 (100.00)**	**240 (100.00)**

Source: Field study
Note: Figures in parentheses denote percentage to total

Table – 2: Type of Activity

Particular	Warangal	Karimnagar	Total
Single	110 (91.67)	115 (95.83)	225 (93.75)
Partnership	10 (8.33)	5 (4.17)	15 (6.25)
Total	**120 (100.00)**	**120 (100.00)**	**240 (100.00)**

Source: Field study
Note: Figures in parentheses denote percentage to total

Table – 3 Income from Venture of PMEGP and Education

(income per annum)

Income	Education					Total
	SSC	Inter-mediate	Graduate	Post - Graduate	Others / Technical	
Below 50,000	15 (60.00)	17 (26.15)	16 (19.51)	2 (8.70)	2 (4.44)	52 (21.67)
50,000 and 75,000	6 (24.00)	35 (53.85)	63 (76.83)	14 (60.87)	30 (66.67)	148 (61.67)
75,000 and 1,00,000	4 (16.00)	12 (18.46)	2 (2.44)	4 (17.39)	10 (22.22)	32 (13.33)
Above 1,50,000	0 (0.00)	1 (1.54)	1 (1.22)	3 (13.04)	3 (6.67)	8 (3.33)
Total	**25 (100.00)**	**65 (100.00)**	**82 (100.00)**	**23 (100.00)**	**45 (100.00)**	**240 (100.00)**

Source: Field study
Note: Figures in parentheses denote percentage to total

Table – 4: Income from PMEGP and Age

Income	Age wise					Total
	Below 20 years	20 - 25 years	25 - 30 years	30 - 35 years	Above 35 years	
Below 50,000	4 (11.11)	12 (15.38)	26 (35.14)	7 (20.59)	3 (16.67)	52 (21.67)
50,000 and 75,000	20 (55.56)	53 (67.95)	40 (54.05)	25 (73.53)	10 (55.56)	148 (61.67)
75,000 and 1,00,000	12 (33.33)	8 (10.26)	8 (10.81)	2 (5.88)	2 (11.11)	32 (13.33)
Above 1,50,000	0.00 (0.00)	5.00 (6.41)	0.00 (0.00)	0.00 (0.00)	3.00 (16.67)	8 (3.33)
Total	**36 (100.00)**	**78 (100.00)**	**74 (100.00)**	**34 (100.00)**	**18 (100.00)**	**240 (100.00)**

Source: Field study
Note: Figures in parentheses denote percentage to total

Table – 5: Repayment of Loan and Community

Repayment of loan	Community wise after PMEGP				Total
	FC	BC	SC	ST	
Totally repaid	12 (26.67)	28 (24.35)	10 (20.83)	8 (25.00)	58 (24.17)
Partially repaid	31 (68.89)	84 (73.04)	34 (70.83)	19 (59.38)	168 (70.00)
Non repaid	2 (4.44)	3 (2.61)	4 (8.33)	5 (15.63)	14 (5.83)
Total	**45 (100.00)**	**115 (100.00)**	**48 (100.00)**	**32 (100.00)**	**240 (100.00)**

Source: Field study
Note: Figures in parentheses denote percentage to total

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Emerging Trends in Indian Capital Market: A Study

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Abstract : *Stock Market is one of the most effervescent sectors in the financial system; mark an essential involvement to economic growth. Further, it performs a significant task of enabling corporate, entrepreneurs to elevate resources for their companies and business ventures through public issues. Today long term investors are paying attention to invest in the Stock market rather than invest everywhere. The Bombay Stock Exchange (BSE), the National Stock Exchange (NSE) are the two large stock exchanges of Indian Stock Market. The main purpose of present study is to present review of literature associated to Indian Stock Market to study the Indian Stock Market in vigour. The study would assist the reader to know the past, current and future trend or scenario of Indian Stock market. The study would present guidelines to investor to maximise profit.*

Keywords: *Indian Stock Market, Trends, Performance and volatility.*

Introduction

As a part of the process of economic liberalization, the stock market has been assigned an important place in financing the Indian corporate sector. Besides enabling mobilizing resources for investment, directly from the investors, providing liquidity for the investors and monitoring and disciplining company managements are the principal functions of the stock markets. The main attraction of the stock markets is that they provide for entrepreneurs and governments a means of mobilizing resources directly from the investors, and to the investors they offer liquidity. It has also been suggested that liquid markets improve the allocation of resources and enhance prospects of long term economic growth. Stock markets are also expected to play a major role in disciplining company managements. In India, Equity market development received emphasis since the very first phase of liberalization in the early 'eighties. Additional emphasis followed after the liberalization process got deepened and widened in 1991 as development of capital markets was made an integral part of the restructuring strategy. Today, Indian markets conform to international standards both in terms of structure and in terms of operating efficiency.

Investors Preference in Stock Market

Though most of the investors want a safe and secure return on their investment, they also look for maximum returns. The uncontaminated debt investment brings an average return with smaller liquidity as compared to the equity savings. So in search of higher return (keeping the risk factor in mind) sponsor are a heading towards equity investment on study of recent year investment trends, FII, entrance and operations in Indian stock markets, it has been found that equity is gaining ground in India.

Literature Review

Juhi Ahuja (2012) presents a review of Indian Capital Market & its structure. In last decade or so, it has been observed that there has been a paradigm shift in Indian capital market. The application of many reforms & developments in Indian capital market has made the Indian capital market comparable with the international capital markets. Now, the market features a developed regulatory mechanism and a modern market infrastructure with growing market capitalization, market liquidity, and mobilization of resources. The emergence of Private Corporate Debt market is also a good innovation replacing the banking mode of corporate finance. However, the market has witnessed its worst time with the recent global financial crisis that originated from the US sub-prime mortgage market and spread over to the entire world as a contagion. The capital market of India delivered a sluggish performance.

Kumar Bharath & Sampath Sangu (2012) through their research paper entitled "Corporate Governance and Capital Markets: A Theoretical Framework" has outline a conceptual framework of the relationship between relationship between corporate governance and two important determinants of capital market development namely, a firm's access to finance, and its financial performance. The framework assumes that a firm's corporate governance is simultaneously determined by a group of related governance components and other firm characteristics. In this study an attempt is made to know how organisations are fair in corporate governance and capital market. It was explained that firm-level corporate governance quality can enhance both the firm's ability to gain access to finance and its financial performance, which eventually lead to capital market development.

Another prominent part comes from Shaik Abdul Majeeb Pasha (2013) duringhis research paper "An Evolutionary Critical approach on Indian Capital Market Developments". In this paper the researcher has examined various kinds of changes that have taken place in Indian Capital Market before and after globalisation, liberalization and privatization (GLP) era and wants to evaluate critically capital market system as well as Securities and Exchange Board of India (SEBI) role in India. In fact, it is observed that, on almost all the operational and systematic risk management parameters, settlement system, disclosures, accounting standards, the Indian Capital Market is at par with the global standards with little bit loopholes. While concluding it has been briefly noticed that a perception is steadily growing about the Indian Capital Market, as a dynamic market.

Objectives of the study

The main objective of this study is to capture the trends, activities and movements of the Indian Stock Market. The present study based on following objectives:-

- To Study the various aspect of Indian Stock Market in detail.
- To find out the views of different researcher and author in relation to Indian Stock Market
- To help the investors (current and potential) to understand the impact of important happenings on the Indian Stock exchange.

Trends in Primary Market

Public and Rights Issues: The primary securities market continues to show an upward trend in capital mobilisation.

During September 2016, the primary market saw 32 issues that mobilised 15,205 crore compared to 16,636 crore mobilised through 10 issues in August 2016 (revised figures). There were 31 public issues and rights issues in the month. Among the public issues, there were 28 IPOs that garnered 7,660 crore in all.

Private Placement

QIPs Listed at BSE and NSE : Qualified Institutional Placement (QIP) is an option mode of resource rising available for listed companies to raise funds from domestic market. In a QIP, a listed issuer issues equity shares or nonconvertible debt instruments along with warrants and convertible securities other than warrants to Qualified Institutional Buyers only. During September 2016, there were 4 QIP issues which accumulated 2,210 crore, compared to 2 QIP issues in the previous month which raised 230 crore.

Preferential Allotments Listed at BSE and NSE : Preferential allotment also serves as an alternative mechanism of source mobilization in which a listed issuer issues shares or convertible securities to a choice group of persons. There were 24 preferential allotment (amounts to 5,718 crore) listed at BSE and NSE during August 2016, compared to 17 preferential allotments (amounting to 350 crore) listed during August 2016.

Private Placement of Corporate Debt : Private placement mechanism dominates the resource mobilization through corporate bonds. In September 2016, 67,952 crore was raised through private placement route in the corporate bond market and 7,502 crore was raised through public issue route. Further, in September 2016, the total amount mobilised through public issues and private placement of both debt and equity jointly stood at 91,085 crore as compared to 88,381 crore in August 2016.

Resource Mobilisation by Mutual Funds : In September 2016, there were net inflows to mutual funds amounting to 16,071 crore. While net inflows to private sector mutual funds were 8,809 crore, public sector mutual funds witnessed net on flows of 7,262 crore. In September 2016, income/debt oriented schemes witnessed net inflows of 7,645 crore, while growth/equity funds and balanced schemes received net inflows of 3,743 crore and 3,274 crore respectively. Further, the FoF (Fund of fund) schemes investing overseas and GETFs (Gold Exchange Traded Funds) registered net outflows during September 2016. The cumulative net assets under management by all mutual funds increased by 1.08 per cent to 15,80,076 crore as on September 30, 2016 from 15,63,177 crore as on August 31, 2016.

Trends in the Secondary Market: The Indian stock market registered overall decline in share prices in September 2016. During the month, the benchmark indices, S&P BSE Sensex and Nifty 50 fell by 2.1 percent and 2.0 percent respectively to close at 27,866.0 and 8,611.2 respectively on September 30, 2016. Sensex and Nifty touched their intraday highs of 29,077.3 and 8,968.7 respectively on September 08, 2016 and September 07, 2016 respectively. Both Sensex and Nifty touched their intraday lows of 27,716.8 and 8,555.2 on September 30, 2016.

Performance of Indices at BSE and NSE during September 2016 (Percent)

BSE			NSE		
Index	Change Over Previous Month	Volatility	Index	Change Over Previous Month	Volatility
1	2	3	4	5	6
S&P BSE Sensex	-2.06	0.79	Nifty 50	-1.99	0.83
S&P BSE 100	-1.75	0.91	Nifty Next 50	-0.42	1.3
S&P BSE 200	-1.3	0.93	Nifty 100	-1.74	0.88
S&P BSE 500	-1.13	0.95	Nifty 200	-1.45	0.93
S&P BSE Large Cap	-1.66	0.85	Nifty 500	-1.28	0.95
S&P BSE Smallcap	1.04	1.33	Nifty Midcap 50	1.81	1.8
S&P BSE Con. Dur	0.51	1.24	Nifty Midcap 100	0.27	1.42
S&P BSE Capital Goods	-4.14	1.2	Nifty Small 100	-0.56	1.85
S&P BSE Bankex	-2.13	0.66	Nifty Bank	-2.54	1.17
S&P BSE Teck	-2.7	1.26	Nifty IT	-2.41	0.78
S&P BSE FMCG	-4.1	0.9	Nifty FMCG	-4.72	0.91
S&P BSE Metal	-1.77	1.58	Nifty Pharma	-0.25	1.1
S&P BSE PSU	-0.58	1.19	Nifty PSU Bank	0.62	2.16
S&P BSE Power	-5.19	1.42	Nifty Media	0.13	1.41
S&P BSE Healthcare	0.12		Nifty MNC	-0.85	0.98

Source: BSE and NSE

Trends in Depository Accounts

The total number of investor accounts was 150.3 lakh at NSDL and 114.7 lakh at CDSL at the end of September 2016. In September 2016, the number of investor accounts at NSDL and CDSL greater than before by 0.65 percent and 1.10 percent, respectively, over the previous month. A comparison with September 2015 showed there was an increase in the number of investor accounts to the extent of 6.5 percent at NSDL and 13.4 percent at CDSL.

Trends in Derivatives Segment

Equity Derivatives : India is one of the liveliest markets for exchange traded equity derivatives in the world. The trading volumes in the equity derivatives market was 15.2 times that of the equity cash segment in September 2016. The monthly total turnover in equity derivatives market at NSE increased by 9.4 percent to 86,70,780 crore in September 2016 from 79,23,783 crore in August 2016. The index options division has been the clear leader in the product-wise turnover of the futures and options division at NSE. During September 2016, the turnover in the index options category was 76.7 percent of the total turnover in the F&O segment of the NSE. During September 2016, index options and stock options registered increases in turnover over the previous month, while index futures and stock futures registered decline in turnover compared to the previous month. The open interest in value terms in the equity derivative segment of NSE decreased by 11.2 percent to 2,22,744 crore as on September 30, 2016 from 2,50,912 crore as on August 31, 2016.

VIX Futures at NSE: NSE introduced futures contracts on India VIX in the Futures & Options segment of NSE w.e.f. February 26, 2014. India VIX is India's first volatility index which is a key measure of market expectations of near term. The contract symbol is INDIAVIX and 3 weekly futures contracts were made available for trading. The contracts shall expire on every Tuesday. The tick size is 0.25 and lot size is 550. India VIX closed at 17.2 for September 2016, higher than 13.2 registered for August 2016. During September 2016, there was no trade in VIX futures contracts at F&O segment of NSE. Consequently, the open interest in India VIX contracts was zero at the end of September 2016.

Currency Derivatives at NSE: MSEI and BSE during September 2016, the monthly turnover of currency derivatives at NSE increased by 26.0 percent to 4, 23,296 crore from 3, 36,005 crore in August 2016. The turnover of currency derivatives at BSE increased by 10.4 percent to 2, 61,357 crore in September 2016 from 2, 36,833 crore in August 2016. At MSEI, the monthly turnover of currency derivatives increased by 24.8 percent to 33,924 crore in September 2016 from 27,177 crore in August 2016.

Interest Rate Derivatives at NSE, BSE and MSEI

During September 2016, the monthly turnover of interest rate futures at NSE decreased by 24.3 percent to 17,057 crore from 22,532 crore in August 2016. The turnover of interest rate futures at BSE increased by 11.5 percent to 9,300 crore in September 2016 from 8,340 crore in August 2016. At MSEI, the monthly turnover of interest rate futures decreased to 37 crore in September 2016 from 670 crore in August 2016.

Commodity Derivatives Markets : At the end of September 2016, the composite index MCXCOMDEX increased by 3.24 percent while, Dhaanya Index of NCDEX declined by 0.67 percent over the closing values of previous month. On September 30, 2016, MCXCOMDEX and Dhaanya closed at 3187.2 and 3153.2, respectively (Figure 8). MCXCOMDEX recorded an intraday high of 3203.42 on September 30, 2016 while 3064.79 on September 02, 2016 was its lowest intra-day level during the month. NCDEX Dhaanya recoded an intra-day high of 3232.78 on September 20, 2016 and an intra-day low of 3128.86 on September 29, 2016. The group indices of MCXCOMDEX, namely, MCX Energy and MCX Metal increased by 6.51 percent and 3.36 percent, respectively, while that of MCX Agri. recorded a fall of 3.18 percent.

Trends in Institutional Investment

Trends in Investment by Mutual Funds: The total net investment in the secondary market by mutual funds was 57,188 crore in September 2016 compared to 6,810 crore in August 2016. They made net purchases of 3,841 crore in equity in September 2016 compared to net purchases of 2,717 crore in equity in August 2016. In the debt segment, mutual funds were net purchasers to the tune of 53,347 crore in September 2016 as against net purchases of 4,093 crore made by them in August 2016 As on September 31, 2016, there were a total of 2,346 mutual fund schemes of which income/debt oriented schemes were 1,751 (74.6 percent), growth/equity oriented schemes were 474 (20.2 percent), exchange traded funds with 64 schemes (2.7 percent), fund of funds investing overseas schemes were 29 (1.2 percent) and balanced schemes were 28 (1.2 percent).

Trends in Investment by the Foreign Portfolio Investors (FPIs): In September 2016, the FPIs turned to be net buyers in the Indian securities market to the tune of 3,039 crore. There were net inflows in equity segment to the tune of 1,567 crore while debt segment witnessed a net inflow of 1,472 crore. The assets of the FPIs in India, as reported by the custodians, at the end of August 2016 stands at 25, 65,304 crore, out of which the value of offshore derivative instruments (including ODIs on derivatives) is 2, 16,232 crore, constituting 8.4 percent of the total assets under custody of FPIs

Trends in Portfolio Management Services: Total assets under management (AUM) of portfolio management services (PMS) industry has increased by 1.2 percent to 11, 50,343 crore in September 2016 from 11, 36,941 crore in August 2016. As on September 30, 2016, AUM of discretionary PMS constitute 77.1 percent of the total AUM of PMS followed by advisory PMS (16.9 percent) and non discretionary PMS (6.0 percent). In terms of number of clients, discretionary services category leads with total of 57,391 clients, out of 64,138 clients in PMS industry, followed by nondiscretionary category with 4,509 clients and advisory category with 2,238 clients.

Trends in Substantial Acquisition of Shares and Takeovers: In September 2016, three open offers with offer value of 60 crore were made to the shareholders as against six open offers with offer value of 2,470 crore in August 2016.

Growth in India: According to IMF's recent economic outlook report, India's GDP will continue to expand at the fastest pace among major economies, with growth forecast at 7.6 percent in 2016-17. Large terms-of-trade gains, positive policy actions, structural reforms including the introduction of an important tax reform, formalization of the inflation targeting framework and improved confidence are expected to support consumer demand and investment. The World Bank projected that India will grow by a robust 7.8 percent in 2016 and 7.9 percent in the next two years. World Bank also predicted that India will be the fastest growing economy in the world in the next three years and would outpace China. With the recent fall in oil prices, India remains the bright spot of the global economy as Chinese growth is predicted to slow further.

The Ministry of Statistics and Programme Implementation released quarterly estimates of GDP for Q1 of 2016-17. As per the estimates, quarterly GVA (Gross Value Added) at basic price for Q1 of 2016-17 has shown a growth rate of 7.3 per cent (Y-o-Y). Agriculture sector's GVA at basic price has been estimated at 1.8 per cent in Q1 of 2016-17 as against 2.6 per cent in Q1 of 2015-16. Quarterly GVA at basic prices for Q1 of 2016-17 from manufacturing sector grew by 9.1 percent as compared to growth of 7.3 percent in Q1 of 2015-16. For the financial, real estate and professional services sector, quarterly GVA at basic prices for Q1 2016-17 grew by 9.4 percent as compared to growth of 9.3 percent in Q1 2015-16. GDP in Q1 of 2016-17 has shown a growth rate of 7.1 per cent (Y-o-Y). The International Monetary Fund has marginally trimmed India's economic growth forecasts to 7.4 per cent in 2016 and 2017, reflecting a more sluggish investment recovery. The Nikkei India Manufacturing PMI (Purchasing Managers' Index) stood at 52.1 in September compared to 52.6 in August, indicating that growth has lost some momentum. The Services Business Activity Index noted a slight decrease to 52.0 in September, down from 54.7 in August, indicating a moderate rate of expansion.

Highlights of Developments in International Securities Market

1. The Securities and Exchange Commission announced the agenda for the October 5 meeting of its Advisory Committee on Small and Emerging Companies. The committee discussed Regulation S-K disclosure requirements, research regarding corporate board diversity, and outreach to smaller companies about capital raising. It also received updates from the Division of Trading and Markets on equity market formation initiatives, a tick-size pilot, and the action of so-called "finders" that support companies in investment raising activities.

2. SEC Proposes Rule Amendment to Expedite Process for Settling Securities Transactions 28th September 2016: The Securities and Exchange Commission voted to propose a rule amendment to shorten the pattern agreement cycle for most broker-dealer securities dealings from three business days after the trade date (T+3) to two business days after the trade date (T+2). The anticipated amendment is designed to reduce the risks that arise from the value and number of unsettled securities dealings prior to the completion of settlement, including credit, market, and liquidity risk directly faced by U.S. market participants.

3. SEC adopt Rules for improved Regulatory agenda for Securities Clearing Agencies 28th September, 2016: The Securities and Exchange Commission voted to adopt new rules to establish enhanced standards for the action and authority of securities clearing agencies that are deemed systemically significant or that are involved in complex transactions, such as security-based swaps. The Commission also recommend applying the superior standards established by the new system to other categories of securities clearing agencies, including all SEC-registered central counterparties.

Conclusion

Stock Market is the mitigation of risk through the dispersal of investments across numerous entities, which is achieved by the pooling of a number of small investments into a large bucket. Stock Market is the most appropriate investment for the ordinary man as it offers an opening to invest in a diversified, professionally managed portfolio at a comparatively low cost. So that the investors have to keep an eye on the trends, developments of the stock market which takes place frequently.

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Self-help groups – a ray of hopes to rural women- A study in Telangana

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Abstract: *In this study the focus has been made to find out the performance of SHGs in selected six villages of Karimnagar district of Telangana State. With an appropriate interview schedule we have collected the data on the contributions of SHG to improve their individual social, economic status and also their contributions in rural development. Though the performance of SHGs is not uniform in all the selected areas and also within the areas but, its impact is visible during our enquiry and it is due to partly efforts by Satavahana Grameena Bank and partly by SHG members. There is tremendous awareness is generated on the role of SHG and they have become catalytic force in bringing social and economic prosperity in rural areas. The performance of SHGs has become harbinger for prosperity for the selected respondents of SHG.*

Key words: *Women ,human resources, women empowerment*

Introduction:

Women comprise half of human resources have been identified as key agents of sustainable development and women's equality is as central to a more holistic approach towards establishing new patterns and process of development that are sustainable. The contribution of women and their role in the family as well as in the economic development and social transformation are pivotal.

Oflate, the role of SHGs is to improve the socio and economic development of women and improve the status of women households and communities is well recognized in various parts of India. They have received special attention in newly formed State of Telangana. The SHGs are strengthening the women empowerment and remove the gender inequalities and Self Help Group's makes the members to involve in other community development activities.

Review of Literature

Several studies have been conducted by social scientists, financial institutions and agencies, which highlight the positive trends and impact of Self Help Groups on empowerment, credit accessibility and the social change . A study held that the NGOs in India played an intermediary role to the Government in rural development[1] and many SHGs in rural areas have improved the socio-economic conditions of the rural families. Banks with the help of NGOs and SHGs can reach out the needy with a small amount of credit as loans without having the fear of non-performing assets. Another study also confirm that SHGs through their network with commercial banks, co-operative banks, regional rural banks, NABARD and NGO's have improved the financial services to the poor and uplifted their status in the society. Thus SHGS are important to increase gainful employment[2]. A study about SHGs in India, observed that about 59 percent of the sample households registered an increase in assets and 47.9 percent moved above the poverty line from pre-to-post SHG situation. Thus social empowerment was evident in terms of improvements in members confidence level, treatment within the family, communication skills and other behavioral aspects[3]. There dimensions of women empowerment namely economic, social and political was mentioned[4]. Women have lesser decision making power in their day to life[5]. This situation is changing because of SHGs and its micro enterprises. Another study status that 60 percent of the women take up economic activities related to agriculture and allied activities[6]. A systematic and planned approach in bringing the positive imagery of women in India was given in a study[7]. There was a huge improvement in women's control over their savings, credit and income. NGOs also play equal role with the government agencies in improving the facilities for women[8]. There is a positive function of banking habits through SHGs MF (Micro-Finance) programmes[9]. Development of saving habits among the rural people and poor, paving ways for better technology and access to various promotional assistance was identified[10]. Education and literacy rates of women contribute hugely, and help women reach their full potencies and become empowered[11].

Methodology

Looking at the magnitude of the problem and vulnerability of rural women workers on one hand and assuming that encouraging women employment will alleviate poverty and lead to women empower, the study tries to problem in to the authenticity of this generalized belief and based on mainly primary data collected from field survey conducted in three mandals of Karimnagar district. The sample covers Self Help Groups spreading in six villages of the district. The study is carried out with the following Objectives and Hypotheses.

Objectives of the study:

1. To examine the relationship between the socio-economic factors and the women empowerment.
2. To assess the changing socio-economic conditions of **Self Help Groups**.
3. To suggest policy measures for socio-economic empowerment of rural women as well as effective and efficient functioning of **Self Help Groups**.

Hypotheses:

The following hypotheses have been empirically tested.

1. **Self Help Groups** have direct bearing on socio-economic empowerment of rural women.
2. There is large scope for promotion of **Self Help Groups** to ensure participatory development and people centered and decentralized governance.

Table -1: Major issues of Self Help Groups

Issues discussed in the meeting	Village	Economic Status			
		LIG	MIG	HIG	Total
Awareness of Loan Utilization	CHENCHER CHERUVUPALLY	1 (0.7)	24 (16.8)	2 (1.4)	27 (18.9)
	SRIRAMULAPALLY	7 (4.9)	12 (8.4)	5 (3.5)	24 (16.8)
	DAMERAKUNTA	13 (9.1)	4 (2.8)	1 (0.7)	18 (12.6)
	DHARMASAGAR	5 (3.5)	16 (11.2)	-	21 (14.7)
	GOURAVELLY	11 (7.7)	16 (11.2)	2 (1.4)	29 (20.3)
	RAMAVARAM	12 (8.4)	9 (6.3)	3 (2.1)	24 (16.8)
	Total	49 (34.3)	81 (56.6)	13 (9.1)	143 (100.0)
Development activities of members	CHENCHER CHERUVUPALLY	-	6 (15.4)	-	6 (15.4)
	SRIRAMULAPALLY	1 (2.6)	4 (10.3)	3 (7.7)	8 (20.5)
	DAMERAKUNTA	2 (5.1)	4 (10.3)	-	6 (15.4)
	DHARMASAGAR	1 (2.6)	4 (10.3)	-	5 (12.8)
	GOURAVELLY	1 (2.6)	4 (10.3)	-	5 (12.8)
	RAMAVARAM	1 (2.6)	7 (17.9)	1 (2.6)	9 (23.1)
	Total	6 (15.4)	29 (74.4)	4 (10.3)	39 (100.0)
Development activities of SHG	CHENCHER CHERUVUPALLY	9 (8.5)	6 (5.7)	1 (0.9)	16 (15.1)
	SRIRAMULAPALLY	7 (6.6)	8 (7.5)	1 (0.9)	16 (15.1)
	DAMERAKUNTA	5 (4.7)	21 (19.8)	-	26 (24.5)
	DHARMASAGAR	0 (0.0)	19 (17.9)	-	19 (17.9)
	GOURAVELLY	9 (8.5)	4 (3.8)	-	13 (12.3)
	RAMAVARAM	12 (11.3)	4 (3.8)	-	16 (15.1)

	Total	42 (39.6)	62 (58.5)	2 (1.9)	106 (100.0)
Infrastructure development of the area	RAMAVARAM	-	1 (100.0)	-	1 (100.0)
	Total	-	1 (100.0)	-	1 (100.0)
Social Issues	CHENCHER CHERUVUPALLY	-	-	1 (100.0)	1 (100.0)
	Total	-	-	1 (100.0)	1 (100.0)
No issues discussing in the meetings	DHARMASAGAR	-	2 (66.7)	-	2 (66.7)
	GOURAVELLY	1 (33.3)	-	-	1 (33.3)
	Total	1 (33.3)	2 (66.7)	-	3 (100.0)
Others	DHARMASAGAR	-	1 (50.0)	-	1 (50.0)
	GOURAVELLY	-	1 (50.0)	-	1 (50.0)
	Total	-	2 (100.0)		2 (100.0)

Source: Field Data – * Parenthesis indicate the Percentage

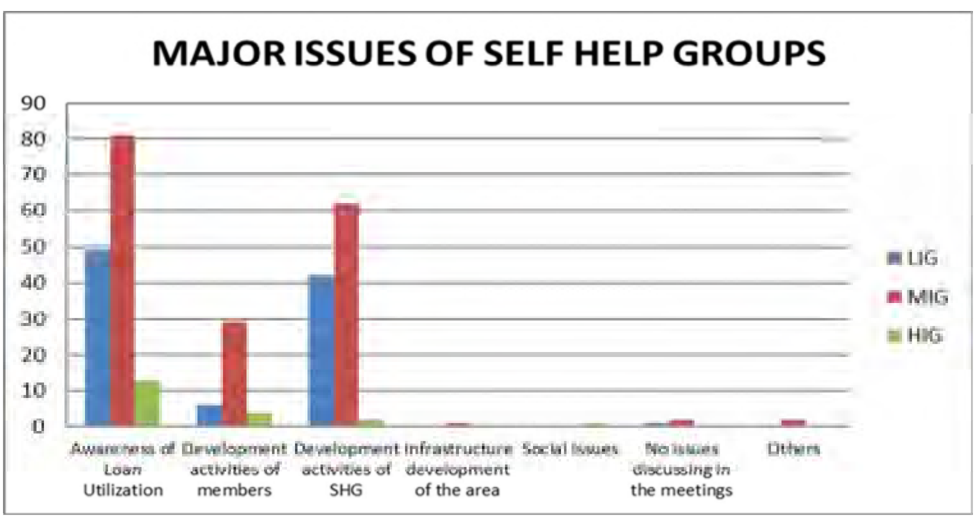
Results:

During our enquiry with the respondents, we have gathered some important information with regard to awareness of loan utilization, developmental activities of the family members and also **Self Help Groups**. Infact some more information we could collect with regard to their contribution for infrastructure development of the village also. It is interesting to note that out of 300 respondents, a large number of them i.e., 47 percent are aware about the loan utilization. Most of them revealed us that the amount is spent for the betterment of the family members and such as education, house construction, health care and also to fulfill certain social obligations. Particularly the respondents of Chencher Cheruvupally, Gouravelly, Ramavaram and Sriramulapally are aware about the loan utilization. It is also observed that a large number of them are from middle income group.

One interesting observation is that out of 18 respondents of Damerakunta village more than 72 percent who are aware about the loan utilization are from lower income group. However the awareness of the lower income groups in villages like Chencher Cheruvupally and Sriramulapally villages is very poor. With regard to the developmental activities of the family members, out of 39 respondents who had this opinon, more than 74 percent are from middle income groups, and response in Ramavaram village is higher followed by Chencher Cheruvupally. One finding of the study is that in four villages i.e., Sriramulapally, Damerakunta, Dharmasagar and Gouravelly we could see an equal number of respondents (4 is numbers in each village) opined this opinion.

Discussions

Similarly only one respondent from village of Sriramulapally, Dharmasagar, Gouravelly and Ramavaram (healing from lower income group) express their views on the developmental activities. In the case of **Self Help Groups** activities we could see more than 35 percent in the entire sample area mentioned their activities. The response is almost similar i.e., 15 percent in the villages Chencher Cheruvupally, Sriramulapally and Ramavaram and in the case of Dharmasagar it was 17 percent. One pertinent point to be noted is that a large number of respondents of Ramavaram belong to lower income group express their views properly on the developmental activities of the **Self Help Groups**. This is very interesting and encouraging one to be noted except Dharmasagar overall the response of lower income groups in all the villages is encouraging one. In the case of Dharmasagr middle income group and higher income groups are aware about these activities. Another important observation in our study is that almost all the respondents had not revealed their social issues with us. Most of them concern about their betterment of economic conditions and how best to be away from the clutches of poverty. Thus the self help group members in our study area are aware about the loan utilization and how best to use it for their future betterment.



Bar diagram reflects the major issues of Self Help Groups in selected area shown that middle income group discusses the Awareness of loan utilization followed by lower income group.

Table – 2:

Purpose of Loan Taken by the Respondents

Purpose of Loan	Village	Economic Status			
		LIG	MIG	HIG	Total
Agricultural Investment	CHENCHER CHERUVUPALLY	6 (4.5)	11 (8.2)	2 (1.5)	19 (14.2)
	SRIRAMULAPALLY	1 (0.7)	13 (9.7)	4 (3.0)	18 (13.4)
	DAMERAKUNTA	7 (5.2)	16 (11.9)	1 (0.7)	24 (17.9)
	DHARMASAGAR	2 (1.5)	26 (19.4)	-	28 (20.9)
	GOURAVELLY	10 (7.5)	13 (9.7)	1 (0.7)	24 (17.9)
	RAMAVARAM	12 (9.0)	7 (5.2)	2 (1.5)	21 (15.7)
	Total	38 (28.4)	86 (64.2)	10 (7.5)	134 (100.0)
Education	CHENCHER CHERUVUPALLY	1 (2.5)	10 (25.0)	1 (2.5)	12 (30.0)
	SRIRAMULAPALLY	2 (5.0)	3 (7.5)	2 (5.0)	7 (17.5)
	DAMERAKUNTA	1 (2.5)	6 (15.0)	-	7 (17.5)
	DHARMASAGAR	1 (2.5)	2 (5.0)	-	3 (7.5)
	GOURAVELLY	1 (2.5)	1 (2.5)	-	2 (5.0)
	RAMAVARAM	3 (7.5)	5 (12.5)	1 (2.5)	9 (22.5)
	Total	9 (22.5)	27 (67.5)	4 (10.0)	40 (100.0)
Consumption	CHENCHER CHERUVUPALLY	-	1 (6.3)	-	1 (6.3)
	SRIRAMULAPALLY	-	1 (6.3)	1 (6.3)	2 (12.5)
	DAMERAKUNTA	9 (56.3)	-	-	9 (56.3)
	DHARMASAGAR	2 (12.5)	1 (6.3)	-	3 (18.8)
	GOURAVELLY	1 (6.3)	-	-	1 (6.3)

	Total	12 (75.1)	3 (18.8)	1 (6.3)	16 (100.0)
House Construction	CHENCHER CHERUVUPALLY	1 (3.7)	4 (14.8)	1 (3.7)	6 (22.2)
	SRIRAMULAPALLY	2 (7.4)	3 (11.1)	1 (3.7)	6 (22.2)
	DAMERAKUNTA	-	1 (3.7)	-	1 (3.7)
	DHARMASAGAR	-	1 (3.7)	-	1 (3.7)
	GOURAVELLY	1 (3.7)	4 (14.8)	1 (3.7)	6 (22.2)
	RAMAVARAM	2 (7.4)	5 (18.5)	-	7 (25.9)
	Total	6 (22.2)	18 (66.7)	3 (11.1)	27 (100.0)

Source: Field Data – * Parenthesis indicate the Percentage

Since most of the respondents are from 'lower income group' and 'middle income groups' and struggling hard to maintain their minimum standard of living, members of SHGs in these village are taking loans from institutions such as Shathavahana Grameena Bank (DCB). Hence we have collected the data on the purpose of loan taken and broadly categorized such as loan for agricultural investment, loan for education, house construction, to meet present consumption.

The table 2 has given information that nearly 44 percent of the respondents in the entire sample area have taken loan to develop agriculture. They took loan to purchase fertilizers, pesticides and farm machineries etc. A majority of them who had taken loan for agriculture purpose are from 'middle income groups'. On the other hand, the general notion which is prevailing now a days that most of the financial institutions extend benefits to higher income groups is proved to be wrong in these study areas. The information is that out of 134 respondents only 7 percent beneficiaries are from higher income groups. Whereas even in lower income groups also we could see nearly 25 percent respondents received loan to invest in agriculture activities.

The table further revealed that only 40 respondents taken loan for children education and majority of them are from middle income groups i.e., 67 percent they are found to be more in Chencher Cheruvupally village i.e., 25 percent. Another observation is that only one respondent is in lower income group is in the village of Chencher Cheruvupally, Damerakunta, Dharmasagar and Gouravelly received loan for education. In other words, the response from the respondents taking loan for education purpose is not encouraging.

Table – 3: Changing Economic Position of the Respondents

Is there any change in your economic position	Village	Economic Status			
		LIG	MIG	HIG	Total
Yes	CHENCHER CHERUVUPALLY	10 (3.4)	36 (12.3)	4 (1.4)	50 (17.1)
	SRIRAMULAPALLY	16 (5.4)	24 (8.2)	10 (3.4)	50 (17.1)
	DAMERAKUNTA	20 (6.8)	29 (9.9)	1 (0.3)	50 (17.1)
	DHARMASAGAR	6 (2.0)	44 (15.0)	-	50 (17.1)
	GOURAVELLY	16 (5.5)	25 (8.5)	2 (0.7)	43 (14.7)
	RAMAVARAM	25 (8.5)	21 (7.2)	4 (1.4)	50 (17.1)
	Total	93 (31.8)	179 (61.1)	21 (7.2)	293 (100.0)
No	GOURAVELLY	1 (100.0)	-	-	1 (100.0)
	Total	1 (100.0)	-	-	1 (100.0)

Source: Field Data – * Parenthesis indicate the Percentage

Therefore we have collected the data to find out their changing economic status after joining as a member of 'self help group'. It is heartening to note that more than 61 percent of the respondents belong into middle income groups said that their economic and social status is slowly improving. They considered self help group as boom for their prosperity.

The response even from lower income groups is not discouraging one, though most of them are illiterates and ignorant, more than 31 percent express their views that self help group is benefiting them. However in the case of middle income group, the response is very poor where we could not see even 8 percent express good about his **Self Help Groups**. Therefore it can correlated that there is a direct relationship between self help group and lower income group and vis-à-vis in the case of higher income group.

Area wise analysis has shown that the respondents who had good opinion are found to be equal in number in four villages i.e.., Chencher Cheruvupally, Sriramulapally, Damerakunta, Dharmasagar and Ramavaram villages, i.e., 50 in each. Whereas in Gouravelly village we could find only 43 respondents are happy with **Self Help Groups**. One interesting observation is that only one respondent in the entire sample somehow is unhappy with self help group and this man is found in Gouravelly village. In spite of over best effort, we could not find any sign of hopes in this respondent and he hails from under privileged section. Therefore some more effort is needed to create awareness on **Self Help Groups** to reach small and poor people living in the backward areas.

Table – 4: Benefits with the SHGs

Types of benefits with the SHGs	Village	Economic Status			
		LIG	MIG	HIG	Total
Increase in social awareness	CHENCHER CHERUVUPALLY	12 (21.5)	2 (3.6)	1 (1.8)	15 (26.9)
	SRIRAMULAPALLY	6 (10.7)	2 (3.6)	-	8 (14.3)
	DAMERAKUNTA	1 (1.8)	-	-	1 (1.8)
	DHARMASAGAR	6 (10.7)	-	-	6 (10.7)
	GOURAVELLY	9 (16.1)	-	-	9 (16.1)
	RAMAVARAM	15 (26.8)	2 (3.6)	-	17 (30.4)
	Total	49 (87.5)	6 (10.7)	1 (1.8)	56 (100.0)
Increase in self confidence	CHENCHER CHERUVUPALLY	6 (12.5)	-	-	6 (12.5)
	SRIRAMULAPALLY	8 (16.6)	2 (4.2)	-	10 (20.8)
	DAMERAKUNTA	3 (6.3)	1 (2.1)	-	4 (8.4)
	DHARMASAGAR	6 (12.6)	1 (2.1)	-	7 (14.7)
	GOURAVELLY	6 (12.5)	3 (6.3)	-	9 (18.8)
	RAMAVARAM	9 (18.8)	3 (6.3)	-	12 (25.1)
	Total	38 (79.2)	10 (20.8)	-	48 (100.0)
Increase in Savi	CHENCHER CHERUVUPALLY	7 (13.7)	1 (2.0)	-	8 (15.7)
	SRIRAMULAPALLY	5 (9.8)	2 (3.9)	1 (2.0)	8 (15.7)

ng Habits	DAMERAKUNTA	11 (20.6)	2 (3.9)	-	13 (25.5)
	DHARMASAGAR	11 (21.6)	1 (2.0)	-	22 (23.6)
	GOURAVELLY	1 (2.0)	3 (5.9)	-	4 (7.9)
	RAMAVARAM	3 (5.9)	3 (5.9)	-	6 (11.8)
	Total	38 (74.5)	12 (23.5)	1 (2.0)	51 (100.0)
Increase in financial assistance	CHENCHER CHERUVUPALLY	12 (10.5)	3 (2.6)	-	15 (13.1)
	SRIRAMULAPALLY	17 (14.7)	5 (4.3)	1 (0.9)	23 (19.9)
	DAMERAKUNTA	23 (20.0)	5 (4.3)	-	28 (24.3)
	DHARMASAGAR	11 (9.5)	4 (3.5)	-	15 (13.0)
	GOURAVELLY	17 (14.8)	3 (2.6)	1 (0.9)	21 (18.3)
	RAMAVARAM	9 (7.8)	4 (3.5)	-	13 (11.3)
	Total	89 (77.4)	24 (20.9)	2 (1.7)	115 (100.0)

Source: Field Data – * Parenthesis indicate the Percentage

During our field investigation we probed further to know about the direct and indirect benefits they are enjoying after joining in **Self Help Groups** as they mentioned that **Self Help Groups** have become ray of hopes to them. Some of the answers which we could get increase social awareness, improvement in their self confidence, desire to save, educating their children and ultimately to increase their financial positions. They consider **Self Help Groups** have become spring board for their future. Table 4 throws light on above aspects. It is quite interesting to note that 89 respondents of lower income group category are in position to get some financial assistance from **Self Help Groups**. As a result their confidence level is slowly and steadily increasing as 38 out of 24 lower income groups have mentioned this. Similarly 49 respondents are satisfied with their social awareness; this tempted them to save a small proportion of their income in **Self Help Groups**. It is found to be 38 in the entire sample of lower income groups.

Table – 5: Suggestions to Improve the work of SHG Members

Reason for forming a group	Village	Economic Status			
		LIG	MIG	HIG	Total
To provide more loans for members	CHENCHER CHERUVUPALLY	30 (15.2)	6 (3.0)	1 (0.5)	37 (18.7)
	SRIRAMULAPALLY	20 (10.2)	7 (3.6)	1 (0.5)	28 (14.3)
	DAMERAKUNTA	39 (19.8)	7 (3.6)	-	46 (23.4)
	DHARMASAGAR	35 (17.8)	7 (3.6)	-	42 (21.4)
	GOURAVELLY	14 (7.1)	9 (4.6)	1 (0.5)	24 (12.2)
	RAMAVARAM	13 (6.6)	7 (3.6)	-	20 (10.2)
	Total	151 (76.7)	43 (21.8)	3 (1.5)	197 (100.0)
To provide the loan at right time	CHENCHER CHERUVUPALLY	9 (20.0)	1 (2.2)	-	10 (22.2)
	SRIRAMULAPALLY	9 (20.0)	2 (4.4)	1 (2.2)	12 (26.6)
	DAMERAKUNTA	-	1 (2.2)	-	1 (2.2)
	DHARMASAGAR	2 (4.4)	-	-	2 (4.4)
	GOURAVELLY	8 (17.8)	-	-	8 (17.8)
	RAMAVARAM	11 (24.4)	1 (2.2)	-	12 (26.6)
	Total	39 (86.7)	5 (11.1)	1 (2.2)	45 (100.0)
To provide loan at low rate of interest	CHENCHER CHERUVUPALLY	2 (4.2)	1 (2.1)	-	3 (6.3)
	SRIRAMULAPALLY	6 (12.8)	2 (4.3)	-	8 (17.1)
	DAMERAKUNTA	2 (4.3)	-	-	2 (4.3)
	DHARMASAGAR	3 (6.4)	1 (2.1)	-	4 (8.5)
	GOURAVELLY	13 (27.4)	2 (4.3)	-	15 (32.0)
	RAMAVARAM	13	2	-	15

		(27.7)	(4.3)		(32.0)
	Total	39 (83.0)	8 (17.0)	-	47 (100.0)
Others	RAMAVARAM	-	2 (100.0)	-	2 (100.0)
	Total	-	2 (100.0)	-	2 (100.0)

Source: Field Data – * Parenthesis indicate the Percentage

Since there is a positive sign on the functioning of the self help group, in our villages an attempt is also made by us to get some suggestion from the respondents for better performance of **Self Help Groups** and how the groups should be. Table 5 shows that a majority of the lower income group 49.8 percent and middle income groups 25.6 percent suggested us that **Self Help Groups** should provide more loan amount to their members. Particularly this is visible in Dharmasagar and Damerakunta villages. More than 12 percent respondents suggested that the loan should be provided in right time. Some members also suggested us that the loan which they receive should be carried out with low rate of interest.

Conclusion

Self Help Groups, though contributing for the up-lift mint of socio-economic conditions of village folk in rural areas, some more reforms are needed for the better functioning of the **Self Help Groups** as ultimately it helps to improve the progress and prosperity of people in rural area general and weaker sections in particular.

SHGs have identified ways for women empowerment and reduction of poverty. They have contributed by developing their social and economic status. They also empower women by increasing their income, expenditure and savings habits. The key reasons for the success of SHGs are its like with the poor people, its innovative practices, its capacity to enable people's participation in development and trust building at different levels between stakeholders. SHGs also help in the financial status of the households. They have developed self-confidence and independence among rural women, which in turn increased the livelihood of the rural people, and it has become ray of hopes to rural women in the newly formed State of Telangana State.

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Determinants of Foreign Direct Investment in India

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Abstract : *The article aims to explore the determinants of FDI in India. The data used is from 1980 to 2015 from world bank data base. The methodology of step wise regression was used for the purpose. It was found that there are only two significant variables i.e. GDP percapita and Lending Interest rates.*

I. Introduction

At least in last two decades in India, FDI has proved to be one of the important ingredients for growth and growth not just in terms of GDP but also in various areas which can't be measured in numbers, for instance technology. In 1991, in response to the unfortunate balance of payment crisis, India went for changes in its policy regime in order to conform to the IMF conditions. They include liberalization, globalization and privatization. Under The New Industrial Policy, government opened sectors like telecommunication, power generation and distribution, oil exploration, refining and mining, which were initially under the public sector[7]. Though, India attracted FDI even in the eighties, but after these reforms, there was a huge surge of FDI inflow in India.

Over and over again, some factors have been proved substantial for attracting FDI to a country. Considerable market size and proper infrastructure of the host country is very important[8]. Macroeconomic factors like trade openness, maintaining low short-term debt levels, presenting a balance of payment deficit, government stability and low expropriation risk can increase FDI levels of a country[9]. Most of them are true for India as well. Management authorities in India need to ensure provision of physical quality infrastructure, maintain inflation rate, curtail external debt and provide financial incentives. Also, they should ensure stable economic and political environment, encourage domestic investment, reduction in duties, peace and security, law & order situation and consistency in the government policy[10]. Geographical distance between India and the home country and differences in the culture also matter[11].

FDI can be allowed to enter through two routes in India- automatic and Government route. Under automatic route, prior government approval is not required while under government route, foreign company has to seek the approval of government which is given by the authority of Foreign Investment Promotion Board. This year, Indian government has completely overhauled the FDI limits in various sectors. Under automatic route sectors like Agriculture & Animal Husbandry, Plantation Sector, Broadcasting, E-commerce activities, Construction Development, Industrial Parks have 100% FDI limit. Also, structural measures like implementation of Goods and Services Tax (GST) from 2017 will improve the tax system of India and may attract more FDI. May be these steps are proving to be good enough because India has jumped up by staggering 16 ranks to 39 in World Economic Forum's Global Competitiveness Index (GCI) for 2016-17.

II. Literature Review

Lots of research has been done on the determinants of FDI across the globe. But the results are not conclusive. Moreover there is hardly any research on determinants of FDI in India. The determinants are broadly categorized into two types Macroeconomic factors and financial factors. The literature review is summarized in table 1 below.

Table 1: Literature Review

	Authors	Methodology	Determinants
1.	Miguel Eduardo Sánchez-Martín, Rafael de Arce, Gonzalo Escribano (Feb, 2014)	The main objective is to find out the determinants of FDI in Latin America. Used panel data analysis for Latin American Countries over the period from 1990-2010	1. Trade openness, maintaining Low short-term debt levels and presenting a balance of payment deficit, government stability and low expropriation risk. 2. Both public solutions (Such as sovereign guarantees) and private institutions are important. 3. DR CAFTA agreement didn't contribute significantly in attracting FDI towards Central America
2.	BethuelKinyanjuiKinuthia, Syed MansoobMurshedba (Feb, 2015)	Uses time series data for the period 1960–2009, which is analyzed in a vector autoregressive model.	Malaysia's success in attracting FDI is due to macroeconomic stabilization, trade policies, infrastructure and institutional factors
3.	InoussaBoubacar (April 2015)	They used a simultaneous equations model estimated using the two-stage least squares method on a sample of 25 OECD recipient countries of U.S. during the period	1. Spatial interdependence/third-country effects of on FDI. 2. There is a complementary relationship between FDI and exports. 3. Host countries and adjacent locations will benefit from attracting more FDI because of the spillover

		from 1999 to 2009	effects
4.	BethuelKinyanjuiKinuthia, Syed MansoobMurshedba (Feb, 2015)	uses time series data for the period 1960–2009, which is analyzed in a vector autoregressive model.	Malaysia's success in attracting FDI is due to macroeconomic stabilization, trade policies, infrastructure and institutional factors
5.	AgyenimBoateng, Xiuping Hua, ShaistaNisar, JunjieWu (February, 2015)	Co integrating regressions with Fully Modified OLS (FMOLS) and the vector autoregressive and error correction model (VAR/VECM)	FDI determinants in Norwayunder the location-specific advantage: 1. Real GDP, sector GDP, exchange rate and trade openness. 2. Governments macroeconomic policies like money supply, inflation, unemployment and interest rate to help reduce production and transaction costs of MNEs

III. Objectives

The primary objective of the paper is to study the main determinants of FDI in India. The secondary objectives related to the primary objective are

1) To find out whether Percapita Gross Domestic Product (GDPPC) is influencing FDI
2) To study whether the inflation (infn) is having any impact on FDI or not.
3) To study the impact of lending interest rate (LIR) on FDI
4) To study the impact of Net Taxes (NT) on the FDI
5) To study the impact of real interest rate (RIR) on the FDI
6) To find out the impact of Current Account Balance (CAB) on the FDI

IV. Hypothesis

1) Higher the Percapita Gross Domestic Product (GDPPC) higher the FDI
2) Higher the inflation (infn) lower the FDI
3) Higher the lending interest rate (LIR) lower the FDI
4) Higher the Net Taxes (NT) lower the FDI
5) Higher the real interest rate (RIR) lower the FDI
6) Higher the Current Account Balance (CAB) lower the FDI

V. **Methodology:** The variables used in the analysis are FDI inflows (FDI), GDPPC, Infn, LIR, NT, PD, RIR and CAB. The data is collected from the database of World Bank over the period from 1980 to 2015. The year 1980 is specifically chosen because the reform process in India started from the eighties and then gained momentum in nineties. In the first stage descriptive statistics are calculated for all the variables, then in the second stage correlation coefficient is calculated to know the correlations amongst the pairs of variables. In the third stage stepwise regression is used to know the significant variables.

VI. Results and Findings

The results of the descriptive statistics are summarized in the table 2 below.

Table: 2 Descriptive Statistics

	Mean	Std. Deviation	N
FDI	9159150424.67	13337937794.04	35.00
GDPPC	821.52	378.17	35.00
INFN	8.20	3.10	35.00
LIR	13.98	2.76	35.00
NT	52455210062.43	41542382681.08	35.00
PD	335.63	61.67	35.00
RIR	6.17	2.12	35.00
CAB	-12561394690.46	21261938390.25	35.00

In the second stage the degree of correlation was tested using Pearson's Correlation Coefficient amongst the pairs of variables. The results are summarized in the table 3. From table 3 we see that between FDI and GDPPC there is a very high degree of correlation. It is 0.896.NT and PD also have significant correlation with the FDI, 0.858 and 0.805 respectively. Current Account Balance (CAB) and LIR are negatively correlated with FDI, -0.727 and -0.697 respectively. Between RIR, Real Interest Rate and FDI there is moderate correlation, -0.497. It is also negatively correlated. The correlation of FDI with INFN is very less, 0.048.

Table 3: Correlations between pairs of variables

Variable	FDI	GDPPC	INFN	LIR	NT	PD	RIR	CAB
FDI	1.000							
GDPPC	.896	1.000						
INFN	.048	-.095	1.000					
LIR	-.676	-.860	.328	1.000				
NT	.858	.970	-.031	-.785	1.000			
PD	.805	.945	-.235	-.887	.855	1.000		
RIR	-.497	-.489	-.452	.421	-.504	-.409	1.000	
CAB	-.727	-.754	-.253	.536	-.796	-.599	.613	1.000

The results of the step-wise regression are summarized in table 4 below. The model 1 of the table 4 has got only GDPPC is taken as independent variable and t – value is 11.60, which is very high. The R Square is 80.3. It implies that 80.3% of variation in FDI in India is explained by GDPPC.

Model		Unstandardized Coefficients		Standardized Coefficients			R Square	Adjusted R Square
		B	Std. Error	Beta	T	Sig.		
1	(Constant)	-16805345915.98	2458279475.44		-6.84	0.00	.803	.797
	GDPPC	31605553.34	2725010.87	0.90	11.60	0.00		
2	(Constant)	-50440918985.58	13133010023.58		-3.84	0.00	.837	.827
	GDPPC	42622182.28	4926710.36	1.21	8.65	0.00		
	LIR	1758255440.34	676194084.73	0.36	2.60	0.01		

In the model 2 LIR is added along with GDPPC. LIR is also significant at 1% level and adjusted R square is now 82.7%. The two variables together are explaining 82.7% of FDI in India. The excluded variables in the model are NT, PD, RIR, INFN and CAB. NT is significant at 10% level and other variables are not significant. The results are following the results of Chris Jones, Yama Temouri (September, 2015) that corporate taxes has got minimal impact on FDI.

VII. Policy Implications and Conclusions

From the analysis of the determinants of FDI in India we can conclude that the most significant variable is GDP. Therefore if economy develops we can get more FDI inflows into the economy and more economic development. This explains why till last few years US was the highest recipient of FDI in the world and now it is China. The most important policy implications that emerges from this analysis is that governments rather than spending time and resources for attracting FDI in the country, should focus on economic development by developing more of infrastructure, agricultural sector and manufacturing sector of the economy. FDI will be attracted seeing the developments taking place in the economy. The governments investments will have multiplier effects and will lead to increase in GDPPC and domestic as well as foreign investors will be attracted towards making investment in the country.

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Goods and Sales Tax (GST) - Accelerating Economic Reforms in India

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Abstract: GST would be a significant step in the reform of indirect taxation in India. An amalgamating several Central and State taxes into a single tax would mitigate cascading or double taxation, facilitating a common national market. The simplicity of the tax should lead to easier administration and enforcement. From the consumer point of view, the biggest advantage would be in terms of a reduction in the overall tax burden on goods, which is currently estimated at 25% to 35% free movement of goods from one state to another without stopping at state border for hour for payment of state tax or entry tax and reduction in paperwork to a large extent. This paper presents the significance of GST in Indian and its features. This paper also anayse the year wise accelerating of GST for economic reforms and their benefits to Indian economy.

Key Words: Tax, GST and Economic Reforms.

Introduction

Goods and Services Tax (GST) would be a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India and it replace taxes levied by the central government and state governments. This (GST) tax would be levied and collected at each stage of sale or purchase of goods or services based on the input tax credit method. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services as part of their normal commercial activity. Taxable goods and services are not distinguished from one another and are taxed at a single rate in a supply chain till the goods or services reach the consumer. The administrative responsibility would generally rest with a single authority to levy tax on goods and services and the exports would be zero-rated and imports would be levied the same taxes as domestic goods and services adhering to the destination principle. The tax rate under GST may be nominal or zero rated for the time being. It has been proposed to insulate the revenues of the State from the impact of GST, with the expectation that in due course, GST will be levied on petroleum and petroleum products. The central government has assured states of compensation for any revenue losses incurred by them from the date of introduction of GST for a period of five years. An India is federal republic GST would be implemented concurrently by the central government and by the state governments.

Objectives of the Study:

The following are the main objectives of the study

1. To present the significance of GST in India and GST functions
2. To analyse the accelerating of GST for Economic Reforms and also presents the economic benefits with GST in India.

Research Methodology:

This paper is descriptive research in nature and it is based on secondary data. The data collected from different research papers, journals, articles related to Goods and Services Tax (GST) available over internet based sources and various other related discussion papers which are available in physical form are also accessed to develop the paper.

Significance of GST in India

India has depended too much on indirect taxation because of political compulsions, an agrarian economy, low income level and lack of infrastructure to track personal income. In order to simplify and rationalize indirect tax structures, Government of India attempted various tax policy reforms at different points of time. While Value Added Tax (VAT) was a welcome change during 2005, over the year, people have identified shortcomings in the structure while levying VAT both at Central level and State level. Also, Central Value Added Tax (CENVAT) has the limitation of non-inclusion of several taxes such as VAT, ACD, Surcharge etc. In the present state level VAT scheme, there is a cascading effect on account of CENVAT element. Lastly there is lack of integration of VAT on goods with tax on service at the state level and hence the cascading effect of service tax. To address such issues cited above, a comprehensive tax reform (GST is a Part) having an extensive base to kick start the application of an efficient and harmonized consumption tax system has been proposed. While the lower house has cleared the passage of the bill, it's still pending in the upper house. GST has been commonly accepted around the world and more than 140 countries have acknowledged the same which ranges between 15%-20% in most of the countries. GST is a value added tax which will be levied on both goods and services at both the central and state level. This is going to be one single tax which will be levied on the product or service which is being sold. In effect, multiple taxes like CENVAT, central sales tax, state sales tax, octroi etc. will be replaced by GST.

Features of GST

The features about this legislation were first time discussed in its first discussion paper in year 2009. The following are the main features are more helpful to understand this act.

I. The GST shall have two components: one levied by the Centre (hereinafter referred to as Central GST), and the other levied by the States (hereinafter referred to as State GST). Rates for Central GST and State GST would be prescribed appropriately, reflecting revenue considerations and acceptability. This dual GST model would be implemented through multiple statutes (one for CGST and SGST statute for every State).

II. However, the basic features of law such as chargeability, definition of taxable event and taxable person, measure of levy including valuation provisions, basis of classification etc. would be uniform across these statutes as far as practicable.

III. The Central GST and the State GST would be applicable to all transactions of goods and services made for a consideration except the exempted goods and services, goods which are outside the purview of GST and the transactions which are below the prescribed threshold limits.

IV. The Central GST and State GST are to be paid to the accounts of the Centre and the States separately. It would have to be ensured that account-heads for all services and goods would have indication whether it relates to Central GST or State GST (with identification of the State to whom the tax is to be credited).

V. Since the Central GST and State GST are to be treated separately, taxes paid against the Central GST shall be allowed to be taken as input tax credit (ITC) for the Central GST and could be utilized only against the payment of Central GST.

VI. Cross utilization of ITC between the Central GST and the State GST would not be allowed except in the case of inter-State supply of goods and services under the IGST model which is explained later.

VII. Ideally, the problem related to credit accumulation on account of refund of GST should be avoided by both the Centre and the States except in the cases such as exports, purchase of capital goods, input tax at higher rate than output tax etc. where, again refund/adjustment should be completed in a time bound manner.

VIII. To the extent feasible, uniform procedure for collection of both Central GST and State GST would be prescribed in the respective legislation for Central GST and State GST.

IX. The administration of the Central GST to the Centre and for State GST to the States would be given. This would imply that the Centre and the States would have concurrent jurisdiction for the entire value chain and for all taxpayers on the basis of thresholds for goods and services prescribed for the States and the Centre.

X. The present threshold prescribed in different State VAT Acts below which VAT is not applicable varies from State to State. A uniform State GST threshold across States is desirable and, therefore, it is considered that a threshold of gross annual turnover of Rs.10 lakh both for goods and services for all the States and Union Territories may be adopted with adequate compensation for the States (particularly, the States in North-Eastern Region and Special Category States) where lower threshold had prevailed in the VAT regime. Keeping in view the interest of small traders and small scale industries and to avoid dual control, the States also considered that the threshold for

Central GST for goods may be kept at Rs.1.5 crore and the threshold for Central GST for services may also be appropriately high. It may be mentioned that even now there is a separate threshold of services (Rs. 10 lakh) and goods (Rs. 1.5 crore) in the Service Tax and CENVAT.

XI. The States are also of the view that Composition/Compounding Scheme for the purpose of GST should have an upper ceiling on gross annual turnover and a floor tax rate with respect to gross annual turnover. In particular, there would be a compounding cut-off at Rs. 50 lakh of gross annual turnover and a floor rate of 0.5% across the States. The scheme would also allow option for GST registration for dealers with turnover below the compounding cut-off.

XII. The taxpayer would need to submit periodical returns, in common format as far as possible, to both the Central GST authority and to the concerned State GST authorities.

XIII. Each taxpayer would be allotted a PAN-linked taxpayer identification number with a total of 13/15 digits. This would bring the GST PAN-linked system in line with the prevailing PAN-based system for Income tax, facilitating data exchange and taxpayer compliance.

XIV. Keeping in mind the need of tax payer's convenience, functions such as assessment, enforcement, scrutiny and audit would be undertaken by the authority which is collecting the tax, with information sharing between the Centre and the States.

GST: Accelerating Economic Reforms in India

The journey of GST in India was not simple unlike to other laws. There are many factors which includes political interfere, administrative control and information technology infrastructure for implementation of GST.

Table – 01: Year wise Accelerating of GST for Economic Reforms

Year	Action Taken
2000	The Atal Bihari Vajpayee led NDA Government set up an empowered committee, headed by then West Bengal Finance Minister Asim Dasgupta, which was given the task of streamlining the GST model to be adopted as well as putting in place the required back end infrastructure that would be needed for its implementation.
2004	The Kelkar Task Force on the implementation of the FRBM Act, 2003 had then pointed out that although the indirect tax policy in India has been steadily progressing in the direction of VAT principle since 1986, the existing system of taxation of goods and services still suffers from many problems. The task force suggested a comprehensive Goods and Services Tax (GST) based on VAT principle.

2006	In his budget speech, then finance minister P Chidambaram announced the proposal to shift to a national taxation system. "It is my sense that there is a large consensus that the country should move towards a national level Goods and Services Tax (GST) that should be shared between the Centre and the States. I propose that we set April 1, 2010 as the date for introducing GST."
2007	An empowered committee of state finance ministers began drawing up a road map on the legislation and in November that year, a joint working group submitted its report to the empowered committee.
2008	In April, the EC finalised its report titled "A Model and Road map for Goods and Services Tax (GST) in India" containing broad recommendations about the structure and design of GST. In response to the report, the Department of Revenue made some suggestions to be incorporated in the design and structure of proposed GST.
2009	In November, the EC, based on inputs from the Union government and states, released its First Discussion Paper on GST in India with the objective of generating a debate and obtaining inputs from all stakeholders.
2010	In his budget speech, then finance minister Pranab Mukherjee said the new legislation would come into effect from April 1, 2011. "I am confident that the government will be in a position to implement DTC (direct tax code) from April 1, 2011." However, the UPA government failed to implement the new tax reform.
2011	In March, the Constitution 115th Amendment bill was introduced in Lok Sabha to levy GST on all goods and services except those specified. The bill was sent to the Standing Committee.
2013	The Standing Committee submitted its report to Parliament. However, the UPA government failed to win the support of BJP-ruled states including Gujarat forcing the legislation to lapse with the dissolution of the 15th Lok Sabha.
2014	*The Constitution (122nd Amendment) Bill, 2014* was introduced in the Lok Sabha by Finance Minister Arun Jaitley on 19 December 2014, and passed by the House on 6 May 2015
2015	Finance Minister Arun Jaitley announced in his budget speech 28-02-2016 that the government is keen on implementing the GST by April 1, 2016 and hoped that the bill will be cleared by Parliament. In the on-going Monsoon Session, the government is hopeful of passing the bill in Rajya Sabha, where it lacks a majority, with the support of regional parties.
2016	The bill was passed by the Rajya Sabha on 3 August 2016, and the amended bill was passed by the Lok Sabha on 8 August 2016.

The GST is being rated as the most reformative measure proposed in the field of Indirect Taxation in the history of India. It is expectation from new system of Indirect Taxation that it would remove cascading effect of taxes resulting in cutting in cost of industrial products. The cumulative effect of GST would clear the path for FDI in our country which will boost the 'Make in India' program for development of India.

Economic Benefits by GST:

GST will cover all stages during production to sale and will be levied only on the value added at each stage of the process. The following are the potential benefits can be achieves by GST implementation in India.

- **Economic Union of India:** The debate about India as one republic union versus a federation of states will be put to rest. Goods can easily move across the country with diffused state boundaries and that will encourage businesses to focus on pan-India operations.
- **Simpler Tax Structure:** By merging all levies on goods and services into one, GST acquires a very simple and transparent character with less paperwork and reduction in accounting complexities. A simple taxation regime can make the manufacturing sector more competitive and save both money and time.
- **Uniform Tax Regime:** With only one or two tax rates across the supply chain as against multiple tax structure at present, state specific advantages/disadvantages are gone. This provides a fair play ground for all stakeholders and focus can be brought in to efficiency rather than vantage points.
- **Greater Tax Revenues:** A simpler tax structure can bring about greater compliance, thus increasing the number of tax payers and in turn tax revenues for the government. By removing cascading effect, layers of taxes and simplifying structures, the GST would encourage compliance, which is also expected to widen the tax base.
- **Competitive Pricing:** A cursory look at the retail price of any product manufactured in India reveals that the total tax component is roughly 25-30% of the cost of the product. GST will effectively mean that the tax paid by the final consumer will come down in most cases and will help in boosting consumption, which is again beneficial to companies.
- **Push to Exports:** With fall in production cost in domestic market, the competitiveness of Indian goods in international market will increase. This bodes well for exporters, who compete with global manufacturers which operate on very different cost structures.

Conclusion:

Integration of the Indian economy is another important aspect of the reform. Presently, different states of India work as different markets (or small different economies). Any good which crosses the border of one state to go to other has to pass through a set of taxes. It's like they all are separate, and just united by the name 'India'. GST will actually integrate the markets of all states, fading away the boundaries, and leading to one big Indian economy. Keeping all these potential benefits in account, a study by the National Council of Applied Economic Research says that GST will boost India's GDP growth by anywhere around 0.9% to 1.7% and virtually every media report cites expert opinion to potentially add up to 2% to India’s GDP. However, there are sticky issues like taxation on inter-state services, stock transfers, integration of few central & state taxes etc. which need attention before India makes a decisive move.

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Land Transfers and Change in Agrarian Sector in Telangana-A Micro Level Study

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Abstract : *The present paper discusses the Land Transfers and changes in Agrarian sector in India as well in the State of Telangana. In India, land continues to be an essential productive resource. The present study has been conducted in two mandal, two village i.e., Hasanparthy and Konaraopeta mandals and Mallareddypally and Nimmapally villages in respectively Warangal urban and Rajanna siricilla Districts. The researcher has selected 70 sample respondents and each village selected 35 respondents,. A structured schedule was administered for collection of data from these respondents. A pre-tested interview schedule was also administered for the purpose of collecting the data. For the usage in the appropriate places, secondary data are also collected from mandal revenue thahasidhar office, journals, books, reports and various documents and related publications objective of the study are To explain the concept evolution and status of land transfer and change in agriculture sector to understand and identify the land transfers result of the selected area in two District to find out the factors responsible for socio -economic conditions. The tools like percentage, tabulation, have been used for analysis of the data. In spite of above challenges, there are many aspects to raise agricultural land transfer and increase incomes through possessed land and change agriculture structure. First finding land play important role in agricultural and rural community poverty reduction and second finding the land transferred reasons and land distribution also increased the land holdings and operated area among the rural communities. It has resulted in various reasons sold of the land and land holdings and operated area changed.*

Keywords: *Land transfers, land holdings, operated area, socio-economic conditions.*

Introduction

Agriculture and primary sector activities based on land and other natural resources are the prime source of livelihood for the vast majority of the economically vulnerable rural population, including the poor in the country. It is common knowledge that access to land is of critical significance in large parts of India and the entire economic, social and political networks revolve around it. Further, land provides not only economic sustenance but often plays a key role in enhancing the prospects of substantive citizenship in much of rural India. Thus the issue of land rights and access to natural resources is therefore one which must be envisioned not in narrow economic terms (e.g., a unit of production) but as basis for larger well-being. In India, land has always been associated with social status and has historically remained in the control of certain social groups. Social stratification is strong in India and is based on the caste system.

India's land policy interventions during the last six decades can be assessed based on their impact on various parameters, including alleviation of poverty, conflict management and equity, sustainable economic development, and production efficiency. The land policy interventions have had varying impacts across the states, depending in large part on the agrarian situation and the extent to which a given policy was implemented.

It is observed that the structural changes have been accompanied by a decline in the farm sector, mainly because of a decrease in the share of cultivator households in the rural sector and an increase in the share of "other" households. The share of "other" households is increasing among total households, as is their impact on the production structure. Likewise, the share of land owned by these households is also increasing (Vijay 2012).In the resent contest massive transfers of agricultural and forest land for industrial, mining and in the name of development or infrastructural projects have created rural unrest and distress migration in those areas. Findings indicate that about 7,50, 000 acres of land has been transferred for mining and another 250,000 acres for industrial purposes during last 2 decades (Center for Science and Environment,2015).

Land transfers in Telangana region

The region of Telangana was part of the Nizam's composite Hyderabad State, which comprised of eight Telugu-speaking Telangana districts, three Kannada- and five Marathi-speaking districts. In Telangana, given the historical specificity of the Nizam's dominion, the nature of socio-economic change and political trajectory took a different turn. A class of landed gentry, consisting of Muslim-Jagirdars and Hindu-Deshmukhs belonging to the Reddy, Velama and Brahmin groups, constituted the support base of the Nizam's rule. In sharp contrast to the Presidency areas, the State bestowed citizens with hardly any civil or political rights, whilst the landed gentry inflicted suffering on the rural population through the illegal eviction of farmers, the extraction of free goods and services (known as vetti), and much more significantly, the denial of people's dignity and self-respect.

The anti-Nizam and anti-feudal peasant struggle, led by the communists through the AMS (Andra Maha Sabha) in the 1940s, was an important political development crucial to an understanding of political articulation in the subsequent period. Although all sections of the Telangana countryside involved in this struggle – peasant, artisan, service and laboring dalit castes – were mobilized around the issues of vetti and 'land to the tiller', it is sociologically instructive to note that it was the peasant caste of the Kapu-Reddys who dominated the leadership positions in the dalams (armed squads) and panchayats. The redistribution of the land of the Brahmin-Karanam, Reddy and Velama doras during the struggle was significantly influenced by the caste composition of the panch committees assigned with this task. Thus, while the lands of these doras were distributed among the KapuReddy ryots and tenants, the common pastures and waste lands became the lot of the landless and other lower castes (Srinivasulu, 1988,). After the withdrawal of the struggle, given the substantial decline in dora dominance following the struggle as well as the jagirdari abolition and tenancy reforms brought about by the State, most of the doras were disinclined to reside in their villages and disposed of their lands to their former tenants. Needless to say, the beneficiaries of these transfers were tenants and ryots predominantly belonging to the Kapu-Reddy cultivators' community. The dalits, who comprised the majority of vetti agrestic labour4 on dora lands, remained landless even after the struggle (Srinivasulu, 1988).

In the Telangana region during 1944-46, the local struggles were conducted against illegal exactions, levies and vetti as well as against eviction of peasants from their land. The Telangana peasant's revolt of 1946 to 1952 may be said to be the forerunner of land reforms in Andhra Pradesh. This struggle was directed against the policies of the Nizam's government, such as eviction of tenants, grain tax, and forced labour. In the 3000 villages to which the movement spread nearly 10 lakh acre of surplus land, illegally seized land, leased land, cultivable land, waste land and forest land were distributed with full ownership rights to the rural poor and middle peasants.

The vast extents of land under serf-e-khas of Nizam were brought under Diwani.The Jagir abolition regulation was promulgated by the military government of Hyderabad on Augest.15.1949. Therefore all the jagirs in Hyderabad state were abolished in a month's time as compared to the prolonged period of ten to fifteen years taken for the abolition of big Zamindaries in the Andhra area. The Hyderabad reform committee was appointed to suggest measure to secure fixity of tenure to the tenants to examine the question of imposing a ceiling on the size of agricultural holding. In the report the committee recommended that all tenants who had cultivated a piece of land continuously for a period of six years should be deemed to be protected tenants.

The Hyderabad State Act on 1955 aimed at the abolition of imams except the imams relating to religious and charitable institutions and certain class of service inamas. But this piece of legislation was not implemented. The Andhra Pradesh abolition of inam at 1967s enacted for the abolition of all inam, including inams held by or for the benefit of religious and charitable institutions and imams held for rendering service useful to the government and village communities etc.,

Review of Literature

There were score of studies conducted by number of committees, individual scholars on Land Transfers and Change in Agrarian Sector in India and other related aspects of land issues. It may be helpful to review some of them directly relevant in the present context. **Joshi, P.C. (**1975) the study i.e. limited to intra-generational mobility and not inter-generational mobility. Secondly, only vertical mobility has been studied. Spatial (horizontal) mobility has been considered only in so far as it contributed to vertical mobility it y as in the care of peasant householder improving their position in land ownership as a result of extra income from other non-agricultural sources.

Lenin (1977), argues that the process of land transfers is influenced by a number of Socio-economic, demographic and institutional forces. Here again, Scholars are not unanimous about the relative importance of the various factors influencing land transfers and consequently peasant mobility. In the context of the capitalist agrarian economy. Marxist scholars especially Lenin gave primacy to the socio-economic factors particularly the initial seizes of a farm in determining its fate in econometric competition for land. **Rajasekhar(1988),** His work covers the nature of changing agrarian relations from 1891-1984. He divided this period in to various phases such as pre-independence, pre-tenancy, post-tenancy, land reforms and green revolution and their impact on land transfers. **Venkateswarlu.A** (2012), Stated that globalization and its constituent liberalization and privatization have transformed the village economic set up drastically that there is a virtual transfer of land asset from forward castes to backward class communities and there emerged a neo-rich class in rural economy. Land transfers in fact are part of rural transformation.

Objectives of the study

1. To know the various socio-economic reasons for sealing the land in the selected villages,

2. To understand present land transfers from forward communities to intermediates and impact on agricultural growth, and improving living stands and social changes.

Methodology

The present study is on Land Transfers and Change in Agrarian Sector in Telangana. For this study, multistage sampling method was adopted in the study. In the first stage, Land transfers and change in agrarian sector in Telangana will be selected purposively for the study. The present study is based on collected primary and secondary sources of data. Primary data collected from selected mandals and villages through designed qustionanear. The secondary data are collected through mandal revenue offices and village revenue offices, Books; Articles published in different journals, and various government reports.

Status of Land holdings in Telangana

Table-1 Telangana state land holdings and operated area details

SL. NO	Size Class	2005-06		2010-11		Percentage of variation 2010-11 over 2005-06	
		Number	Area	Number	Area	Number	Area
1	Marginal	27.99	12.85	34.41	15.67	22.94	21.87
2	Small	11.47	16.19	13.27	18.69	15.69	15.45
3	Semi-medium	6.31	16.84	6.03	15.85	-4.44	-5.86
4	Medium	2.23	12.67	1.67	9.26	-25.11	-26.88
5	Large	0.28	4.44	0.16	2.49	-42.86	-43.91
6	All size class	48.28	62.99	55.54	61.96	15.04	-1.63

Source: Agricultural statistics at glance Telangana-2014-15.

The above table- 1 shows the number and area of the holdings in the size classes up to 2.0 hectares showed increase by 20.83 percent and 18.20 percent respectively during the period 2005-06 to 2010-11 while in the size classes, the number and operational Holdings showed decrease by 10.88 and 10.75 percent respectively. The overall number of operational holdings increased 15.04 percent in Telangana.

Selected Villages Profile:

The present study selected two villages namely Mallaraddypally in Hasanparthy mandal in Warangal urban district and Nimmapally village in Konaraopeta mandal in Rajanna Siricilla district.

Table-2 Mallareddypally village Population and Land Operated Area

Sl.no	Social Group	Population (%)	Land Area Operated (Acares)(%)
1	SC	1074 (34.64)	547 (34.98)
2	ST	37 (1.21)	18(1.15)
3	BC	1957 (63.12)	922 (58.95)
4	OC	32(1.03)	77 (4.92)
5	Total	3100 (100)	1564 (100)

Source: (Mandal Thahasildar office, Hasanparthy, 2016)

Table-2 describe that the selected village mallareddy pally near to Warangal city 20km.Mallareddy pally village consists total households are 802 and with the population of 3100, in which Male 1533 and female 1567. The main occupation of villagers is agriculture and agriculture allied sector. The table-1shows SC population 34.64 percent and their operated area are in 34.98 percent.ST population 1.21 percent and they having operated in 1.15 percent is very less. In this village majority population BC's, 63.12 the operated more than half of the village total operated area 58.95. OC population is very less that is only 1.03 percent they are engaging area of 4.92 percent in total area. The above table-1 detail that BC'c community have highest cultivation land used and oc community have very less operated area in the total operated area of Mallareddypally village.

Table-3 Nimmapally village Population and Land Operated Area

S.no	Social Group	Population (%)	Land Area Operated (Acares) (%)
1	SC	1012 (25.39)	1667 (31.32)
2	ST	321 (8.07)	582 (10.93)
3	BC	2610 (65.49)	2507 (47.15)
4	OC	42 (1.05)	565 (10.6)
5	Total	3985 (100)	5321 (100)

Source: (Mandal Thahasildar office, konaraopeta, 2016)

The above table -3 shows that the village total population is 3985 and SC population was 25.39 percent and operated area are 31.32 percent. The S.T population 8.07 percent and land operated area is 10.93 percent. B.C population was 65.49 percent they have 47.15 percent in total operated area in village. O.C population is 1.05 percent they are 10.06 percent land operating. The above toble-2 observed that more than 78 percent operated land holdings distributed among only two communities they are B.C and S.Cs respectively 47.15 and 31.32 percent in total operated area in the village.

Table- 4 Number and Area of Holding by Size Class (All Social Group) (Hasanparthy mandal)

Sl.No.	Size of holding (Hectare)	Total Holdings: 2000-01		Total Holdings: 2010-11	
		Number	Area	Number	Area
1	Marginal (Below 1 h.a)	7099(69.29	2921 (28.41)	12457 (79.78)	4492 (43.86)
2	Small (1 to 2 h.a)	2016 (19.68	2845 (27.15)	2363 (15.13)	3275 (31.98)
3	Semi-Medium (2 to 4 h.a)	916 (8.94)	2493 (24.25)	678 (4.34)	1780(17.38)
4	Medium (4 to 10 h.a)	194 (1.89)	1105 (11)	109 (0.71)	604 (5.89)
5	Large (Above 10 h.a)	20 (0.2)	919 (8.94)	7 (0.04)	91 (0.89)
6	All Classes	10245 (100)	10283 (100	15614 (100)	10242 (100)

Source: Agriculture Census India 2000-01, 2010-11.

The above table -4 describes that the size of land holdings in Hasanparthy mandal has been changing for decade (2000-01 to 2010-11) in particularly marginal, small holders have increased in no. of farmers and at this same time operated area has also increased that is 7099 to 12457 land holders, 2921 to 4492 hectare operated area from marginal formers. Similarly small land holders increased from 2016 to 2363 and 2845 Hec. to 3275 Hec. Because of the land holdings transferred from semi-medium and medium land holders and land operated area. The land transferred among large land holdings to marginal, small scale holdings. In whole mandal 5358 marginal land holders increased in one decade. It reflected to land transferred among large land holders and same in the medium land holders sold the land holdings.

Table- 5 Number and area of holding by size class (all social Group) (Konaraopeta Mandal)

Sl.No.	Size of holding (Hectare)	Total Holdings: 2000-01		Total Holdings: 2010-11	
		Number	Area	Number	Area
1	Marginal (Below 1 h.a)	5707 (61.38)	2623 (25.69)	7359 (63.95)	3329 (29.03)
2	Small (1 to 2 h.a)	2327 (25.02)	3284 (32.17)	2873 (24.96)	4047 (35.29)
3	Semi-Medium (2 to 4 h.a)	1009 (10.85)	2670(26.15)	1052 (9.13)	2524 (22.03)
4	Medium (4 to 10 h.a)	238 (2.56))	1329 (13.01)	213(1.85)	1282 (11.17)
5	Large (Above 10 h.a)	18 (0.19)	304 (2.98)	13(0.11)	285 (2.48)
6	All Classes	9299 (100)	10210 (100)	11510 (100)	11467 (100)

Source: Agriculture Census India 2000-01, 2010-11.

The above table -5 shows that the size of land holdings in konaraopeta mandal has been changing for decade (2000-01 to 2010-11) in particularly marginal, small holders have slightly increased in no. of land holders and at this same time operated area has also increased that is 5707 to 7359, 2623 to 3329 hectare operated area from marginal formers. Similarly small land holders increased from 2327 to 2873 and 3284 Hec. to 4047 Hec. Because of the land holdings transferred from semi-medium and medium land holders and land operated area. The land transferred among large land holdings to marginal, small scale holdings in this mandal low level land transferred. In whole mandal 1652 marginal land holders increased in one decade. It shows that land transferred among large land holders and same in the medium land holders transferred the less land holdings.

Table-6 Nimmapally, Mallareddypally social status wise income

Social Status Income			
Village	Social Status	N	% of Total Sum
Nimmpally	SC	9	20.8
	ST	9	26.7
	BC	11	36.6
	OC	6	15.8
	Total	35	100.0
Mallareddypally	SC	10	28.1
	ST	3	9.6
	BC	17	47.4
	OC	5	14.9
	Total	35	100.0

Sources: Field survey.

The above table-6 shows both villages respondents result shows that is income generated from nimmapally in the both study average highest share of income from Bc respectively that nimmapally fallow with share income from BC 36.6 percent, SC 26.7 percent, ST 20.8 percent and lowest 15.8 percent in the study area. Mallareddypally also same order like BC 47.4 percent, SC 28.1 percent, OC 14.9 percent and ST are earning amount 9.6 per annum at study area.

Table-7 Nimmapally, Mallareddypally annual expenditure details

Social status Expenditure			
Village	Annual Expenditure of the family	N (Respondent)	% of Total Sum
Nimmpally	Below 20,000	1	2.00%
	Below 40,000	12	24.80%
	Below 60,000	18	55.40%
	Above 60,000	4	17.80%
	Total	**35**	**100.00%**
Mallareddypally	Below 20,000	2	4.40%
	Below 40,000	12	27.20%
	Below 60,000	15	43.90%
	Above 60,000	6	24.60%
	Total	**35**	**100.00%**

Source: Field survey.

The above table-7 shows the expenditure 40,000 Rs. To 60,000 Rs are more than 80 percent in 30 member's annual expenditure and above 60,000 Rs 17.8 percent of 4 respondents.Below 20,000 Rs. expenditure only 2 percent respondent in nimmapally village. Mallareddypally expenditure 40,000 Rs. To 60,000 Rs. Are more than 70 percent annual expenditure has only 27 respondents and above 60,000 Rs. Expenditure 25 percent of 6 respondents . The overall study observed in the table -5, two villages of nimmapally and mallareddypally have more than 70 percent respondents expenditure range 40,000 Rs to 60,000 Rs.

TABLE-8 Nimmapally, Mallareddypally sold land details

Reason for the sold land			
Village	**Reason for the sold**	**% of Total N**	**N (Respondents)**
Nimmpally	none	68.57	24
	Clearing old Debt	5.71	2
	Children education / Marriage	25.71	9
	Total	**100.00**	**35**
Mallareddypally	none	62.86	22
	Children education / Marriage	37.14	13
	Total	**100.00**	**35**

Source: Field survey.

The above table-8 showed selected village nimmapally land sold 11 out of 35 respectively land sold reasons are 2members clearing old debt and 9members children education and marriage purpose. Mallareddypally village level land sold 13 out of 35. In this village sold for land reasons are children education and marriage purpose for 13members. The above table resulted among two villages land sold members less because they income will good level earned.

Conclusion

The study area of the land transfer and agrarian sector studied various changes occurred. The two mandals and villages level land transferred among all social groups. But BC,SC communities land holdings and operated area increased this is occurred by last three decades. This result main caution is after land reforms and land polices affected as well as state level also. Respectively state glance table-1 showed during 2005-06,2010-11 period 22 percent above marginal land holders and 15 percent above small land holders increased. Hasanparthy and konaraopeta mandals land holdings and operated area increased by marginal, small holders and operated area.

The study resulted to land transferred agriculture sector to non-agriculture forms side. This is other important point table-1 state land holdings shows 1.63 percent land transferred from agriculture sector to non-agriculture sector there is mainly real estate sector increased and its focused village side also.

The land transferred was given result one of the important thing is village level land have people 90 percent. This is the hopeful thing and this is reach to their social justification and economical condition increased better side. At the same time land holdings is very low this is resulted to marginal, small holdings production is very low this fact affected to agriculture production less and cost of cultivation increased. However land transferred and distribution among the middle class people or small scale land holders good position between to land less people. Land possessed holders create neo-rich class in this last decade**.**

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Econometric Analysis of Resource use and Productivity of Agriculture – A Study

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Abstract : *The production function analysis provides the coefficient, which explains the relationship of each resource with the output. The use of production function analysis could help the resource-use planning at the farm level. In the present paper, an attempt has been made here to discuss the resource-use and productivity of different farms with the help of production function analysis in different crops. The resource factors like human labour, bullock labour, manures and fertilizers, pesticides, working capital, seeds and irrigation play an important role in crop production and hence they are considered in the present study. Multiple regression analysis had been utilised to discuss the resource-use and productivity of different farms with the help of production function analysis in different crops like paddy, green gram, maize. By and large, it can be stated that the fitted model of paddy gives the better variation in the endogenous variable of yield per acre of green gram crop. In the case maize, it reveals the fact that only one explanatory variable manure cost per acre is found to be statistically significant. The summary statistics of maize reveals the fact that the R-square value had improved from 0.097 to 0.169. Therefore, it can be said that this model fit gives the better fit. Therefore, it can be said that this model fit gives the better fit.*

Key words: *agriculture, poverty alleviation, Green Revolution*

Introduction:

The role of agriculture in the economic development of any country is borne out of the fact that it is the primary sector of economy which provides the basic ingredients necessary for the existence of mankind. In most of the developing economies agriculture is the pre-dominant sector, which provides a substantial livelihood to rural masses. The growth of agriculture and allied sectors are expected to contribute a lot to overall growth and poverty alleviation. In the case of Indian agriculture, during pre-independence period it is very much apt to describe it as a subsistence occupation. But during the post-independence period especially after the advent of Green Revolution some of the farmers started it on a commercial basis. Agriculture is the most important source of national income in India. The share of agriculture in GDP at factor cost was around 55.1 per cent in 1950-51 (includes agriculture, forestry and fishing, mining and quarrying) declined to 37.6 per cent in 1981-82 and further to 18.0 per cent in 2013-14 (at 2011-12 prices) (Economic Survey, 2014-15).

After Independence, irrigation potential had increased from 22.6 million hectares in 1950-51 to 102.8 million hectares in 2006-07 which implies an increase of 35.5 per cent. As against the ultimate irrigation potential of 140.0 million hectares, the actual utilization in

2006-07 was only 87.2 million hectares which is only 62.3 per cent of the potential. In 1950-51the gross irrigated area as a percentage of gross cropped area was only 17 per cent. The same was only 45.3 per cent in 2009-10. The consumption of fertilizers which was only 2.9 lakh tonnes in 1960-61 shot up to 275 lakh tonnes in 20011-12. As per as distribution of quality seeds, it increased from 25 lakh quintals in 1980-81 to 283.8 lakh quintals in 2011-12. Though the statistics mentioned in previous lines giving a big picture of agriculture resource usage the efficiency is to be addressed by the ratio of marginal value product to factor cost of the resource.

The production of agricultural sector is used for industrial sector, so agriculture is generally considered as a primary industry. If there are common elements in resource returns the agriculture production falls. The technical development and growth of population has interrelationship. The rate of population growth may affect agriculture and the value productivity of agricultural resources. Population growth for a nation as a whole may interact with the technical advance to cause resource return to decrease. The demand for supply of the factor of production in agricultural sector does not equally change. So the resource-use efficiency for factors of agricultural products cannot increase due to unequal changes in supply and demand. Therefore in agricultural sector the resource use becomes inefficient. In agricultural sector, there are different prices of factor inputs. In some regions, the prices of factor inputs are low and in some regions the prices of factor inputs are very high. The prices of land, family labour, hired labour and capital are different, hence the inefficiency increased. The value of marginal productivity of labour is lower in the region of good soil than in the region of poor soil. In this way these are the causes of resource- use inefficiency in agriculture. The production function analysis provides the coefficient, which explains the relationship of each resource with the output. The use of production function analysis could help the resource-use planning at the farm level. Therefore, an attempt has been made here to discuss the resource-use and productivity of different farms with the help of production function analysis in different crops. The resource factors like human labour, bullock labour, manures and fertilizers, pesticides, working capital, seeds and irrigation play an important role in crop production and hence they are considered in the present study.

Objectives of the study:

i. to examine the resource-use and productivity of three crops in the study area; and
ii. to analyse the relative contribution of the inputs used on the yield per acre of the crops like paddy, green gram and maize.

For this, the **research design** adopted in the study is an analytical one where both data from primary as well as secondary sources had been collected. The district of Karimnagar having five revenue divisions (Karimnagar, Peddapally, Huzurabad, Jagtial and Manthani) is located in Telangana is selected. The stratified random sampling method had been adopted for the selection of villages. Further, it is to be noted that, altogether six villages had been taken up for the present study. In each village 40 sample households have been chosen at random. Altogether, three mandals, six villages and 240 sample households had been selected for the present study. The statistical techniques like regression analysis had been taken-up. The multiple regression analysis had been carried out to know about the influence of the values of the labour cost per acre (LCACRE), manure cost per acre (MCACRE), seed cost per acre (SCACRE), fertilizer cost per acre (FCACRE), pesticide cost per acre (PCACRE) and hire cost of the machines per acre (HCACRE) on the dependent variable of the different crops' yield per acre for the overall sample size in the study area of the Karimnagar district. In the study area, respondent farmers are growing five crops namely; paddy, green gram, maize, ground nut and cotton. For the aforesaid crops, regressions are worked out. Each crop regression is explained here under and for carrying out the analysis step-wise method had been chosen.

Estimation of Paddy Crop:

The summary statistics of paddy had been presented in Table-1. The results of the multiple regression analysis for the paddy crop had mentioned here under. As per the results of multiple regression analysis, only two explanatory variables-hire cost of the machines per acre and seed cost per acre were found to be statistically significant. And other explanatory variables are excluded from the model, because the 't' and 'F' values were not found to be statistically significant. And in a way, it can be said that the excluded variables from the model are not explaining any variation in the dependent variable of yield per acre of the paddy crop. While looking at the results, the initial R-square is 0.112 when hire cost of the machines taken as a predictor. And in the latter case when the inclusion of another predictor seed cost per acre, the R-square value has improved from 0.112 to 0.283. Here, the R-square change is 0.170. Therefore, it can be said that this model fit gives better fit. In the first equation, the F value is worked out to be 21.519 and in the case of second equation, the F value has increased from 21.159 to 40.147. The significant of F change was found to be statistically significant. The explanatory variable hire cost is explaining the 11.20 per cent of variation in the dependent variable. And the inclusion of seed cost as a predictor the increase of R-square is found to be of 0.170.

Table-1: Statistics of Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.335[a]	.112	.107	7.943279	.112	21.159	1	170	.000
2	.532[b]	.283	.274	7.161405	.170	40.147	1	169	.000

a. Predictors: (Constant), HCACRE

b. Predictors: (Constant), HCACRE, SCACRE

Source: Field Study and hereafter refers to the same.

Table-2:Findings of Anova[c,d]

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1357.781	1	1357.781	21.519	.000[a]
Residual	10726.265	170	63.096		
Total	12084.047	171			
2 Regression	3416.760	2	1708.380	33.311	.000[a]
Residual	8667.287	169	51.286		
Total	12084.047	171			

a. Predictors: (Constant), HCACRE

b. Predictors: (Constant), HCACRE, SCACRE

c. Dependent Variable: Yield per acre

d. Selecting only cases for which type of crop=paddy

Table-2 reveals the findings of analysis of variance. In the case of first equation, when the hire cost is an explanatory variable, the computed F value is 21.519. In the second equation, when there is an inclusion of seed cost, the computed F value is increased from 21.519 to 33.311. In the two equations, values of F were found to be statistically significant.

Table-3: Numerical Values Of the Standardized And Unstandardized Coefficients[a,b]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.Error	Beta		
1 (Constant)	15.643	1,939		8.069	.000
HCACRE	.003	.001	.335	4.639	.000
2 (Constant)	22.650	2.068		10.951	.000
HCACRE	.005	.001	.542	7.440	.000
SCACRE	-.016	.002	-.462	-6.336	.000

a. Dependent Variable: yield per acre

b. Selecting only cases for which type of crop = paddy

The numerical values of the unstandardized and standardized coefficients and their standard errors and the t-values were presented in Table-3. From the computed values of the 't' given in the Table, it can be said that all the t-values of the regression equations were found to be statistically significant. But in the case of second equation, both the standardized and unstandardized co-efficient of the B-value of the seed cost is negative and these negative values also reflect the negative 't' values. Despite, all the 't' values were found to be statistically significant. By and large, the estimates obtained by running through the step-wise regression analysis, all the estimates were found to be statistically significant.

Table-4: Descriptive Statistics (a) (N=172)

Variable	Mean	Std. Deviation	CV
Yield per acre	24.18605	8.406363	34.75699
LCACRE	3973.8372	3818.36208	96.08741
MCACRE	2148.8372	3280.40859	152.6596
SCACRE	783.2849	247.52880	31.6014
FCACRE	2587.9402	989.42363	38.23211
PCACRE	1507.7243	922.24386	61.16812
HCACRE	3011.9186	993.42955	32.98328

a Selecting only cases for which type of crop = paddy

Table-4 deals with the descriptive statistics of mean, standard deviation and the co-efficient of variation (or) of the dependent variable and the explanatory variables included in the model. The mean value of yield per acre is worked out to be of 24.18605, its standard deviation is 8.406363 and the CV is 34.75699. In this case, one can say that there is a wide spread dispersion among the sample households. The mean value of the labour cost per acre is worked out to be 3973.8372, its standard deviation and co-efficient of variation are worked out to be 3818.36208 and 96.08741 respectively. In this case, one can say that there is a wide spread variation among the sample households. The mean value of manure cost per acre is 2148.8372, its standard deviation is 3280.40859 and its CV is worked out to be 152.6596. Therefore, it can be said that there is a wide variation among the sample households. The mean value of seed cost per acre is worked out to be 783.2849, its standard deviation is worked out to be 247.52880 and its CV is 31.6014, and in this case there is no much variation among the sample households. The mean value of fertilizer cost per acre is 2587.9402, its standard deviation is 989.42363 and the CV is 61.16812. In this regard, there is a wide spread dispersion among the sample households. In the case of pesticide cost per acre, the mean value its standard deviation and CV are worked out to be 1507.7243, 922.24386 and 61.16812 respectively with which one can say that there is much variation among the sample households. And finally, in the case of hire cost per acre, the mean value is worked out to be 3011.9186, its standard deviation is 993.42955 and the CV is 32.98328 and therefore, it can be said that there is dispersion among the sample households in the study area.

Table-5:Inter-Correlations (a) (N=172)

Variable	yield per acre	LCACRE	MCACRE	SCACRE	FCACRE	PCACRE	HCACRE
Yield per acre	1.000 (-)	.161 (.018)	.222 (.002)	-.219 (.002)	.204 (.004)	.250 (.000)	.335 (.000)
LCACRE	.161 (.018)	1.000 (-)	.808 (.000)	.116 (.066)	.256 (.000)	.277 (.000)	.227 (.001)
MCACRE	.222 (.002)	.808 (.000)	1.000 (-)	-.049 (.260)	.157 (.020)	.194 (.005)	.193 (.006)
SCACRE	-.219 (.002)	.116 (.066)	-.049 (.260)	1.000 (-)	.396 (.000)	.023 (.382)	.448 (.000)
FCACRE	.204 (.004)	.256 (.000)	.157 (.020)	.396 (.000)	1.000 (-)	.862 (.000)	.560 (.000)
PCACRE	.250 (.000)	.277 (.000)	.194 (.005)	.023 (.382)	.862 (.000)	1.000 (-)	.338 (.000)
HCACRE	.335 (.000)	.227 (.001)	.193 (.006)	.448 (.000)	.560 (.000)	.338 (.000)	1.000 (-)

a. Selecting only cases for which type of crop = paddy
Note: Figures in parentheses indicate the level of significance of the Pearson's Correlation Co-efficient

Table-5 deals with the inter-correlations between the variables considered for the entire study area. The variable yield per acre of paddy crop is positively related to the variables like, labour cost per acre, manure cost per acre, fertilizer cost per acre, pesticide cost per acre and hire cost per acre. The correlations are very much significant in the case of variables like pesticide cost per acre and hire cost per acre. Whereas manure cost per acre, seed cost per acre and fertilizer cost per acre were found to be statistically significant at 5 per cent level. The variable yield per acre is negatively related to the seed cost. The variable labour cost per acre is positively related to the variables like yield per acre, labour cost per acre, manure cost per acre, seed cost per acre, fertilizer cost per acre, pesticide cost per acre and hire cost per acre. The correlation is very much significant in the case of variables like, manure cost per acre, fertilizer cost per acre, pesticide cost per acre and hire cost per acre. The correlation coefficient is not found to be significant in the case of yield per acre and seed cost per acre. The correlation between labour cost per acre and manure cost per acre is very strong, while remaining variables correlation values are weak. The variable manure cost per acre is positively associated with variables like, yield per acre, labour cost per acre, fertilizer cost per acre, pesticide cost per acre and hire cost per acre. Correlation between manure cost per acre and labour cost per acre is very strong, whereas correlation with other variables is weak. Among these, yield per acre, labour cost per acre, pesticide cost per acre and hire cost per acre are having significant correlations. The variable manure cost per acre is negatively related to seed cost per acre and correlation between the variables is not statistically significant. The variable seed cost per acre is positively related to the variables like, labour cost per acre, fertilizer cost per acre, pesticide cost per acre and hire cost per acre. The correlation between labour cost per acre and all the variables is very weak. Among positively correlated variables, yield per acre, fertilizer cost per acre and hire cost per acre are having the significant correlations. The variable is negatively related to the variables like, yield per acre, manure cost per acre and these variables' correlation is very weak. Among these, yield per acre's correlation is significant and seed cost per acre is not found to be significant. The variable fertilizer cost per acre is positively related to all the variables chosen for the analysis. The correlation between fertilizer cost per acre and pesticide cost per acre is very strong and hire cost is moderate and remaining variables' correlations are weak. Among these variables, all the variables are very much significant except manure cost per acre. The variable pesticide cost per acre is positively associated to all the variables considered for the study. The correlation between pesticide cost per acre and fertilizer cost per acre is very strong and other variables' correlation values are weak. Among positively correlated variable, yield per acre, labour cost per acre, manure cost per acre, fertilizer cost per acre and hire cost per acre are having the significant correlations except seed cost per acre. The variable hire cost per acre is positively related to the variables like yield per acre, labour cost per acre, manure cost per acre, seed cost per acre, fertilizer cost per acre and pesticide cost per acre. There is a moderate correlation between hire cost per acre and fertilizer cost per acre and other variables' correlation values are low. Among these variables, all the variables' correlation co-efficient values were found to be statistically significant.

Estimation of Green gram Crop:

The analysis of multiple regression had been carried out for the crop of green gram in order to know the influence of the aforesaid explanatory variables on the dependent variable of the yield per acre. For carrying out the analysis, step-wise method had been chosen. It considered two explanatory variables-manure cost per acre and seed cost per acre and excluded the variable of seed cost per acre.

The model summary statistics of the multiple regression analysis had been presented in Table-6. From the Table it can be said that the value of R=0.943. It indicates that there is a strong correlation between observed and predicted variables chosen for the model. R-square value is 0.889; it explains that there is 88.9 per cent of variation in the dependent variable. The adjusted R-square value is 0.884. R-square and adjusted R-square values are very nearer. Therefore, it is a good model fit. The 'F' value is found to be statistically significant. By and large, it can be surmised that the fitted model gives the better variation in the endogenous variable of yield per acre of green gram crop.

Table-6: Statistics of Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.943a	.889	.884	.648604	.889	168.338	1	21	.000

The findings of the analysis of variance (ANOVA) had been presented in Table-7. Here, manure cost per acre is only the exogenous variable, the computed F value is 168.338 in the equation. The F value is found to be statistically significant.

Table-7: Findings of Anova[b,c]

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	70.818	1	70.818	168.338	.000[a]
Residual	8.834	21	.421		
Total	79.652	22			

a. Predictors: (Constant). MCACRE

b. Dependent Variable: Yield per acre

c. Selecting cases for which type of crop = Green grams

The estimated values of the co-efficients and their 't' values are presented in Table-8. As per the Table, the't' value of the constant is not found to be statistically significant. But the included variable't' value is found to be statistically significant.

Table-8:Numerical Values Of the Standardized and Unstandardized Coefficients[a,b]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.Error	Beta		
1 (Constant)	.413	.162		2.553	.000
MCACRE	.009	.001	.943	12.975	

a. Dependent Variable: yield per acre

b. Selecting only cases for which type of crop = Green gram

Table-9 deals with the descriptive statistics-mean, standard deviation co-efficient variation (CV) of the dependent variable and explanatory variables included in the multiple regression model. The mean value of the yield per acre of green gram is worked out to be 1.56522, its standard deviation is 1.902775 and the CV is 0.000122. In this case, one can say that there is no much spread among the sample households. The mean value of the manure cost per acre is worked out to be 126.2319, its standard deviation is worked out to be 196.57241and the value of CV is 155.7228. Thus, it can be said that there is a wide variation. The mean value of seed cost per acre is 116.8841, its standard deviation is 155.53289 and the value of CV is worked out to be 133.0661 with which it can be said that there is some variation among the sample households.

Table-9:Descriptive Statistics (a) (N=23)

Variable	Mean	Std. Deviation	CV
yield per acre	1.56522	1.902775	0.000122
MCACRE	126.2319	196.57241	155.7228
SCACRE	116.8841	155.53289	133.0661

a Selecting only cases for which type of crop = green gram

The inter-correlations between the variables considered for the analysis of green gram crop are shown in Table-10. The variable yield per acre of the green gram is positively related to the variables like manure cost per acre and seed cost per acre. The correlation co-efficient of yield per acre and manure cost per acre is strong, while with the seed cost per acre correlation co-efficient is moderate. The correlation coefficients were found to be statistically significant. The variable manure cost per acre is positively related to the variables like yield per acre and seed cost per acre and these variables' correlation values were found to be statistically significant. The variable seed cost per acre is positively related to the variables like yield per acre and manure cost per acre and these for variables the correlation coefficients were found to be statistically significant.

Table-10:Inter-Correlations (a) (N=23)

Variable	Yield per acre	MCACRE	SCACRE	FCACRE	PCACRE	HCACRE
Yield per acre	1.000 (-)	.943 (.000)	.611 (.001)	.	.	.
MCACRE	.943 (.000)	1.000 (-)	.532 (.004)	.	.	.
SCACRE	.611 (.001)	.532 (.004)	1.000 (-)	.	.	.
FCACRE	.	.	.	1.000 (-)	.	.
PCACRE	.	.	.	.	1.000 (-)	.
HCACRE	.	.	.	.	.	1.000) (-)

a Selecting only cases for which type of crop = green gram.
Note: Figures in parentheses indicate the level of significance of the Pearson's Correlation Co-efficient

Estimation of Maize Crop: The analysis of multiple regression had been carried out for the maize crop in the study area to capture the influence of aforesaid explanatory variables on the endogenous variable of yield per acre of maize crop. Table-11 deals with the statistics of model summary of the multiple regression analysis. The Table reveals the fact that only one explanatory variable manure cost per acre is found to be statistically significant. And the other explanatory variables were excluded from the model because their't' and 'F' values are not statistically significant. And in a way, it can be said that the excluded variables from the model are not explaining any variation in the endogenous variable yield per acre of maize crop.

Table-11: Statistics of Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.559[a]	.312	.304	2.560416	.312	39.897	1	88	.000

Predictors: (Constant), MCACRE

The findings of the analysis of variance (ANOVA) had been shown in Table-12. Table clearly reveals that the computed F value is worked out to be 39.897 and found to be statistically significant.

Table-12: Findings of Anova[b,c]

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	261.551	1	261.551	39.897	.000[a]
Residual	576.904	88	6.556		
Total	838.456	89			

a. Predictors: (Constant). MCACRE

b. Dependent Variable: Yield per acre

c. Selecting cases for which type of crop = Maize

Table-13:Numerical Values Of the Standardized and Unstandardized Coefficients[a,b]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.Error	Beta		
1 (Constant)	8.127	.349		23.303	.000
MCACRE	.033	.005	.559	6.316	.000

a. Dependent Variable: yield per acre

b. Selecting only cases for which type of crop = Maize

The numerical values of the unstandardised and standardized coefficients and the't' values had been shown in Table-13. From the Table, it can be said that the constant and the explanatory variable were found to be statistically significant.

Table-14:Descriptive Statistics (a) (N = 90)

Variable	Mean	Std. Deviation	CV
yield per acre	9.52222	3.069340	32.23352
MCACRE	42.2222	51.88097	122.8761
SCACRE	21.2222	26.08662	122.9213
FCACRE	247.0032	252.17033	102.0919
PCACRE	81.6698	101.79310	124.6397
HCACRE	.0032	.03012	941.25

a Selecting only cases for which type of crop = maize

Table-14 delineates the descriptive statistics-mean, standard deviation and CV of the endogenous and the exogenous variables included in the multiple regression model. The mean value of the yield per acre of the maize crops is worked out to be 9.52222 and its standard deviation is 3.069340 and the CV is worked out to be 32.23352. In this case one can say that there is a wide-spread dispersion among the sample households. The mean value of the manure cost per acre is 42.2222, its standard deviation is 51.88097 and the CV is 122.8761. Therefore, it can be said that there is a wide spread dispersion among the sample households. The mean value of seed cost per acre is 21.222, its standard deviation is 26.08662 and the value of CV is 122.9213. Thus, it can be said that there is a spread among the sample households. The mean value of the fertilizer cost per acre is 247.0032, its standard deviation is worked out to be 252.17033 and the value of CV is 102.0919. In this case also there is variation among the sample households. The mean value of pesticide cost per acre is 82.6698 its standard deviation is 101.79310 and the value of CV is worked out to be 124.6397. Therefore, it can be said that there is a wide-spread dispersion among the sample households.

The inter-correlations between the variables chosen for the analysis of maize crop in the study area is shown in Table-15. The variable yield per acre of maize crop is positively related to the variables like manure cost per acre, seed cost per acre and pesticide cost per acre and all these variables' correlation coefficient values were found to be statistically significant. Among these variables, the correlation is moderate. This variable is negatively related to the variables like fertilizer cost per acre and hire cost per acre and for these variables, the value of correlation coefficients were not found to be statistically significant. There is a strong correlation between the yield per acre and seed cost per acre and positively related to the two variables-seed cost per acre and pesticide cost per acre. This variable is negatively associated with the hire cost per acre and its correlation is not so significant. The variable seed cost per acre is positively related to the variables like yield per acre, manure cost per acre, fertilizer cost per acre and pesticide cost per acre. The correlation coefficient values are very strong between the variables like manure cost per acre and seed cost per acre, yield per acre is moderate and fertilizer cost per acre is very weak. This variable is negatively associated with the variable hire cost per acre and its correlation coefficient is not found to be statistically significant. The variable hire cost per acre is negatively related to all the variables considered for the analysis and was not found to be statistically significant.

Conclusion:

The preceding analysis leads us to draw the broad inferences as mentioned here. The resource factors like human labour, bullock labour, manures and fertilizers, pesticides, working capital, seeds and irrigation play an important role in crop production and hence they are considered in the present study. The multiple regression analysis had been carried out to know about the influence of the values of the labour cost per acre (LCACRE), manure cost per acre (MCACRE), seed cost per acre (SCACRE), fertilizer cost per acre (FCACRE), pesticide cost per acre (PCACRE) and hire cost of the machines per acre (HCACRE) on the dependent variable of the different crops' yield per acre for the overall sample size in the study area of the Karimnagar district. In the study area, respondent farmers are growing five crops namely; paddy, green gram, maize. For the aforesaid crops, regressions are worked out. For carrying out the analysis, step-wise method had been chosen. As per the

Table-15:Inter-Correlations (a)

Variable	yield per acre	MCACRE	SCACRE	FCACRE	PCACRE	HCACRE
yield per acre	1.000	.559	.556	-.105	.542	-.053
	(-)	(.000)	(.000)	(.162)	(.000)	(.310)
MCACRE	.559	1.000	.999	.014	.957	-.087
	(.000)	(-)	(.000)	(.448)	(.000)	(.208)
SCACRE	.556	.999	1.000	.014	.956	-.087
	(.000)	(.000)	(-)	(.448)	(.000)	(.208)
FCACRE	-.105	.014	.014	1.000	.019	-.104
	(.162)	(.448)	(.448)	(-)	(.428)	(.164)
PCACRE	.542	.957	.956	.019	1.000	-.085
	(.000)	(.000)	(.000)	(.428)	(-)	(.212)
HCACRE	-.053	-.087	-.087	-.104	-.085	1.000
	(.310)	(.208)	(.208)	(.164)	(.212))	(-)

a Selecting only cases for which type of crop = maize
Note: Figures in parentheses indicate the level of significance of the Pearson's Correlation Co-efficient.

results of multiple regression analysis of paddy crop only two explanatory variables-hire cost of the machines per acre and seed cost per acre were found to be statistically significant. The explanatory variable hire cost is explaining the 11.20 per cent of variation in the dependent variable. The results of the multiple regression analysis for groundnut crop in the entire study area had mentioned. As per the results of multiple regression analysis, only two explanatory variables-manure cost per acre, seed cost per acre were found to be statistically significant. The summary statistics of maize reveals the fact that the R-square value had improved from 0.097 to 0.169. Therefore, it can be said that this model fit gives the better fit.

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The Economy of Indian Organized Retail Sector in selected cities– A Study

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Abstract: *The study analyses the factors that have lead to a growth in the selected cities in organized retail in India. In the subsequent section, we retrospect on these factors in the Indian context and explore the economy of organized retail. The Retail Sector of Indian Economy is going through the phase of tremendous transformation. Indian economy is categorized into two segments such as organized retail sector and unorganized retail sector with the latter holding the larger share of the retail market. At present the organized retail sector is catching up very fast. The impact of the alterations in the format of the retail sector changed the lifestyle of the Indian consumers drastically. The evident increase in consumerist activity is colossal which has already chipped out a money making recess for the retail sector of Indian economy. With the onset of a globalized economy in India, the Indian consumer's psyche has been changed. People have become aware of the value of money. A sustainable growth in the next two decades can place India amongst the top five consumer markets of the world. With the rise in the middle and upper class consumer base, tier-2 and tier-3 cities seems to be lucrative destinations for the retail growth.*

Keywords: *Organized Retailing, Indian economy in Retail Sector, Retail Market.*

Introduction:

Retailing, one of the largest sectors in the global economy, is going through a transition phase in India. For a long time, The Government of India initiated its own public distribution system years back by starting ration shops in addition to canteen stores department for Defence personnel that was a kind of organised Retailing. It also provided support to rural retail initiatives by constituting the khadi and village industries commission. The traditional food and grocery segment has seen the emergence of supermarkets, grocery chains, convenience stores. There are two primary reasons for this. First, the modern retailer is yet to feel the saturation' effect in the urban market and has, therefore, probably not looked at the other markets as seriously. Second, the modern retailing trend, despite its cost-effectiveness, has come to be identified with lifestyles. In order to appeal to all classes of the society, retail stores would have to identify with different lifestyles. In a sense, this trend is already visible with the emergence of stores with an essentially `value for money' image. Economic growth at over 5.5% over the last eight years, forex reserves of over $100 billion and a stable government has helped India to look more progressively towards future. . Retailing is transforming to be smart and techno-savvy. The total concept and idea of shopping has undergone an attention drawing change in terms of format and consumer buying behaviour in India. Modern retailing has entered into a retail market in India. The future of Indian retail industry looks promising with growing of the market, with the government policies becoming more favourable and the emerging technologies facilitating operations. The manufacturing sector also provided its might to the economic development by going global hitherto restricting to export of raw materials. All this has translated in higher income levels and more surpluses for the middle class segment that is getting ploughed into the retail sector; again fuelling the economy to higher levels. The retail sector was the greatest beneficiary Retailing is one of the pillars of economy. It consists of all activities that result in the offering for sale of merchandise to consumers for their own use and is the final step in bringing goods to the end-users; India is the third most attractive retail market for global retailers among the thirty largest emerging markets. The organized retailing sector is steadily increasing with the entry and operations of departmental stores, hypermarkets, supermarkets and specialty stores which are replacing traditional formats dramatically altering the retailing landscape in India has been achieving a noticeable growth in the organized sector since the liberalization of our country's economy that began in the early nineties. The retail market in India is said to be fragmented with only around 8% of the sector organized. The remaining part of the sector is unorganized. It is hence viewed as a big opportunity for the future for the organized retail firms to evolve and grow in India; the temples of consumerism are cropping up everywhere. Malls are the battle grounds where the brands, small, medium and big, the known, the not-so-well-known and the want to-be ones, fight it out for the consumers attention and the consumer is 'loving it' and asking for more. Yes, this is one culture that consumers are happy about. So happy that no one seems to mind 'the unplanned expenditure' incurred by an outing to such an enticing place. The range and scope of the economic activity generated from mall culture promises many things to many people. Other than offering shoppers more value for money, the scale of operations generates employment opportunities, direct and indirect, for thousands of people. In India Tier II and Tier III towns Retail Stores are coming, this revolution further. Now there is a new association of big brands that has come together to give brand loyalists something to cherish, aspire for and much, much more. India has been rather slow in joining the Organized Retail Revolution that was rapidly transforming the economies in the other Asian Tigers. This was largely due to the excellent food retailing system that was established by the kirana (mom-and-pop) stores that continue meet with all the requirements of retail requirements albeit without the convenience of the shopping as provided by the retail chains; and also due to the highly fragmented food supply chain that is cloaked with several intermediaries (from farm-processor-distributor retailer) resulting in huge value loss and high costs. The correction process is underway and the systems are being established for effective Business-to-Business (farmer-processor, processor-retailer) solutions thereby leveraging the core competence of each player in the supply chain. Organized retailing is spreading and making its presence felt in different parts of the country. The trend in grocery retailing, however, has been slightly different with a growth concentration in the South. Though there were traditional family owned retail chains in South India such as Nilgiri's as early as 1904, the retail revolution happened with various major business houses foraying into the starting of chains of food retail outlets in South India with focus on Chennai, Hyderabad and Bangalore markets, preliminarily. India is a developing country and retail marketing is an important one to develop a country's economy. Retailers, who are the connecting link between the producer and consumer, face many problems to market their products from various dimensions and many causes behind this. At present the customers are also more dynamic. They expect quality products at decent prices. Organized retail deals in high volume and are able to enjoy economies of large scale production and distribution. Their expectations for quality products have risen and they are demanding more choice and money value services and conveniences. Consumer demand, convenience, comfort, time, location etc. are the important factors for the growth of organized retailing in urban area. In this perspective it is imperative to make a study on the reasons for selecting the organized retail outlets in Warangal and Hyderabad cities and the present research work has tremendous relevance to the organized retail outlets in articulating their marketing strategies in this esteem. Given the charm of the Indian Consumer, the charm in the Indian retail scenario will continue.

Review of literature:

Review of previous studies is essential for every research to carry on investigation successfully. Hence, the analysis included assessment of publications on the development of the Indian retail industry, these publications were mainly published 2000 onwards collected In order to make sure that the most current industry and market activity were captured. Publications included reputed research journals, books, web pages, industry publications, and reports by major retail houses. Other sources included books and interviews of executive managers working in retail in newspaper publications like Economics Times, Business Line, Retail Association of India Issues and The Hindu. The other major source of data collection.

Mohanty & Panda (2008) opines about retailing as a sector of India occupies important place in the socio-economic growth strategy of the country. India is witnessing retailing boom being propelled by increasing urbanization, rising purchasing power parity (PPP) of ever growing India's middle class, changing demographic profiles heavily tilted young population, technological revolution. Shivkumar, Executive Director and leader of Retail and Consumer Practices Price Warehouse Co-operatives,(2009)also holds the opinion that retailing is the next sunrise segment of the economic development of the country. Next-Generation Retailing In India: An Empirical Study Using Factor Analysis 27. Biyani (2007) describes that we are on the cusp of change wherein a huge, multicultural India is transforming from a socialist economy to a consumption-led, creative economy. The scope and depth of change that is taking place due to the revolutionary retail market with a gigantic opportunity for marketers and retailers, not only in large cities but also in small towns. So retailing can play a significant role in creating the India of tomorrow. Kearney (2007) explains that the retail sector provides a unique platform to India. Government, both central and state, need to engage with the sector and utilize its potential for social development. So the Indian market and its consumers poised for a retail consumption explosion that will continue for future. India's sunrise retail sector is witnessing a major transformation as traditional markets make way for modern and indigenously development retail formats. Standing on the threshold of a retail revolution and witnessing a fast changing retail landscape. Indian retail is still growing, and growing at an enviable rate. In the new era of liberalization, there exists immense opportunities for retail business .Progressive policies, economic and political stability ,liberal policies on technology, changing consumers profile and demographic character, increasing urbanization, improved infrastructure, increasing number of nuclear families ,increasing working women population are new opportunities. Bulging of middle and upper middle classes, whose purchasing power is now substantial and turning Indian economy as the fourth largest economy in the world. Mishra (2008) says, there is a hectic activity in the sector in terms of expansion, entry of international brands and retailers as well as focus on technology, operations, infrastructure and processes. All these present a tremendous opportunity in this high growth industry. Yuvarani (2010) opines that according to a study the size of the Indian Retail market is currently estimated at Rs 704 corers which accounts for a meagre 3% of the total retail market. As the market becomes more and more organized the Indian retail industry will gain greater worth. However, the future is promising, the market is growing, government policies are becoming more favourable and emerging technologies are facilitating operations. Mathew Joseph (2013) Unorganized retailers in the vicinity of organized retailers experienced a decline in their volume of business and profit in the initial years after the entry of large organized retailers. The adverse impact on sales and profit weakens over time. The goal of the analysis was to identify evidence reflecting the challenges and threats to the organized (non traditional) and unorganized (traditional) Indian retail industry constituencies and the infrastructure to support their co-existence in India. The aforementioned sources were analyzed to find recurrent themes on the threats these two sectors face because of the retail boom in India. This process was viewed as a first step toward documenting and understanding channel activity and relationships between the traditional and non traditional sectors of the Indian retail industry. India is being seen as a potential goldmine for retail investors from over the world and latest research has rated India as the top destination for retailers for an attractive emerging retail market. India's vast middle class and its almost untapped retail industry are key attractions for global retail giants wanting to enter newer markets. Even though India has well over 5 million retail outlets, the country sorely lacks anything that can resemble a retailing industry in the modern sense of the term. This presents international retailing specialists with a great opportunity. The organized retail sector is expected to grow stronger than GDP growth in the next five years driven by changing lifestyles, burgeoning income and favourable demographic outline.

Objectives:

- To study the growth of the retail sector in India with special study on the recently commissioned Retail stores culture in Tier-II and Tier-III cities in Warangal and Hyderabad.

- To know the consumer behaviour to analyze on Retail Stores culture, consumers' sensitivity on the kind of shopping.
- Retail Store culture, the concept of merchandising under one roof has seen boom-berry not only in metros, the Tier- II and Tier- III cities also sensational feather touch of stores culture glory.
- The objective of our study was to find out the adaptability of finally to come out with the conclusion and suggestions

Hypothesis:

There is no significant difference among the respondents of, different educational background and their income level. Quality & freshness of the commodities in organized retail outlets. Extra-value added service and updating of pricing schemes, keeping track of offerings of other retailers and special offers and schemes, store image ,appearance of employees, behavior of employees, information on new brands and services ,response on the feedback given by the customers

Research Methodology:

The study is an analytical; the data have been collected from both the primary as well as secondary sources. The Primary data has been collected by means of a questionnaire & through personal interviews. The information relating to Indian retail industry, organized retailing is obtained from secondary sources. Case study analysis, The information relating the views of consumers on the selected organized retail outlets is obtained through administering a structuring questionnaire, i.e., Publications included reputed research journals, books, web pages, industry publications, and reports by major retail houses. Other sources included books and interviews of executive managers working in retail in newspapers like Economics Times, Business Line, Retail Association of India Issues and The Hindu, official records of the selected retail outlets.

Data Analysis:

Retailer's reputation as it is specific when it applies to an assortment of products carried within the store. The reputation is a measure of product quality and further purchase from the customer point of view. Second factor may be named as Brand because the same perception works here also. Sometimes brand is also a status symbol in the society. Third factor can be Price because various malls and stores arrange discount sales, lottery, free gifts etc., maximum middle class is price conscious and have limited budget. Promotional tools also act as driving factor in the favour of these new formats. The Service Quality is very much important for relationship building with customers. Major factors identified for ascertaining service quality are price, brand name, store name, promotional tools etc., Customers make buying decisions based around the perception of the brand, rather than the reality of the product. Ambience, area and price are equally important for meeting perception with quality. Actually customer perception is very much associated with service quality because the earlier determines the satisfaction or dissatisfaction with the later. It revealed that India have the world's thickest density of outlets at 8.5% for every 1000 people between 12 million

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retail stores, India's per capita retail space is dismissal 2 sq ft per person. Today, 50 of the fortune 500 companies and 25 of Asian top 200 companies are retailer. It is reported that real estate is an issue in India, also labour is cheap, so getting products delivered home is a whole lot easier and he supposes the internet will facilitate such shopping. It is also found out that the organized retail sector is registering tremendous growth fuelled by the unleashed spending power of new age customers who have considerable disposable income and willingness to have new shopping experience. It is concluded that the importance must be given to sales promotion. The retailers must also be asked to give more displays and discounts. It is mentioned that the entry of organized retailers with their completely integrated marketing practices, franchising agreements, contractual selling, joint ventures and co-promotions creates a profound threat to unorganized retailers and compels them to change their style of doing business from convenience to intensive. The article reveals that unorganized retailers dealing in clothing and footwear, furniture and appliances, and beverages were among the most affected. The traditional retailers enjoyed the advantages of proximity to the customers in neighbourhood areas, long standing personal relationship with customers and providing home delivery and credit facility. It is concluded by taking small sample survey of the impact of malls on small shops and hawkers in Mumbai points to a decline in sales of groceries, fruits and vegetables, processed foods, garments, shoes, electronic and electrical goods in these retail outlets, ultimately threatening 50% of them with closure or a major decline in business.

Retail Outlets Selected Cities:

The study is conducted in Warangal and Hyderabad Cities. It covered all the retail outlets in Warangal and selected retail outlets in Hyderabad. Future Value Retail Limited is a wholly owned subsidiary of Pantaloon Retail (India) Limited (PRIL). Big Bazaar and Food Bazaar. The company operates 218 Big Bazaar stores among other formats, in over 118 cities across the country, covering an operational retail space of over 9.7 million square feet. Big Bazaar targets higher and upper middle class customers because there has been a growth in Indian middle class. (India's 3rd Most trusted Service Brand) Spencer's Retail is a chain of retail stores headquartered in Kolkata, West Bengal having presence in over 35 cities 120 stores across in India. Spencer's in Hyderabad the first ever organized retailing hypermarket in India in 2000 year launched , which combine a supermarket with a department store and store on an average, 70,000 items, giving shoppers fantastic deals across food, fashion, home and entertainment, One of India's oldest retail houses Ranked second among India's most respected companies in retail by Spencer's Retail Limited, part of the RP Sanjeev Goenka Group (RPG), is a multi-format retailer providing a wide range of products across categories. "More' branded supermarkets and hypermarkets cater to the daily, weekly and monthly shopping needs of consumers. The product offerings include a wide range of fresh fruits and vegetables, groceries, personal care, home care, general merchandise and a basic range of apparels. Currently, there are over 485 more. Supermarkets across the country belong to Aditya Birla Retail Limited

(ABRL), are established throughout the country has an employee strength of around 10,000 people ABRL is the fourth largest supermarket chain in the country. Reliance Fresh topmost retailer in the country, convenience store format which forms part of the retail business of Reliance Industries Limited which is headed by Mukesh Ambani. The company has 1691 Reliance Fresh outlets across the country, serves over 2.5 million customers every week and plans to go for huge expansion in future. Reliance Fresh, Reliance Mart, Reliance Digital, Reliance Trends, Reliance Footprint, Reliance Wellness, Reliance Jewels, Reliance Timeout and Reliance Super are various formats that Reliance has rolled out. Introduced Hamley's the world's most wonderful toy ship in India. The growth slogan of Reliance Fresh is 'Growth through value creation'. After Future Group, Reliance Retail and D-Mart. The first ever Indian food and grocery retailer to receive the Food Safety Management Systems (FSMS) certification.

Results and Discussion:

Malls, the temples of consumerism are cropping up everywhere. These malls have changed the way people are shopping. They are teaching them how to appreciate the good things of life. 'Comfort', 'Style', 'Convenience' and 'Cool' are the only some of the words used by the shoppers introduced to the mall culture. And no one is complaining. Not the mall owners, not the shop keepers and certainly not the marketing men and women of the big brands. Malls are the battle grounds where the brands, small, medium and big, the known, the not-so-well-known and the want to-be ones, fight it out for the consumers attention. And the consumer is 'loving it' and asking for more. Yes, this is one culture that consumers are happy about. So happy that no one seems to mind 'the unplanned expenditure' incurred by an outing to such an enticing place. They enjoy air conditioned comfort, availability of a range of merchandise under one roof and a one-stop family entertainment arena. While the consumer is slowing getting hooked on to the mall culture, the owners of the mall are hardly complaining. Actually, they are busy planning the erection of new malls and the more the merrier seems to be the motto of the moment. Given the rate at which the malls are coming, the commercial as well as residential real estate business is spiralling upwards. The range and scope of the economic activity generated from mall culture promises many things to many people. Other than offering shoppers more value for money, the scale of operations generates employment opportunities, direct and indirect, for thousands of people. India was to have some 350 malls out of which nearly 250 were planned in Tier II and Tier III towns, taking this revolution further. Now there is a new association of big brands that has come together to give brand loyalists something to cherish, aspire for and much, much more. Since Hyderabad is listed as Tier- II city and Warangal is Tier – III city, our attempt was to find out the different Malls that have been planned

Suggestions:

- The organized retail outlets have to provide more coupon/promotional sale for attracting more customers.

- The customers suggest that the retail outlets have to make arrangements for locating the items available in the store easily by appropriately displaying the indexes in prominent places of the outlets. The Retail outlets have to make arrangements for prompt checkout services.
- There are too many companies chasing too little talent. The retailers should maintain their goodwill in the overall employment market by communicating its attributes in a way that distinguishes the company from the competitors.
- The problem of attrition is very common nowadays. Retaining is more challenging than hiring. Hence, retailers must examine different strategies which they can use to reduce turnover and boost the morale of their employees.
- There should be own cold storage facility for organized retailers to prevent food spoilage, improve hygiene and reduce costs with improved logistics.
- To gain market share, logistics efficiency is a key factor for success. So companies should make its distribution very effective and improve its reach in supplying all categories of products.
- Organized retailers should go for active sales promotion through exchange offers, price discounts, coupons, bumper draws and contests. The promotion campaign should be intensified round the year, particularly during festival seasons.
- Proper arrangements should be made for obtaining feedback from customers and identify their advices towards formulation of future strategies to gain customer confidence.
- The store layout should be made more convenient and payment terminals shall increase to facilitate convenience and save the valuable time of customers.
- Organized retailers shall recruit qualified staff and they should be trained in all aspects to deal with customers.
- Large format organized retail outlets shall employ local people for the usage of local language. Then good communication and relations exists between employees and customers.
- The major constraint of the organized retail market in India is the competition from the un-organized sector. Traditional retailing has been deep routed in India for the past few centuries and enjoys the benefits of low cost. Keeping this in mind organized retailing find the ways to attract the customers.

Conclusion:

Organized Retailing in India Retailing in India has been achieving a noticeable growth in the organized sector since the liberalization of our country's economy that began in the early nineties. The retail market in India is said to be fragmented with only around 8% of the sector organized, The retailers especially organized retailers are nowadays placing a greater emphasis. Organized retail sector is growing rapidly and consumers are shifting to shopping in organized retail stores. Consumers always look for the benefits of shopping in an organized retail store over the traditional retail outlets in terms of self- selection, variety, and also seek value for the money they pay. This study is an attempt to examine the reasons for selecting the organized retail outlets by the customers in Warangal and Hyderabad cities. If the present study helps the policy makers of the retailers to educate the entire customer base about the various services provided and to make optimum use of them. This study is an attempt to examine the reasons for selecting the organized retail outlets by the customers in Warangal and Hyderabad cities. If the present study helps the policy makers of the retailers to educate the entire customer base about the various services provided and to make optimum use of them. A concise description of the drivers of this phenomenon was discusses. The likely positive and negative impact of this revolution in enumerated.

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Economic Analasys of Child Marriage: A Case Study in Warangal District

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Abstract: *This paper highlights the child marriages in Telangana particular in Warangal district, which is a social evil in particular area. The methodology applied to the research is historical and empirical in nature with a strong emphasis on primary as well as secondary and contemporary sources available to the date in the field. The objective of the study is to make an economic analysis of causes and consequences of child marriages in Warangal District of Telangana State. This paper is to highlight child marriages and its impact on socio-economic life of particular families and also to highlight its impact on the child health and wealth. Child Marriage is one of the burning problems of Indian society. The phenomenon of early marriage is highly related to the adolescent age especially when they are in the 10-14 age group.*
Keywords*: child marriages, adolescent age, abuses and exploitation.*

Introduction:

Child Marriage is one of the burning problems of Indian society. In India, despite of amended laws advocating 18 years as the legal minimum age at marriage for females, a substantial proportion i.e. every third adolescent girl in the age group of 15-19 year is married and every second married adolescent girl has given birth to a child. According to the Registrar General of India (RGI) Report (2001) Rajasthan has the highest (40.8) percentage of females ever married among 15-19 year old girls as compared to India (24.9 %) followed by Bihar (39.6 %), Madhya Pradesh (34.1%), Jharkhand (32.9%) and Andhra Pradesh (32.3%). Among the various districts of Rajasthan, Bhilwara is at the top with 61.9 percent, B. Suresh Lal (2015). The Indian society is a traditional and custom oriented society. It is a unique society in its form and content. Our society is not only traditional but hierarchical society and male dominated one. Hence, the plight of the status of women in Indian society is very vulnerable. The domination of the male has been continuing even in the 21st century. In this background the present study is chosen.

Marriage is one of the important social institutions. It is a means of establishing a family through which the society perpetuates itself. A successful marriage is presupposes trust, mutual affection, capacity to adjust and sharing the responsibilities equally, at every stage of the life. Marriage in India is regarded as one of the most significant life-cycle rituals and is a familiar and societal expectation for Hindus. This social process is expressed in the form of rituals and symbols. Every society employs certain forms of symbolic actions and physical symbols the expression of the values, expectations and ethos of marriage and family life, B. Suresh Lal (2015).

Child Marriage and Means of Marriage:

Child means a person who, if a male, has not completed twenty-one years of age and, if a female, has not completed 18 years of age, as per Child Marriage Restraint Act1926. The phenomenon of early marriage is highly related to the adolescent age especially when they are in the 10-14 age groups. The girls who receive the formal education beyond the primary level tend to marry late. The fact that these girls do not drop out of school after primary education suggests a positive value placed on education by the family. The families recognize the need of the education for the girls would not generally emphasis early marriage. Hence, the marriage of educated girls normally takes place in their late teens or early twenties. Once married, girls are rarely permitted to continue their education. (Census Report, (2011).

Legal Perspective of the Child Marriage:

The most laudable legislative measure, which is closer to people's aspirations, was the "Child Marriage Restraint Act" (CMRA), passed in 1929 that aimed at preventing child marriages For the success of CMRA, it is compulsory for marriages to be registered; however, there are number of legislations on the issue in the country that cut across community.

- Under the "Special Marriage Act 1954", which is valid for any Indian Citizen, irrespective of religion, each marriage is registered by marriage officers, especially appointed for the purpose.
- Registration of marriage is compulsory under the "Indian Christian Marriage Act, 1872. Under the Act, entries are made in the marriage register of the church, soon after the ceremony, along with the signatures of the bride groom, the bride, the officiating priest and witnesses.
- Parsi Marriage and Divorce Act, 1936, make necessary registration of marriages.
- In Muslim law, a marriage is regarded as a civil contract and the Qazi, or officiating Priest also records the terms of the marriage in a *"Nikahnama",* which is handed over to the married couple.

Under Section 8 of the "Hindu Marriage Act, 1954", there exists a provision for registration of marriages. However, it is left to the contracting parties to either solemnize the marriage before the sub-registrar or register it after performing the ceremony in conformity with Hindu beliefs. Still, the Act makes the provision that the validity of the marriage will in no way be affected by omission to make the entry in the register. Therefore, under the Hindu Personnel Law it is the Government made it mandatory of registration is compulsory to register the marriage.

Review of Literature:

Child marriage is a widespread violation of human rights. It is an impediment to social and economic development, and it is rooted in gender inequality. The low value placed on girls and women perpetuates the act and acceptability of child marriage in societies where the practice is common. Child marriage is defined as any legal or customary union involving a boy or girl below the age of 18. This definition draws from various conventions, treaties, and international agreements, including the Convention on the Rights of the Child, Convention on the Elimination of All forms of Discrimination against Women, Universal Declaration of Human Rights, and recent resolutions of the UN Human Rights Council. If current trends continue, more than 140 million girls will marry early in the next decade or nearly 40,000 per day (UNICEF 2014). Despite laws to the contrary it is seen early marriage continues to be the norm and once married there is a tremendous pressure on young wives to bear a child. Early sexual activity also exposes adolescents to a greater risk of contracting Sexually Transmitted Diseases (STDs), including HIV/AIDS. Early marriage and pregnancy is one of the major causes of maternal mortality in India commented by Yadav, (2006).

As a result of child marriage, the girl child's reproductive and sexual health is affected the most. These girls suffer from high rates of obstetric complications, intrauterine growth retardation, pregnancy induced hypertension, premature deliver, higher mortality rates, high incidence of RTIs and STI and fetal wastage (miscarriages or still births). The neonatal and infant mortality rates are also high along with incidences of premature delivery and low birth weight of the newborn child mentioned in Bhat, (2005). According to a recent report by UNICEF (2005), almost 50% of women aged 20-24 are married by 18 years in India. Child marriages have been a practice since centuries together and people practice it strictly. In India, pre-adolescent and adolescent girls who constitute a sizable segment of its population constitute a vulnerable group on account of practice of early marriages, potential exposure to a greater risk of morbidity and mortality mentioned in Verma, (2004). The High fertility rate is attributed to an early marriage i.e. child marriage. The earlier days a woman marries the more likely she is to give birth to a larger number of children, consequently placing a high demand on her health quoted by Bhat, (2005). The studies have shown that, early marriages tend to place the woman under male control with no choice over birth control, education, and health leading to a life of domestic and economic subservience. It is observed that children are put to work at an early age in most caste groups to an extent, that economic value of child labor was a contributing factor to child marriages.

Objectives of the Study:

The objective of the study is to make an economic analysis of causes and consequences of child marriages in Warangal District of Telangana State. Assess the socio-economic conditions of married child girls in the study area. To identify the factors influence the child marriages and analyze the various causes of child marriages. To examine the consequences of the child marriage, and to make the appropriate suggestions on the basis of field study.

Methodology:

The present paper is empirical study, where the fieldwork and secondary sources are involved, the primary data collected from field survey. For the purpose of the study, 100 sample respondents have been selected at randomly from Punnel, DC Thanda, Inavolu and Illanda villages of

Wardhannapet Mandal in Warangal district. The total 100 sample respondents selected for the study were married girl children.

The Sample Design: All altogether 100 married girl children were selected by adopting the purposively sampling techniques. They were selected from the four villages in Wardhannapet Mandal of Warangal District for collection of the data.

Tools of Analysis:

The data is analyzed by keeping in view of the objectives of the study. The data is analyzed with statistical tools like frequency counts, percentages.

Results and Discussion:

The problems of married children which are visible in the sample area can also be seen in the other parts of country. And the present study has tried to find certain issues and identify some problems and highlight the important areas. Hence, the findings of this study could be very useful for the scholars, policy makers and the agencies connected with child marriages to probe further to control the menace of child marriages in rural areas.

Case Studies of Child Marriage from the study Areas:

In order to study the various aspects of child marriage among the rural communities of Warangal district, six case studies have been conducted from different villages of Wardhannapet Mandal which are narrated below.

Case Study-1:

Laxmi, daughter of Sammaiah, DC Thanda village, Wardhannapet Mandal aged 15, was married to Ramesh aged 20 residing at Punnel. Ramesh who studied up to 8th class met Laxmi and fell in love with her. At that time she was studying 9th class. This love affair forced her to discontinue her studies and both have compelled their parents for marriage. Their parents allowed them and they got married. Now, Laxmi lives with her husband Ramesh and her children. Her elder daughter is 3 years old and son is 10 months old. Laxmi told that they encountered no hard ships or resistance from their parents since they were illiterate tribals. Their parents are forest laborers. Laxmi stays home taking care of her children. But her husband Ramesh is a forest laborer. When there is no work in the forest, he will go for agricultural labour. Ramesh is a regular betel chewer and occasional drinker. Now, they are living in a temporary hut in DC Thanda. She said that the Tribal Development Dpt. has sanctioned a house to them under the special package of Tribal. Ramesh's sisters was married after attaining 18 years old. He is very keen in protecting his wife and children and providing food, clothing etc. Hence Laxmi and her 2 kids are seen healthy. She said that her in-laws take good care of her and her children.

Hence no family disputes are there. Since this family is residing in a small hut, they have no land for cultivation. Their chief source of income is the wages obtained from the Forest Dpt. Laxmi said that she did not feel guilty about her child marriage since her husband and parents are loving and caring. Her marriage has not been registered in the panchayat. No authorities have visited this DC Thanda and informed them about the PCM Act 2006 and other Acts and Rules available for the protection of the rights of children till date.

Case Study-2:

Delayed detection of a problem may create more problems for everyone that it solves. This proves to be true in some thwarted cases of child marriage in Punnel village of Wardhannapet Mandal, where delayed action from the authorities met with strong dissent from the parents of prospective bride. Deepika, a 16-year old girl lives with her father Mondaiah and mother Latha. She has an elder sister and two younger brothers. Her elder sister dropped out of school in class X and the two brothers are in classes VI and VIII in Punnel UGH School. Deepika is studying class X. Her father used to get sick and mother works as a daily wager in agriculture. Her parents waited for Deepika to pass her matriculation so that they can marry her off. Shortly after the publication of her matriculation result she got married.

Deepika, was blessed with a baby girl. Since then her in-laws started asking dowry, and sent her as a daily wager. Her husband Mohan working as an Auto driver also started scolding and sometimes beating. Deepika is facing such problems patiently. However, she cannot bear the physical abuses and torture by husband and his parents. She tried to committed suicide twice. Even though she could not find any changes in their attitudes and behavior, she brought the issues before the elders many times which were of zero help. Finally she decided to break her marriage and live alone with her baby. Her parents are still unhappy with the decision and are yet to be fully convinced that their decision was wrong. A life saved at the cost of parent's discontent. B. Suresh Lal, (2016)

Case Study-3:

During interaction with twenty year old Mrs. Sumatha daughter of Venkataiah resident of Dammannapet village of Wardhannapet Mandal, told that after marriage, her life was confined to household chores. The first activity on waking up is to look after the livestock, which includes milking and cleaning the sheds at 4 O' clock in the morning. Then she cleans the house and washes the clothes. After all these chores are completed, she fetches water and firewood. Cooking has to be done before leaving for the fields. She completes all these chores by 10 a.m. and leaves for the farms. On reaching the fields, she performs tasks like cultivating, threshing and harvesting. On returning late in the afternoon from the fields, she feeds the cattle again, milks them and cooks the dinner. She then washes the utensils and puts the children to bed. According to her, "Even married girl from better off households have to do cattle rearing, though they may not spend as much time on farm activities." Their childhood is short and the moment a girl is able to lift a pot of water on her head, the fun is over. She is also not happy with the male dominated society, as men of her community on the other hand have no responsibility towards household chores. It is the women/ girls who have to perform all domestic chores. Men are engaged simply in agricultural works and that to just ploughing, sowing and irrigation related tasks. She said that "woman's work is rarely recognized although she performed all tasks which is invisible & unremarkable and of course unpaid". B. Suresh Lal, (2016)

Domestic Violence:

We have made an attempt to study further from these case studies of Warangal district that a few reported incidents of domestic violence. In some of the cases, the man's family was also responsible for some of the violence. The reasons for the domestic violence were reported as suspicion, son preference, accusations of infertility and not being good at performing household chores. Some of the girls returned to their natal families as a result of domestic violence. Some continued to live with their partners even though they mentioned occasional incidents of violence.

As mentioned earlier, parental opposition to teenage love affairs precipitated many of the runaway incidents leading to statutory rape and/or early marriage. When the parents discovered the affair, girls reported being scolded, beaten and having their mobility considerably restricted. For instance, many said that they were not allowed to meet their friends, go for tuition classes or to be on their own. More than one girl said that the fear of permanent separation from the boyfriend influenced their decision to run away.

It was found that chances of violence and abandonment increase with early marriage. Majority respondents replied that they surrendered to sexual intercourse or engaged in sexual acts against their will from the very first day of marriage. Respondents used to face abusive language by their husband due to sexual incompatibility.

It was also found that sexual relations are given priority by the husbands as they feel this is their right after marriage. Also the new household responsibilities overburden the young bride leading unrest and health problems. Few respondents enumerated that they were forced to unnatural sexual activities sometimes, B. Suresh Lal (20165).

Summarized Results of the study:

1. Out of the total sample of 100 married children, 50 percent of the respondents belong to SC category while 15 percent belong to ST category, whereas 30 percent belong to BC category. It can be inferred that scheduled caste families are very poor in economic, literacy and ignorance, predominantly made decision to get married their minor children.
2. The majority i.e., 90 percent of the respondents is from Hindu religion and eight percent are from Muslim community, while two percent are from Christian religion community.
3. Among 100 sample married children respondents, 60 percent are adopted nuclear families system whereas 40 percent are of joint families systems. The joint family systems are slowly declining and losing its importance.
4. Out of the 100 sample respondents, 50 percent of the respondent's size of the family is less than 5 members, whereas 25 percent have 5 members and 15 percent has 6 family members.
5. The 70 percent of the respondent's occupation is agricultural labour, while 20 percent are self employed, whereas nine percent respondent's occupation is farming. Therefore, married girls not leading families towards empowerment.
6. Out of 100 married girls, 158 are farmer and agricultural labour, their percentage is 79. Out of 100 sample

respondents, 10 percent are doing tailoring. Five percent married girls are employed in handicrafts.

7. More than 90 percent married girls are not earning even Rs.11000/- per annum. Most of them are getting less than Rs. 900/-per month. This pathetic situation is clearly visible in economic conditions of the married girls living in the rural areas of Warangal district. As a result, they have become debt prone people and struggling hard to fulfill their minimum needs. Thus the living conditions of the poor respondents in the rural areas of Warangal district is in a deplorable conditions.

8. The 55 percent of the respondents possess *kacha* house, while 35 percent possess *pucka* house, whereas five percent each possess small hut and well equipped house in the study area of Warangal district.

9. Out of 100 sample respondents 68 percent don't have any political participation, whereas , as a voter, 20 percent are participated in Sarpanch elections and 10 percent are participated in MPP/ MPTC elections.

10. The 60 percent respondents participate in Self Help Groups activities and 20 percent participate in DWACRA activities.

11. Out of 100 married girl respondents, 80 percent of the respondents have no role in the decision making in the family affairs, whereas 15 percent have partial role and only 5 percent have full role in their family affairs. 95 percent respondents who had got child marriage were not involved in decision making process of their family affairs.

12. .It can be found from the table which shows the age group of respondents at the time of marriage that 68 percent of the respondents are in the age group of 12-15 years while 25 percent of the respondents are in the age group of 15-18 years. Majority married girls were got their marriage at the age of below 18 years.

13. It is observed that these married girls are getting many problems with regard to domestic violence, maternal mortality, child mortality, physical and sexual abuses in the study areas of Warangal district.

14. Out of 100 spouse respondents, 60 percent are not studying, while 20 percent are studying between classes VIII- XII, whereas10 percent are studying less than class VIII.

15. The 90 percent of the respondents said that they got married with their parent's interest and 10 percent said that it is with their relatives' interest.

16. Out of 100 respondents 95 percent of the samples have got child marriage with mutual understanding and only five percent got for bride price.

17. It is revealed that 45 percent of the respondents are doing child marriage due to social threats, whereas 40 percent said that to free from economic burden.

18. Out of 100 sample respondents, the 42 percent of the respondents faced psychological problems after marriage and 33 percent of respondents faced physical problems while 25 percent said that they faced gynecological problems.

19. It is noticed that 55 percent of

respondents got their pregnancy confirmed after their 2-3 years of marriage, while 30 percent got confirmation after 1-2 years of marriage.

20. The 65 percent of respondents have faced complications during their pregnancy, while 20 percent has pre-mature baby birth, whereas 10 percent got abortion by the doctor's advice.
21. Out of 100 sample respondents, 40 percent said that they have stress with elders & in-laws, 30 percent of the respondents have no stress with respect to the relationship with family members and in-laws but they got fear.
22. The information regarding domestic violence faced by sample married girl respondents. Out of 100 respondents, 50 percent have faced the problem of regularly scolded by in-laws family members including spouse.

Conclusion:

Marriage of girls less than 18 years is a fundamental violation of their human rights including their sexual and reproductive health. It is also a threat to the prosperity and stability of countries. As per the study it was found that poverty is one of the major factors underpinning child marriage. The traditional desire to protect girls from out-of-wedlock pregnancies is also a fear factor. The influence of media is changing the attitudes of girls and boys leading to hasty decisions leading to elopement and marriages.

Further it was revealed that girls married under 18 years faced an elevated risk of complications in pregnancy and child birth and contracting Sexually Transmitted Infections (STIs), including HIV and experience social and educational disadvantages. It was also observed that child marriage is physically and emotionally harmful- it violates their rights to personal freedom and growth. For both boys and girls, early marriage has profound physical, intellectual, psychological and emotional consequences. For girls in addition, it will almost certainly mean early pregnancy, which causes higher rates of maternal mortality, and is likely to lead to lifetime of domestic and sexual subservience.

Apart from a few cases, many of couples that were cohabiting or married were struggling financially. A majority were dependent on their families especially the girls' natal families for support. In 4 cases, the couple had separated. The fear of desertion or abandonment was very real for many of the girls and their families especially where there was no legal recognition of the relationship. This placed the men in a position of power within these relationships since the threat of desertion was a constant fear for the girls. This was especially evident where there were children. There was a high incidence of teen age pregnancies among the 71 case studies with 21 girls getting pregnant before turning 18 years. There were no reports of medical complications and all the girls had access to health care although in some instances, the health care was accessed.

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Occupational Diversification in Rural India in the Post—Reforms era A Study in Khammam District of Telangana State

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Abstract: *Majority of the sample respondents suggest developing, education and skills rural infrastructure. Urban rural connectivity's and competence of the rural youth would be enhanced with these two. Agro allied activities and rural industries create employment to generate incomes. In the informal interaction the respondents state that a viable agriculture, in its turn would also expand non-farm employment.*

Key words: *Agro allied activities, Urban rural connectivity, employment*

Introduction:

Post-reforms decades in India have witnessed higher growth rates of GDP with declining shares of agriculture in GDP and employment. Transfer of labour force from agriculture to non-agriculture resulting in an upward movement of non-farm employment in the rural areas has been growing. The two major determinants of occupational diversification, viz. economic infrastructure and social infrastructure have been concentrated for development through different policies and programmers of the Government during the last two decades. Economic infrastructure includes road connectivity, availability of electricity, communication facilities and the like to trigger occupational mobility while social infrastructure is in the form of education training skill formation and awareness of opportunities and are components of the competence of the human resource. Expansion of secondary and tertiary sectors also facilitate the diversification of rural occupations.

Against this background elaborated an attempt is made to analyse

Diversification:-

the occupational diversification in a village of Khammam district of the Telangana State.

Objectives of the study:-

This research paper has the following objectives;

1) To find out the employment in agriculture in the sample village
2) To examine the extent of non-agricultural employment
3) To analyse the relative shares of agriculture and non-agriculture in employment and incomes.

Materials and Methods: Two villages situated in the rural mandal of Khammam district are selected for the study. About 50 sample respondents are selected randomly and the data is collected by administering a structured questionnaire. The questions are mostly related to their income earning activities as majority of the rural households depend on two or more activities. Simple averages and percentages are used to analyse the data.

Analysis:

Profile of the sample respondents s given here under.

Table-I

Profile of the Sample Respondent

Characteristics	**Respondents**
Sex – Male	50 (100%)
Female	-
Education- Literate	14 (28%)
Illiterate	36 (72%)
Total	50 (100%)
Social Groups	
SC	16 (32%)
ST	22 (44%)
BC	12 (24%)
OC	-
Total	50 (100%)
Primary Occupation- Agriculture	44 (88%)
Non-Agriculture	06 (12%)
Total	50 (100%)

Source: Field Study

Data shows that all the respondents are males. Literacy is very low as only 28 percent are literates .All the respondents belong to marginalized social groups of whom STs are 44; SCs 32 and BCs are 24 percent. Primary occupation of 88 percent of the respondents is agriculture which shows the higher dependence on agriculture as the means of livelihood. However 12 percent of the respondents are in non-agricultural activities like petty trade and causal Labour.

Table-III

Age-Wise distribution of the Respondents

Age	**Respondents**
21-25	5 (10%)
26-30	3 (6%)
31-35	06 (12%)
36-40	10 (20%)
41-45	04 (8%)
45-50	10 (20%)
51-55	09 (18%)
Above 55	03 (6%)
Total	50(100%)

Source: Field Study

Respondents are in the 21-45 age groups accounting for 56 percent. All of them are capable of taking up economic activities which involve physical labour. Above 50 years of age group respondents are just 24 percent. The following table-III examines the land ownership of the represents in the study area.

Table-III

Participators of Land Ownership

Area of a land increase	No. of sample households
0-2.5	12 (24%)
2.5-5.0	28 (56%)
5.0-7.5 and above	04 (8%)
Land Less	06 (12%)
Total	50 (100%)

Source: Field Study

Land ownership reveals that majority of the respondents, 80 percent are small and marginal farmers. Only 8 percent of the holds have more than 5 acres of land. It is further noted that 12 percent of the sample households have no land. The sample villages represent the typical land ownership picture of India.

Total workers besides aged and children in the respondent households are presented in table-IV.

Table-IV

Family members and workers in the Respondent Households

Category	Males	Females	Total
Workers	86 (76.8)	65 (54.2)	151 (65.1)
Aged and Children	26 (23.2)	55 (45.8)	81 (34.9)
Family members	112 (100)	120 (100)	232 (100)

Source: Field Study

Work-Force participation rate in the study villages is 65.1 percent and it is higher among the males. Dependency ratio is 1.54 which is manageable sex-ratio is 1071 which is encouraging. Total family members are 232.

Major sources of income to the households are analyzed. Each household has been asked to state three important sources and as such the total responses are 150 as shown in the table-V.

Table-V

Three Major Sources of Income to the Respondent Households

Source of Income	Respondents
a) Own Farm	42 (28%)
b) Agricultural Labour	32 (21.3%)
c) Non-Agricultural Labour	18 (12.0%)
d) N.R.E.G.A	46 (30.7%)

e) Self Employment	12 (8.0%)
Total	150 (100%)

Source: Field Study

Rural people depend on two or more employment activities for supporting their families. Data reveals that NREGA, own farm cultivation and agricultural labour are the important sources. Agriculture is important to an extent of 50 percent in generating incomes. Non-agricultural activities, NREGA and self employment together have a combined share of the remaining 50 percent. With the promulgation of the NREGA in 2005 the importance of Non-Agricultural sources of employment has expanded in the rural areas. Transport and communication facilities have also encouraged the rural people to take up works of casual nature like construction in the nearby urban centres. It can be stated that diversification of rural employment has begun in the rural areas.

Total annual incomes of the sample households from different avenues of employment are given in the table-VI.

Table-VI

Annual Incomes of the Sample Households.

Incomes	**Households**
Less than Rs 25,000	04 (8%)
Rs. 25,000 to 50,000	06 (12%)
Rs 50,000 to 1,00,000	24 (48%)
Rs. 1,00,000 to 1,50,000	12 (24%)
Rs. 1,50,000 to 2,00,000	04 (8%)
Total	50 (100%)

Source: Field Study

It is observed that the incomes of 20 percent of the households are less than Rs.50,000 while 80 percent have higher incomes of above Rs.50,000 per annum. Incomes from agriculture and agricultural wage employment are uncertain. However, majority of the households are in the comfortable zone. Public distribution of essential food items at low prices have helped the respondent households to make both ends meet.

Average employment days in different employment avenues are shown in the following table.

Table-VII

Employment Avenue	Average number of days
1) Own-farm employment	50
2) Agricultural labor	130
3) NREGA	80
4) Non-Agricultural activities	220
5) Self-Employment	295

Source: Field Study

It can be noted that agriculture, due to its seasonal nature, provides work for 180 days. NREGA provides wage employment during the slack season. Employment days in non-agricultural activities and self-employment are higher with stable wages. Slowly rural employment patterns are shifting from agriculture to non-agriculture.

Rural people prefer non-farm employment as it ensures different benefits. This aspect is examined with the data in table-VIII.

Table-VIII

Reasons to Prefer Non-Farm Employment

Reason	Respondent
a) Higher wages	48 (96%)
b) Regular Income	45 (90%)
c) Stable employment	46 (92%)
d) More employment days	45 (90%)

Source: Field Study

Most of the respondents have given all the reasons for their preference to non-farm employment. Unlike agriculture, non-farm employment enables to get regular incomes.

The respondents in the sample urge the expansion of non-farm sector to diversity the employment pattern in the rural areas. In this context their suggestions are presented in Table-IX.

Table-IX

"Suggestions of the Sample Respondents to expand Non-Farm Employment"

Suggestions	Respondents
1) Infrastructure to be developed	32 (64%)
2) Education and Skills to be improved	37 (74%)
3) Development of Agro-allied activities	36 (72%)
4) Rural Industries to be promoted	27 (54%)

Source: Field Study

Majority of the sample respondents suggest to develop, education and skills rural infrastructure. Urban rural connectivity's and competence of the rural youth would be enhanced with these two. Agro allied activities and rural industries create employment to generate incomes. In the informal interaction the respondents state that a viable agriculture, in its turn would also expand non-farm employment.

Major Findings:-

1) Illiteracy is wide-spread as the respondents belong to marginalized social groups – SC; ST and BC.

2) More than ¾ th of the respondents are in the active and working age group.

3) Agriculture is the primary occupation of the majority of the respondents (88%)

4) Work-Force participation rate is 65.1 with in variations between the males and females.

5) Major sources of income include NREGA; own farm cultivation and agricultural labour works. However non-agricultural and self employment avenues account for 20 percent. Respondents have 2 or more employment avenues.

6) Majority of the respondent households have incomes in the above Rs.50,000 range .

7) Average employment days are noted to be higher in self employment and non-agricultural activities.

8) Higher wages, more employment days and regular income are the major reasons to prefer non-farm employment by the respondents. Their suggestions to achieve this goal include development of infrastructural facilities, education and skills of the rural youth.

Conclusion:

Occupational diversification in rural India has already begun with the expansion of transport and communication facilities and growing rural-urban connectivity's in the Post-Reforms period. The process needs to be strengthened further through proper strategies since diversification of the work-force both in agriculture and non-agriculture augments incomes. Promotional activities and policy measures to this end are highly imperative.

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Global financial meltdown - A case study of India, where future heading

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Abstract: *The global financial crisis, brewing for a while, really started to show its effects in the middle of 2008. Around the world, stock markets have fallen, large financial institutions have collapsed or been bought out, and governments even the wealthiest nations have had to come-up with rescue packages to bail out their financial system. This crisis had its origins in the United States and spread quickly to Europe. While the crisis began in the housing mortgage market, it soon extended to the money market and the credit market. It is the worst financial meltdown since the Great Depression during1930s. More importantly, the shock waves from the United States financial market have spread throughout the globe, with many countries on the brink of recession.*

The global financial crisis started visibly impacting the Indian economy from September 2008 onwards. Gradually it spread over all the sectors of the economy. Till the third quarter of the current fiscal year, both Reserve Bank of India (RBI) and the Finance Ministry were concerned about the accelerating inflation. The present study is very contemporary and pertinent and could have been on focusing on the specific objectives, like to highlight the reasons for global financial crisis, to analyze the impact of global financial crisis on Indian Economy and to understand how robust Indian Economy to come out of this crisis is. The policy response to the crisis has top balance the country's short-term needs with its long-term macroeconomic plan and a plan for financial and regulatory reforms. This alone can revive the confidence of all economic agents, notably, consumers, entrepreneurs and banks in the economic system and ensure a path for long –term sustainable growth.

Keywords: *Financial Crisis, Financial Meltdown, Regulatory Reforms, Consumers, Entrepreneurs*

Introduction

The global financial crisis, brewing for a while, really started to show its effects in the middle of 2008. Around the world, stock markets have fallen, large financial institutions have collapsed or been bought out, and governments even the wealthiest nations have had to come-up with rescue packages to bail out their financial system. This crisis had its origins in the United States and spread quickly to Europe. While the crisis began in the housing mortgage market, it soon extended to the money market and the credit market. It is the worst financial meltdown since the Great Depression during1930s. More importantly, the shock waves from the United States financial market have spread throughout the globe, with many countries on the brink of recession. On the one hand, many people are concerned that those responsible for the financial problems are the ones being bailed out, while on the other hand a global financial meltdown will affect the livelihoods of almost everyone in an increasingly inter-connected world.

History of crises:

Between 1800 and 1970, credit crises often caused or accompanied by the real estate collapses occurred in the United States on an average once in every 14 years, according to Prof. James Van Horne of Stanford University. During the panic of 1819, the real estate speculation involved farmland on the Ohio frontier. The Panics of 1873 and 1893 involved investments in the land near rail lines. The Crash of 1929 was preceded by the bursting of the real estate bubbles in Florida and Southern California.

In 1873, the crisis started in Europe, where cheap mortgage terms spurred a residential real estate bubble. When the bubble popped, bankers in London tightened their credit terms, triggering a financial crisis in the United States, where banks already were over extended with the speculative loans to the railroads and the railroad-related real estate. The result in 1873 was an international depression the sparked double-digit unemployment rates, corporate bankruptcies and widespread labor unrest. The United States did not fully recover until the mid 1890 by which time it endured another credit crisis known as the Panic of 1893.

To prevent the current crisis from turning into a great depression, the Bush administration had allocated far more money than Roosevelt did during the depression, mostly through direct injections into Wall Street investments and the banks. University of San Diego real estate Professor Norm Miller said that, “our children and grandchildren will hate us” for the amount of the debt the government is incurring while trying to stave off the crisis. Some of the academics however, consider that stimulus packages and the other emergency measures may be the only of the keeping the economy from entering “something worse than recession”.

The Crisis Story

After 9/11 American people were encouraged to spend in the spirit of patriotism to help restart the failing economy. To fuel that spending in the extraordinary political and psychological climate if that time, U.S. policy makers actively encouraged levels of borrowing and lending that would never otherwise have been allowed. Federal Reserve was worried that the U.S. would face a severe recession and it began cutting interest rates down to 1% and kept them at that level until 2004, raising them slowly only 0.25% at a time thereafter. With interest rates so low, the financial services industry sensed that a lot of money could be made and went over vigorously in real estate, seemingly unaware that low interest rates could be disguising large risks.

Commercial banks and investment banks lent vast sums-trillions of dollars for house purchases and consumer loans to borrowers not really equipped to repay. The easy lending pushed up housing prices, which then went up still higher when speculators brought houses on the expectation of further price increases. The prices rose significantly because of easier access to funds / loans as also historically-low interest rates, looser lending and appraisal standards, low documentation, speculative fever, low teaser rates, i.e., below market mortgage rates for the first year, other creative structures and homeowners seeking extra profits from buying an flipping homes. Greater facilitation to the boom was provided by funding the mortgages, both traditional and creative (!), creation of mortgage based securities which were sold to investment banks, pension funds, insurance companies, foreign banks and other financial institutions, and individuals. This was in the midst of unregulated market for credit default insurance instruments.

Liquidity Crunch

To understand the reasons behind the liquidity or credit crunch that surfaced during the current crisis, it is necessary to understand the roots of the present crisis. Before the crisis erupted in developed economies, their economic systems were characterized by booming stock and real estate markets, ample liquidity, low interstates, narrow credit spreads and lesser volatility in financial markets. Against this backdrop, the lenders to subprime borrowers in these countries, especially in the U.S increased their exposure to subprime segment on strong conviction that they have means to mitigate their risks, while still making a profit. They tried to manage the risk by packaging-up the loans and selling them to hedge funds, mutual funds, private equity firms, etc. who were looking for quick returns. The buyers of these packaged loans in turn made use of borrowed funds to facilitate these purchases and thus added another layer of debt to the original transaction in sub-prime mortgages. The shares of these companies were then bought by pension funds and insurance companies whose risk management practices otherwise would not have allowed them to buy the risk mortgages outright.

Thus, the layers of risky debt were built upon each other to facilitate quicker gains and when the borrowers at the foundation of this structure started defaulting, the entire structure started collapsing resulting into the sub-prime crisis. This has began as a bursting of the U.S. housing market bubble soon spread to other advanced countries that too were having their own homegrown real estate bubbles. Moreover, in a globalized world, the balance sheets of individuals, banks, corporations and government are all interconnected through the international markets. So even though the immediate problem stared with the defaults on U.S. mortgages, the U.S and another international bank suffered about equally due to their interconnected balance sheets.

Even developing economy, like India suffered from the knock on effects on their money, capital and forex markets due to capital flow reversals, sharp widening of spreads between sovereign and corporate debt and abrupt currency depreciations. The collapse of large banks and financial institutions (FIs) in most of the advanced countries shook the confidence of banks to freely lend to each other. As a result, many banks and FIs that relied on short-term wholesale funds from other banks started finding it difficult to raise such funds any longer, leading to a liquidity crunch. The inter-bank markets which are known as the deepest and the most liquidity of all markets almost froze world over. Thus, roots of the present crisis can be traced to securities invested by banks that were backed by sub-prime mortgages. Sharp erosion in the value of such securities and lack of transparency (about the quantum and nature of such toxic assets that still remain in various banks books) have been the main reasons behind the crisis of confidence and liquidity crunch in global markets.

Objectives of the Study

The area of study is very contemporary and pertinent and could have been no topic more relevant than this to present here. More specifically the following are the objectives of the present paper:

- To highlight the reasons for global financial crisis.
- To analyze the impact of global financial crisis on Indian Economy.
- To understand how robust is Indian Economy to come out of this crisis.
- To know the initiatives taken by the government to overcome from this situation.

Impact on Indian Economy

The global financial crisis started visibly impacting the Indian economy from September 2008 onwards. Gradually it spread over all the sectors of the economy. Till the third quarter of the current fiscal year, both Reserve Bank of India (RBI) and the Finance Ministry were concerned about the accelerating inflation. It was also believed that the impact on Indian economy would be only marginal. However, as the crisis started impacting the GDP growth rate, the stock market, exports and capital inflows, the pressing need for appropriate policy measures has become pronounced. In this paper, an attempt is made to examine the impact sector by sector, the strategy followed so far and the lessons India can learn from the policy measures of other countries, particularly from China.

In the initial months of crisis, the Indian credit market faced squeeze, which was led by net capital outflows, as international investors withdrew capital from India to compensate their losses incurred in exotic derivatives trading. This eventually affected the Indian firms as there was lending restraint shown by the banks.

The shortage of availability of trade credit, following the financial crisis, could be viewed from the decline in short-term trade credit inflows into India, as reflected in India's overall Balance of Payment statistics. During the period April-December 2008, net capital inflows under the head 'short term trade credit' have shrunk to US $0.5 billion, as compared to US $10.7 billion received during the correspondent period of the previous year. Short-term trade credit to India witnessed a net outflow of US $3.1 billion in the third quarter of 2008-09 mainly due to lower disbursements reflecting tightness in the overseas market and increased repayments, as roll over was difficult.

Slowing GDP

During the last 5 years, the economy has grown at an average annual rate of 8-9 percent. Services, which contribute more than half of GDP, have grown the fastest. At the same time, Indian manufacturing has also done well. Its impressive run ended in January 2008. According to the mid-year review of the economy presented to the Loksabha on December 23, 2008, Indian economy will grow at 7 percent in 2008-09. To illustrate the point, three widely differing forecasts made by eminent economists are considered for arriving at a reasonable at a reasonable figure.

Growth Forecasts for 2009-10			
1	Arvind Virmani	Chief Economic Advisor Finance ministry	8.5 %
2	Raghuram Rajan	Economic Advisor to The Prime Minister	5-7 %
3	Rajiv Kumar	Head of the Indian Council for Research on International Economic Relations (ICRIER)	3-5 %

Each of the above forecasts is based on certain assumptions.

Mr. Virmani is of the opinion that the recovery should slowly start form the first quarter of 2009 and the third quarter of the year may see the growth process accelerated. He also believes that with the coordinated measures taken by the USA, the UK, Europe and Japan, the crisis should ease considerably again from the third quarter. The high rate of savings, 37.4 percent can take care of the slow-down in Foreign Direct Investment (FDI) and savings and investment rates are high in India about 35 percent. It is useful to note that FDI inflows remained healthy at $14.8 billion till August 2008. Further, India's net exports are very low compared to China. India's current account has more or less been in balance in the last five years. In these circumstances, India will effectively manage a fall in export demand. He underlines the different growth strategies followed by China and India; China has export-led growth while India has investment led growth. Mr. Virmani thus believes that it is possible to bring the economy back to 8.5-9 percent growth path.

Indian Experience in Liquidity Crunch

Fortunately Indian banking system has not has direct exposure to the sub prime mortgage assets or to the failed institutions. Also the off-balance sheet activities of Indian banking industry quite limited. Moreover, in India, complex structures like synthetic securitization have not been permitted so far. However, India's increased integration with the western world through trade and investment channels during the last 15 years and the fact that Indian corporatism have significantly increased their dependence on external financing during the lst five years exposed India to a few knock on effects o the sub prime crisis through the financials, the real and the confidence channels. As a consequence of the global liquidity squeeze, overseas sources of funds dried up for Indian banks and corporatism forcing corporatism to shift their credit demand to the domestic banking sector. The forex markets came under pressure due to the reversal of portfolio capital flows. Both these factors have put substantial downward pressure on the rupee. The Reserve Bank of India's (RBI) efforts to prevent sharp fluctuation in the value of rupee through intervention in the forex market also added to liquidity tightening in India.

Shortage of Infrastructure

Infrastructure has been one of the biggest handicaps in India. The shortage of power poses a serious problem to industry, services and agriculture. Last year the peak demand outstripped supply by 15 percent. In some of the States, the position is all the more serious. Poor roads are another stumbling block, making the movement of goods and products costly and irregular. Sanitation, urban slums and some minimum basic facilities in rural areas are awaiting large investments.

Agriculture is another major drag on the economy. It heavily depends on the behavior of the monsoon. As against the desired growth rate of 4 percent, the actual rate varies widely from year to year. For a higher GDP growth rate, agriculture should be given the same priority as industry. This will help to alleviate rural poverty and the pressure of population on land. As high as 65 percent of Indian population depends on agriculture, this contributes only 18 percent to GDP.

Measures Taken

RBI's initiatives:

From the middle of October, RBI took a series of steps to create adequate liquidity in the financial market, lower interest rates and provide relief to exports and other most affected sectors of the economy. Compared to other countries, advanced as well as emerging, India was somewhat late in realizing seriousness of the fast accelerating global financial crisis. The following table illustrates the changes made by RBI in the rate structure.

Time Frame	**Repo Rate**	**Reserve Repo Rate**	**CRR**	**SLR**
Prior to October, 2008	9	6	6.5	24
October 20, 2008	8	6	6.5	24
November 3, 2008	7.5	6	5.5	24*
December 6, 2008	6.5	5	5.5	24
January 2, 2009	5.5	4	5	24

*As against 24 percent SLR requirements, PSU banks alone had 26.8 percent in SLR and SBI had 28.31 percent in SLR. If they maintain 24 percent in SLR, they would release about Rs.40,000 crores to improve liquidity. Further, while maintaining the SLR at 24 per cent, temporary relaxations are allowed to banks to borrow for helping cash-stressed Mutual Funds (MFs) and Non-Banking Finance Companies. (NBFCs).

Fiscal Packages

Concerned about the economic slow-down in December 2008 the government announced a Rs.30,900 crore fiscal stimulus package, mainly comprising additional spending that can boost investment and consumption. The package provides Rs.1,450 crores to the export sector which, for the first time in last five years, saw at 12 percent drop in October and further 9 percent drop in November. Public sector banks have already announced a separate package for home loans up to Rs.5 lakhs and between Rs.5 lakhs and Rs.20 lakhs. Cheaper home loans will boost the real sector industries, which would, in turn push up the demand for cement and steel. This fiscal stimulus package along with the monetary measures announced in December is expected to show some positive results.

Corporate Sector:

The Index of Industrial Production (IIP) showed a remarkable recovery in November clocking a growth rate of 2.4 percent, after it had dropped to a 15 year low of a negative 0.4 percent in October. The data further points out that output of petroleum refinery products, power generation, finished carbon and steel shrank in November while production of coal, cement and crude oil out spaced that in 2007. The impact of monetary and fiscal measures taken in December and January would certainly help improve the industrial scene further.

Industries mainly dependent on exports are worst affected. IT and IT related services which have been recording a much faster growth rate average around 18 percent is likely to decline in the current fiscal 2009-10. It is estimated that nearly 55,000 IT workers will be unemployed. With the fiasco of Satyam, the number may even grow further. Exports of gems and jewellery are equally hit hard. Other worst hit sectors are exports of textiles, leather products. In all these products, demand in the domestic market.

Capital Market:

If any one sector has suffered most, it is the capital market. During the year, the BSE Sensex crashed form 20,301 on January 1, 2008 to 9,647 on December 31,2008. The lowest level was 9, 027 on November 26. The Sensex is moving around 9,9000 at present, which is the lowest level during last 3-4 years. Volatility in the market is very high; making it is difficult to foresee which way it would go. As a result, market capitalization has fallen by 65 per cent for BSE, form $1,472 million to $562 million till November, 2008 and by 64 percent for NSE average turnover of BSE and NSE combined was working out at Rs.1,20,000 crores in January 2008 has come down to Rs.40,000 crores towards the end of December.

Concluding Remarks:

Liquidity or credit crunch following the outbreak of subprime crisis primarily reflected the crisis of confidence in the global financial system. It occurred because risk management and supervisory practices in the U.S. and many other developed nations could not keep pace with new financial innovations and business models. Inadequate oversight and distorted incentives structure of Credit Rating Agencies were also equally responsible for misleading the market players.

The subprime crisis has proved that the current global financial system is not sustainable and there is a need to strengthen its capital and liquidity rules and improve prudential regulation. This includes the introduction of better disclosure requirements with closer supervision of the measurement and management of firm-wide risks, steps to increase the transparency and resilience of the financial structure and improvements in the assessment of systemic risks. There is also a need for reassessing the appropriateness of various structured products like credit derivatives and their implication for financial stability. So far, the government bailout plans or short –term stimulus packages across various countries have focused on treating the immediate symptoms of the crisis without attacking the roots of the disease. Just by giving more money to banks or increasing public debt, the problem of “crisis of confidence” cannot be solved effectively. The large-scale fiscal stimulus also has potential to trigger inflationary pressures, once the conditions improve, and thus, create a strong upward bias in interest rates-a major deterrent growth.

In short, the "size" of the fiscal stimulus should not give rise to the concern of medium-term fiscal sustainability, which can have adverse repercussions on financial markets inflation, interest rates and consumer spending. Rather, fiscal measures should focus on improving the role of automatic stabilizer like certain types of taxes, transfer, etc. that by nature are counter cyclical and temporary. To summaries, the policy response to the crisis has top balance the country's short-term needs with its long-term macroeconomic plan and a plan for financial and regulatory reforms. This alone can revive the confidence of all economic agents, notably, consumers, entrepreneurs and banks in the economic system and ensure a path for long –term sustainable growth.

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Technological Developments in Banking Sector: A Consumer perspective

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Abstract: *During the past decade substantial technology innovations has been taken place in Indian banking sector which has revolutionized the banking scenario. These technological advances have created a significant impact on the business of banks and as such the way customers make their banking transactions. With technological changes, banks have made rapid strides in aligning themselves to match the customers' requirements to improve their banking experience which are oriented towards providing a better customer services. Banking through, internet and mobile technologies has emerged as strategic tool for banking operation in today's era for achieving higher efficiency. However, many of the customers still are using banking operations through traditional mode in spite of availability of technology at their disposal. Against this backdrop, this paper examines technological developments in Indian banking sector and tries to understand how customers are embracing these technological developments in banks and making banking operations from the consumer perspective. The research suggests that more improvements be made to bring confidence among customers, as still many feel banking operations through technology is unsafe. The research also suggests that banking through technology interface be made more user-friendly to enable the customers to use these developments in banking technology. The need of the hour is to design such a system that encourages the efficient usage of technology by customers.*
Keywords: *Banking and technology, Internet and Mobile banking, Customer satisfaction*

Introduction

With the advent of new technologies, banks have changed the face of banking transactions which enabled them to provide better customer services. Information technology and the communications networking have revolutionized the banking system and have given rise to new innovations in the delivery of banking services. Internet and mobile banking has become the order of the day. These technologies have become a strategic resource for achieving efficiency leading to enhanced customer service. Technology innovation has reduced the burden on bankers and customers visiting for banking transactions. Technological developments pose both opportunities and challenges. Technology has enabled the banks to deliver the services to the customers even Currently Indian banks are providing services based on technology such as Anywhere banking, Tele Banking, E-

Banking, Internet Banking, Mobile Banking, credit Cards, Debit Cards, Automatic Teller Machines Facility, Electronic Clearing Services, Electronic Fund Transfer, SWIFT, Core Banking, Real-time Gross Settlements, NEFT, Electronic Payment Services etc. With the heightened competition among banks today, innovations in customer service and delivery are the prime responsibility for banks. Information technology has given rise to new innovations and offering banks to develop new systems that address a wide range of customer needs. In today's environment, banking through internet and mobile has emerged as a strategic resource for achieving higher efficiency and reduction in labour intensive methods with automated process thus leading to higher productivity and profitability. The need for visiting bank branch by customers has been drastically reduced to a greater extent with the advent of Internet, Mobile banking, ATMs technologies. Customers are experiencing a varied mix of feelings about the usage of technology for banking transactions.

Objectives of the study

To understand the usage of technology in Indian banking sector

1. To analyze the customers perspective towards use of technology for banking transactions

Methodology

The present study is carried out by using both primary and secondary data. Primary data is collected through aquestionnaire from a sample of 120 respondents who are active customers making banking transactions drawn through simple random sampling process in Karimnagar, a District Headquarter in the state of Telangana during December 2016.After obtaining data, the results were tabulated and analyzed using simple percentage analysis. Also, Secondary data has been collected from various website, journals and Reports on banking sector.

Review of Literature

Balasubramanya S.(2002) in his study analyzed that the automation in the banking sector has come a long way starting with the Rangarajan Committee report on the banking sector reforms during the eighties, followed by reports of the Narasimhan Committee in the nineties. B. Janki (2002) analyzed that how technology is affecting the employees' productivity E-banking offers benefits for both banks and its customers. From the banks' perspective, e-banking has enabled banks to lower operational costs through the reduction of physical facilities and staffing resources required, reduced waiting times in branches resulting in potential increase in sales performance and a larger global reach (Sarel and Mamorstein, 2003).From the customers' perspective, e-banking allows customers to perform a wide range of banking transactions electronically via the bank's website anytime and anywhere (Grabner-Kraeuter and Faullant, 2008). In addition, customers no longer are confined to the opening hours of banks, travel and waiting times are no longer necessary, and access of information regarding banking services are now easily available (Hamlet, 2000). Furst et. al. (2000) presented data on the number of national banks in U.S. offering Internet banking and the products and services being offered. Only 20 percent of national banks offered Internet banking in the third quarter of 1999. However, as a group, these ''Internet banks'' accounted for almost 90 percent of national banking system assets, and 84 percent of small deposit accounts. Banks in all size categories offering Internet banking tend to rely less on interest-yielding activities and core deposits than do non-Internet banks. Also, Institutions with Internet banking outperformed non- Internet banks in terms of profitability. Hasan (2002) found that online home banking has emerged as a significant strategy for banks to attract customers. Almost 75 percent of the Italian banks have adopted some form of Internet banking during the period 1993-2000. It also found that the higher likelihood of adopting active Internet banking activities is by larger banks, banks with higher involvement in off-balance sheet activities, past performance and higher branching network. Janice et. al. (2002) based on interviews with four banks in Hong Kong noted that banks view the Internet as being a supplementary distribution channel for their products and services in addition to other forms of distribution channels such as Automated Teller Machines (ATMs), phones, mobile phones and bank branches. Basic transactions and securities trading are the most popular types of operations that customers carry out in Internet banking. Rao et. al. (2003) provided a theoretical analysis of Internet banking in India and found that as compared to banks abroad, Indian banks offering online services still have a long way to go. For online banking to reach a critical mass, there has to be sufficient number of users and the sufficient infrastructure in place. Agarwal et. al. (2003) explored the role of e-banking in e-democracy. With the development of asynchronous technologies and secured electronic transaction technologies, more banks and departments were using Internet for transactional and information medium. Initiatives such as E-SEVA and FSC's are the milestones towards achieving comprehensive e-governance.

Technology adoption by banks in Indian banking system: An understanding

The adoption of latest technologies has created a beneficial impact on both banks and customers. Customers were able to benefit with anywhere banking, Internet banking, ATM banking and mobile banking. Banks accrued various benefits like centralization of customer information, centralized transaction process, basic MIS reporting and real time information availability. With the intense competition, banks are trying to adopt latest technologies to provide customers various services which enable them not only to retain the customers but also gain competitive advantage over their competitors. The Key driver of this change is changing customer needs and expectations. The technological adoption has made the customers to move away from the traditional branch banking system. The fast adoption of Information, Communication and Technology (ICT) based system in the banks has transformed the whole range of banking services to customers. These technology adoptions have brought a semantic changes and innovation in the quality of customer services. For every day needs of customers, banks have adopted ATMs, swipe machines/Kiosks which have increased the pace of transactions. With the onset of alternative delivery channels, like Internet, Phone and mobile banking, smart cards, debit cards have facilitated the customers for round the clock access to banking facilities. With the profile and aptitude of bank consumers fast changing towards the use of ICT facilities, the popularity of e-channels of has assumed significance and banks are gearing themselves for introduction of add-on services to attract customers and retain them. The innovation of products based on core banking solutions technology has brought sea change in banking services making the customer to move from localized banking to world-wide banking services which provide the comfort to customers. The facilities which were beyond imagination earlier were made possible now with Core CBS platform with payments, remittances and credit to accounts against outstation cheques can made simply using electronic connectivity from one bank to another.

Key ICT led value propositions:

The application of ICT facilities goes much beyond the CBS. It is one of the enablers for driving innovation and to provide superior customer experience. On-line electronic payment systems, generation of SMS alerts against transactions, online swiping of transactions against debit / credit cards, online internet/e-banking, mobile banking, operations through point of sale terminals (POS) and a host of other products are some of the value added innovations. As a result of such innovations in ICT and application of global interface, further developments in the communication network and messaging system in India can be seen. The emergence of Indian Financial Network (INFINET), Structured Financial Messaging System (SFMS), VSAT connectivity, cable and leased line connection, fiber optics channels, etc., have contributed in using ICT more aggressively for customer convenience. There have been marked improvements in the Indian payment and settlement systems in the form of popularizing and strengthening of Real Time Gross Settlement (RTGS), Centralized Fund Management System (CFMS), Electronic Clearing System (ECS), National Electronic Fund Transfer (NEFT), Cheque Truncation, National Financial Switch (NFS), developments and initiatives at Clearing Corporation of India Limited (CCIL), ATMs, electronic banking channels etc. The Electronic Clearing System (ECS) is another popular and widely used product. ECS Debit/ECS Credit are introduced to facilitate execution of electronic standing instructions for timely settlement of payments. In order to improve efficiency, reduce operational risk and time taken for cheque processing, the Reserve Bank has initiated steps to introduce a Cheque Truncation System (CTS) where scan images of cheques will travel to their destination in the place of physical cheques. The ICT has thus, come to be a strategic business enabler and a means for bringing innovation. The customers also have begun to enjoy the blend of technology in banking services.

The following section throws some light on the data pertaining to growth of technology usage by banks and all these information is sourced from the website of RBI.

Growth in ATMs :The geographic reach of ATMs increased further as the number of ATMs installed increased to around 0.2 million as at end March 2016, an increase of 9.7 per cent over the previous year. Private Sector Banks maintained more than a 70 per cent share in the total number of ATMs. Foreign Banks, however, continued to post a decline in the number of ATMs.

Distribution of ATMs: Regional distribution of ATMs became more balanced with the share of metropolitan, urban and semi-urban centers in total installed ATMs varying between 26.0 per cent and 29.0 per cent However, metropolitan centers witnessed a marginal decline in the share of ATMs to 26.9 per cent in March 2016 from 27.7 per cent during the previous year. Semi-urban and urban centers registered a marginal increase in their share of ATMs.

Off-site ATMs : More than 60 per cent of the Private Banks and Foreign Banks ATMs are off-site ATMs which are set up on a standalone basis and not on the premises of a bank's branches. However, in case of Private Sector Banks the share of off-site ATMs is less than 45 per cent. During 2015-16, the share of off-site ATMs in total ATMs declined in every bankgroup. Given that the Reserve Bank has allowed banks to offer all their products and services through the ATM channel, a decline in the share of off-site ATMs is a disquieting development.

White label ATMs : During 2015-16 the number of white label ATMs (WLAs), which are owned and operated by non-bank entities, increased significantly to 12,962 from 7,881 during the previous year. This spurt in WLAs can be attributed to the entry of new players in the banking space such as payments banks and small finance banks which are collaborating with WLA operators rather than having their own ATMs to minimize costs.

Debit and credit cards: Growth in the number of outstanding debit cards decelerated sharply to 19.6 per cent in 2015-16 from 40.3 per cent in the previous year. During 201415, the spurt in debit card growth was attributed to the Pradhan Mantri Jan Dhan Yojana (PMJDY) under which every account holder under the scheme was issued a RuPay debit card. As the growth in account opening under PMJDY decelerated, this resulted in a decline in the growth of debit card issuances. However, credit cards registered increased growth of 16.1 per cent during the year as against 10.1 per cent during 2014-15. Bank group-wise; PSBs maintained a strong lead in issuance of debit cards with a share of 82.8 per cent. On the otherhand, Private Banks had a dominant position in credit card issuances with a share of 60.1 per cent.

Prepaid payment instruments: Due to greater use of prepaid payment instruments (PPIs) for purchase of goods and services and for fund transfers, the value of transactions by these instruments has increased considerably in recent years. Among the prepaid instruments, PPI cards (which include mobile prepaid instruments, gift cards, social benefit cards, foreign travel cards and corporate cards) remained the most popular mode followed by mobile-wallets. During 2015-16, the value of transactions through PPI cards and mobile-wallets increased significantly to `254 billion and `206 billion respectively, against `105 billion and `82 billion respectively in the previous year.

Some of the technology innovations adopted by banks:

IndusInd Bank's Video branch facility: IndusInd bank, a private sector bank has introduced a customer centric service titled "Video Branch". This facility enables the customers to do a video conference with the bank staff by scheduling a video call with branch managers/relationship managers or connect to the central video branch instantly. This initiative facilitates customers to interact with branch at their own comfort and convenience either through computer or smart phones. It offers four financial transactions like, FD booking; RTGS, NEFT &funds transfer through a video chat with staff at bank branch.

Missed Call Service: Banks like State Bank of India,State Bank of Hyderabad,Andhra bank, Axis bank etc., have launched a service called, "Missed call Service" to have an instant access to customers account balance and Mini Statement by just giving a miss call from the registered mobile of the customer to a toll free number given by the bankers. The service works without internet and independent of mobile handset and without any charges.

Axis Bank's "Axis PayGO" and "Axis OK": Axis bank has come up with Axis PayGO which offers payment solutions to corporates/educational institutions/gated communities in India that allows their employees/students/members to make contactless and cashless payments in a secure manner. The technology allows making payments on the go with Axis PayGO just by tapping their ID card or Mobile Handset or NFC (Near Field communication) card at a pre-defined merchant outlet's terminal. Further, the bank brings a mobile app, "Axis OK" to get banking done on-the-go, on any device and without using Internet. Customers can access bank accounts, manage credit and debit cards and can recharge mobile, DTH and it available in 6 languages.

Data Analysis

Table No.1:Mode of banking transactions

Responses	No of respondents	%
By Visiting bank	43	23.89
By using technology	120	66.67
Others	17	9.44
Total	180	100

Source: Primary Data

[[It is evident from the above that 23 percent of are visit bank for their banking transactions while 66.67 percent respondents use technology (ie. either online or mobile) whereas 9.44 use some others for making transactions.

Table No.2:Prefer using technology if security issues addressed

Responses	No of respondents	%
Yes, Prefer to use	64	53.33
Not preferred	56	46.67
Total	120	100

Source: Primary Data

From the above the table it can be observed that 53.33 percent respondents prefer to use technology for banking transactions if security issues addressed while 46.67 percent respondents will not prefer to use even security issues are addressed.

Table No.3:Confidence in using technology for banking transactions

Responses	No of respondents	%
Very much confident	40	33.33
Somewhat confident	27	22.50
Not confident	25	20.83
Not at all confident	28	23.33
Can't say	0	0
	120	100

Source: Primary Data

It can be seen from the above that 33percent of respondents are very much confident in using banking transactions through technology while 22.5 percent of respondents are somewhat confident with technology while doing banking transactions whereas 20.83 are not confident and 23.33 are not at all confident.

Table No.4:Because of technology doing more operations online than manual process

Responses	No of Respondents	%
Strongly agree	46	38.33
Agree	29	24.17
can't say	0	0
Disagree	26	21.67
strongly disagree	19	15.83
	120	100

Source: Primary Data

It can be inferred from the above table that 38.33 percent respondents strongly agree that because of online transactions they operate more often than manual process while 24.17 agree to it, where 21.67disgree and 15.83 strongly disagree.

Table No.5: Attractions to Online Transactions

Responses	No. of Respondents	% of Respondents
Time saving	31	25.83
Instant transaction	23	19.17
Payments convenience	18	15.00
Easy monitoring of accounts	14	11.67
No physical visit to branch	11	09.17
Global coverage	16	13.33
At a time more no. of transactions	07	05.83
Total	**120**	**100.00**

Source: Primary data

The above table explains about the attractions or motivational factors to online banking transactions. 25.83 percent of the respondents say that the time saving is the key factor for online banking while 19.17 percent of the respondents say that instant transaction completed immediately whereas 15 percent of the respondents are motivated by payments convenience. 11.67 percent of the respondents attracted for easy monitoring of accounts, 9.17 percent of the respondents attracted towards non-visit of the bank branch and 5.83 percent of the respondents attracted for more convenience and more number of transactions covered at a time. Majority of the respondents are attracted by time saving, instant transaction and convenient of payment factors

Table 6 indicates about process of online transactions. The 25.83 percent of the respondents considered as online banking is easy and simple while 23.33 percent of the respondents say OTP system is the safety and secured to our transactions whereas 17.50 percent of the respondents expressed about cybercrimes are more. And 9.17 percent are saying hacking chances also more, 6.67 percent are saying lengthy and tedious process and 6.67 percent of the respondents are saying accountability is more in online banking system.

Table No. 06: Process of online transactions

Responses	No. of Respondents	% of Respondents
Easy and Simple	31	25.83
OTP is Safety and security	28	23.33
Cybercrimes are more	21	17.50
Hacking of account chances	11	09.17
Internet is mandatory	13	10.83
Lengthy and tedious	08	06.67
Accountability	08	06.67
Total	**120**	**100.00**

Source: Primary data

Table No. 07: Importance of personal interaction in banking transactions

Responses	No. of Respondents	% of Respondents
Very much	37	30.83
Somewhat	32	26.67
Not	24	20.00
Not at all	27	22.50
Total	**120**	**100.00**

Source: Primary data

The above table reveals that the importance of the personal interaction. 30.83 percent of the respondents opined that personal interaction is very much important in banking transactions whereas 26.67 percent of the respondents opined that somewhat important while 20 percent of the respondents said that no interaction is required and 22.50 percent of the respondents said that personal interaction is not at all required.

Table No. 08: Methods to attain personal interaction for online transactions

Responses	No. of Respondents	% of Respondents
Telephonic Talk	37	30.83
Customer service executive assistance	23	19.17
Online chatting	32	26.67
Email response	28	23.33
Total	**120**	**100.00**

Source: Primary data

The above table shows the methods required for personal interaction during online transactions.30.83 percent of the respondents said that telephonic talk during online transactions will solve the problem immediately while 26.63 percent of the respondents said online chatting is better to solve the problem whereas 23.33 percent of the respondents said as email response is another method can be adopted for online transactions only 19.17 percent of the respondents said that customer service executive assistance will help in bringing personal interactions.

Table No. 09: Operational difficulties in online transactions

Responses	No. of Respondents	% of Respondents
Server problem	32	26.67
User Interface	29	24.17
Inadequate infrastructure	28	23.33
Wrong debits and credits	17	14.17
Reversal entry into account	14	11.66
Total	**120**	**100.00**

Source: Primary data

The above table indicates that the operational difficulties in online transactions.26.67 percent of the respondents understood as server problem is the major difficulty while 24.17 percent of the respondents facing the user interface difficult whereas 23.33 percent of the respondents facing the inadequate infrastructure problem and 14.17 percent of the respondents facing the wrong debits and credits and 11.66 percent of the respondents facing the reversal entry into account problem.

Table No.10: Usage of Mobile apps

Response	No of respondents	%
Bank apps	41	34.17
Not aware of	25	20.83
Not used so far	20	16.67
Using e-wallets	34	28.33
	120	100

Source: Primary Data

It can be found from the above table that 34.17 percent respondents are using bank apps in their mobile where are 20.83 are not aware of the apps and also its process whereas 16.67 have not used so far such apps and the rest 28.33 are using e-wallets through their mobile.

Discussion

The surveys results depict that nearly 23 percent of the respondents visit personally their bank branch for their transactions where as 66 percent of the respondents are using both online and mobile banking for their transactions. It is understood that still there is a section of the people still prefer transactions by visiting bank. The reason behind this is attributed to preference to have a personal contact with the people. Among these customers, majority of the people still lack confidence in Internet and Mobile banking. Even among those people who are doing transactions through online and mobile banking are concerned about the security issues and understandability of the process.Further among branch visiting customers, 54 percent customers are willing to make transactions using technology provided if banks address their security issues and simplify the process through technology.

- It was asked among the customers, who are using technology for banking, about the confidence they possess with regard to safety in doing so. It is observed that 44 percent respondents are not confident about the safety in making transactions and they are worried in making such transactions. They feel that during transaction some unexpected things may happen and it will rescind their transaction. Further 62 percent agreed that because of technology presence they operate banking transactions through online/mobile more than manual. As it is easily and readily available they are doing so. Almost all the respondents are very much aware of the benefits of online/mobile transactions. Though they appreciate the efforts of bankers in facilitating transactions through technology but still some hesitate in complete usage through technology.
- There are several attractions for using technology by customers. The foremost as said by 25 percent respondents is time saving followed by instant transaction/realization by 20 percent. The other attractions include payments convenience, need not visit branch etc. With respect to the current technological usage many (85

percent) opine that the usability of technology still should be simple and must be accessible to age old customers also. They feel that the current generation of new customers are quick to use such process but older generation are not happy with the process which they feel should be smoothened to attract them also. Also around 36 percent respondents feel that cybercrimes and hacking are increasing at an alarming rate and hence an immediate solution to such problem is to be found so that people will gain more confidence and prefer to use transactions through technology. Even some customers complained that for a simple activity like getting a new password or change in mobile number for their online transaction, they need to visit the branch which they feel again laborious. They question the technology advancements in banking sector.

From the above findings, it can be summarized as follows:

- In the changing world of banking system, customer engagement is more critical. They are constantly changing.In today's era, conventional face-to-face banking channel is being replaced by mobile/online/social channels. Yet, there is a segment of customers who still want a personal touch which delights the customers and makes the whole experience a remarkable.
- In this digital era, what is important for customer is safety and security for their transactions. Every other day, we witness some form of hacking/cybercrime they are worried deeply about safety of their hard earned money and loss of data to unscrupulous elements. No doubt, bankers are constructing various stages of security levels but yet things are happening, which means much more to be ensued to develop confidence among customers.
- Bankers need to seamlessly integrate their online/offline channels to deliver consistent level of customer satisfaction
- It is revealed that customers are quite aware of Internet Banking but the adoption rate is not so high. 'No need of Internet Banking', and 'no knowledge of using internet banking' and 'Security and privacy' concerns' are the main reason for non-adoption of internet banking. In this context it is suggested, firstly, bank should prominently highlight the convenience of using internet banking by making customers aware of benefits of using internet banking. Bankers should make the customers aware of their internet banking needs. So that customers identify the need of using internet banking. Secondly, bank should educate the customers about how to use internet banking.

Conclusion

Undoubtedly banks have implementedlatest technology to make banking operations smooth, fast, user friendly and safe for the customers. They are making their sincere efforts for adoption of advanced technology for installation of different channels but still many people are wary of the concept of using banking facilities through technology. Even today many challenges are associated with the safety and security of the money and information and hence many customers are averse to the usage of either internet or mobile banking. In these days, payment apps, crowdfunding and other financial institution are ready to offer services to customers with the ease and hence banks have to revamp the business models to cater the needs of the customers. With the Government driving for cashless economy the consumer's dependence on banks will heavily increase and it is the banks have to create a congenial and safe atmosphere to enable the users to banking technology for their activities.It is suggested that banking through technology interface be made more user-friendly to enable the customers to use these developments in banking technology. The need of the hour is to design such a system that encourages the efficient usage of technology by customers.

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Agricultural marketing in India

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Abstract: The increasing development of agricultural production has brought in its significance. Agriculture sector should face new challenges in terms of finding markets for the increased production. In some rural area they don't find market to sell their product. There is an inadequate information regarding price for their product. The issue of agriculture and agricultural marketing is dealt with both by the state as well as the central government in the country. Challenges and opportunities that the global markets offer in the liberalized trade regime are also to be addressed. For the farming community to benefit from the new global market access opportunities, the internal agricultural marketing system in the country needs to be integrated and strengthened. Agricultural marketing reforms and the creation of marketing infrastructure has therefore been a prime concern of the government. There is a need to expand all the services that will develop agricultural marketing, relating to marketing system improvement, strengthening of marketing infrastructure, investment needs, possible sources of funds including that from the private sector, improvement in marketing information system using ICT, human resource development in agricultural marketing, and measures needed for promotion of exports. The concepts like structure of Agricultural marketing, Opportunities, Challenges, Problems and suggestions are highlighted in this paper.

Key words: *Structure –Opportunities-Challenges- Problems- Suggestions*

Introduction:

Agricultural marketing system is an efficient way by which the farmers can dispose their surplus produce at a fair and reasonable price. Improvement in the condition of farmers and their agriculture depends to a large extent on the elaborate arrangements of agricultural marketing. The term agricultural marketing include all those activities which are mostly related to the procurement, grading, storing, transporting and selling of the agricultural produce. Thus Prof. Faruque has rightly observed: "Agricultural marketing comprises all operations involved in the movement of farm produce from the producer to the ultimate consumer. Thus, agricultural marketing includes the operations like collecting, grading, processing, preserving, transportation and financing."

Review of literature

A considerable amount of research has been done on the working and performance of agricultural marketing in India, by the academicians and researchers. The literature obtained by the investigator, in the form of reports and research studies, is briefly reviewed in this part. reported, even though State agencies continue to be the main buyers of output and suppliers of input limiting cooperatives management authority within. There is much greater member participation and on-farm decision making. **Godara (2006)** in his study described that the positive trend of economic liberalization and associated opening up of Indian economy have significantly reduced the structural rigidities in the system, this trend should be premise of India's future agricultural reform. Agricultural business has come under strong and direct influence of international market. Indian farmers have to produce quality goods to meet the international standards. **Reardon and Barret (2000)** in their study suggest that when market reforms the commodity prices raise, stimulating an increase in production, especially of the export crops. The rise in price facilitates the establishment of super market chains, cooperatives, export oriented schemes, processing zones and general stimulation of agro industrialization in developing countries. **Sivanappan (2000)** in his study stated that with modernization of existing post-harvest processing, establishment of suitable infrastructural facilities, huge amount of countries exchequer can be saved and further helps in feeding the teeming population in the country . **Hota *et al.* (2002)** in their study viewed that cooperatives occupy an important part in India's economy in terms of their coverage of rural producers, business turnover and contribution to economic welfare of their members as well as to rural economy of India. **Pathak (2009)** in his research paper stated that the contribution of agriculture in growth of a nation is constituted by the growth of the products within the sector itself as well as the agricultural development permits the other sectors to develop by the goods produced in the domestic and international market.

Structure of Agricultural Marketing in India

At present, the structure of Indian agricultural marketing system consists of**:** Agricultural Co-operative Marketing Societies; Regulated Markets; Public Trading and Futures Trading. Besides, there is private trading, which takes place out of these segments. These are as follows:

(i) Agricultural Co-operative Marketing Societies

Under the cooperative marketing society the members of the society agree to sell their surplus produce to the society. As soon as the members supply the produce to the society, an advance is provided to carry on with their agricultural operations. The society collects the produce of all the members and also of the non-members of the village, often processes the produce and then disposes it. The society decides the timing of sale depending upon market conditions of the commodity. If it is felt that the present price is unfavorable and in future the price would rise then society may decide to stock the output and sell it in the future. Generally, the society covers number of villages and thus tends to be effective and successful. Co-operatives have diversified their activities into other areas such as constructing warehouses, providing credit facilities, processing of agro-products, *etc*. The agricultural cooperative marketing is generally featured by a four-tiered structure: viz Primary marketing societies at the base level, District/regional federations at the district level, State marketing federations at the State level and National Federation at the apex level. The National Agricultural Co-operative Marketing Federation (NAFED) is the apex co-operative marketing organization in India.

Benefits of Co-operative Marketing Societies

The important advantages of cooperative marketing societies are as follows:

(i) The marketing society allows collective bargaining. The individual small farmers have weak bargaining power and so could not fetch better price for their products.

(ii) Marketing cooperative advances loans to the farmers and enables them to wait for better prices. It lends them to meet their demands.

(iii) Cooperative provides storage and warehousing facilities. The large scale storage allows it to obtain insurance benefits. The loss due to damages of agriculture products can be minimized.

(iv) It encourages the farmers to produce standardized products and discourage them from adulterating their produce.

(v) It helps to eliminate the middlemen and so allow better price to the cultivators

Progress in Co-operative Marketing

The produce marketed through agricultural co-operative marketing society's accounts for about 8 to 10 per cent of the marketed surplus. The important commodities marketed by these societies are food grains, sugarcane, cotton, oilseeds, fruits, vegetables and plantation crops. The progress of co-operative marketing societies has varied from State to State and within each State from commodity to commodity. Maharashtra, Uttar Pradesh, Gujarat, Punjab, Haryana, Karnataka and Tamil Nadu together account for more than 80 per cent of the total agricultural produce marketed through co-operatives in the country. In Punjab, Maharashtra, Uttar Pradesh, Andhra Pradesh and Tamil Nadu, 75 per cent of the food grains are marketed by co-operative societies. In Maharashtra and Uttar Pradesh, 75 per cent of sugarcane, in Maharashtra and Gujarat, 75 per cent of cotton, and in Karnataka 84 per cent of plantation crops are marketed through the co-operative societies (Rangarajan, 1997).

The net work of cooperative marketing structure now comprises over 6,000 primary marketing societies, at the district level there are 160 central marketing societies covering nearly all the important mandis in the country; at the state level there are 29 general purpose state level co-operative marketing federations and the national level there are National cooperative development corporation(NCDC), the National Agricultural Co-operative Marketing Federation(NAFED), National Cooperative Tobacco Growers Federation, and the Tribal Cooperative Marketing Development Federation of India.

The progress of co-operative marketing societies has been far from satisfactory in most of the States in the country because farmer members do not patronize these societies for the sale of their produce. Instead farmers use the services of commission agents in the regulated markets for various reasons such as easy access to commission agents, facility of advance loan, hassle free transactions and personalized services rendered by commission agents. State intervention through its nominated officials (secretaries) and politicization of these societies had also been responsible for their failure.

(ii) Regulated Markets

The regulated markets have been organized in most of the States to facilitate trading in an orderly manner in specified commodities at specified places at the least margin. For this purpose, comprehensive rules have been framed and market committees have been set up to enforce discipline among the participants under the respective State Agricultural Produce Marketing Regulations Acts. Though the establishment of regulated markets was started during 1930s, the programme got momentum only after independence. The number of regulated markets has risen from 236 in April 1951 to 7,161 in March 2001. Nearly 98 per cent of the wholesale markets are now functioning under this scheme. The country also has 27,294 rural periodical markets as on March 2001, about 15 per cent of which function under the ambit of regulated markets (GOI, 2001a). The progress of regulated markets is not uniform in all the States. There are also variations across States in the development of infrastructural facilities as well as market fees charged in the regulated markets. The number of regulated markets and the infrastructural facilities therein are by and large inadequate to meet the current marketing requirements. While regulated markets have helped in mitigating the market handicaps of the producers/sellers at the wholesale level, the rural periodic markets in general and the tribal markets in particular remained out of its developmental ambit.

(iii)Public Trading

The objective of Public or State trading is stabilization of prices at levels that are regarded as remunerative to producers and reasonable to consumers. Under the present practice of public trading , the Government purchases specified commodities at notified procurement prices directly from producers and distributes the purchased items among consumers through a network of fair price shops at notified issue prices.

The price stabilization policy of the Government can be described as a well-conceived package, if we take the objectives, the instruments and terms of reference of the price recommending expert body, *i.e.,* Commission for Agricultural Costs and Prices (CACP) into consideration. The price components bear upon production (at minimum support price), securing surpluses (at procurement prices) and distribution or meeting the needs of consumers (at issue prices). The procurement agencies, the fair price shops, buffer stock operations and imports, when necessary, back the implementation of the price stabilization policy. Thus seen as a whole, these seem to be a well-set design of the price stabilization policy. Quite a substantial part of the crop production consists of distress sale. In certain crops like wheat and rice fluctuations are moderated, partly because the producers being rich have holding power and access to credit/ storage facilities and partly because of the operations of the procurement agencies (Rangarajan, 1997). The increases in the minimum support price of wheat and rice have been pronounced, which led to increasing cultivation of wheat and rice and in turn contributed to the rise in the procurement of food grains. The increasing procurement, coupled with declining off-take, had raised the level of food stocks as against the buffer stock norms in the recent past years. The cost of operations of the procurement agencies has therefore gone up substantially and the open-ended procurement by these agencies has become unsustainable.

(iv) Future Trading

Future trading has also been allowed to protect the market participants from the risk arising out of adverse price fluctuations. There is a three-tier regulatory structure for conduct of futures trading. At the base level, there are recognized/ registered commodity associations/ exchanges. At the middle level, there is Forward Markets Commission (FMC), which regulates the functioning of commodity exchanges and approves their constitution and byelaws. The Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India is at the top level, which oversees the overall functioning of the forward and future markets.

Till 1991, future trading was permitted in only 6 commodities. The process of reform was set in motion with the setting up of Kabra Committee, which submitted its report in 1994. Since then, several measures have been initiated in a phased manner to promote futures markets in the country. But the pace of reforms has so far been slow and cautious. At present, future trading is permitted in 81 commodities fewer than 25 commodity exchanges. Government however has suspended 6 commodities (including wheat and rice) for future trading to curb inflation.

Importance of agricultural marketing

• Break the vicious circle of poverty

• Optimum utilization of agricultural resources

• Enhance the standard of living

• Basis of employment opportunity

• Basis of industrial development

• Creation of utilization

• Basis of foreign trade

• Source of national revenue

• Create the environment for investment

Opportunities to rural farmer in agriculture marketing:

With the regulation on Agri-market government provided to rural farmer by such facilities like Infrastructure development, private sector intervention, and improvement in marketing

Information system using ICT, human resource development in agricultural marketing, and measures needed for promotion of exports.

The Terminal Markets: This scheme introduced to promote modern terminal markets for fruits, vegetables and other perishables in important urban centers in India.

The Marketing Extension: AGMARK quality control programmes as well as improvements in marketing practices and procedures are advertised through mass media. The information is disseminated through exhibitions, conferences, seminars and workshops.

The Marketing Research and Information Network (AGMARKNET):

This is a central sector scheme that was launched by the Department of Agriculture and Cooperation in March2000. This includes networking of markets, development of regional portals, market-led extension activities and development of market atlas on Global Information Systems (GIS) platform, etc. The Construction of Rural Godowns: The Department of Agriculture and Cooperation introduced a central sector scheme, the 'Grameen Bhandaran Yojana', in March 2002 to promote the construction of rural godowns.

Grading and Standardization: The scheme for the development/ strengthening of agricultural marketing infrastructure, grading and standardization was launched on 20 October 2004.

Challenges for agricultural marketing:

a). Inadequate storage facility of food grains, b)Improper transportation c) Packaging facility problem, d)Cold storage facility problem etc., Inefficiency in the wholesale markets result in a long chain of intermediaries, multiple handling, loss of quality and increase in the gap between the producer and consumer prices. A large number of small retailers, each handling small quantities, create high overheads leading to a high marketing margin on the produce. The purpose of regulation of agricultural markets was to protect farmers from the exploitation of intermediaries and traders and also to ensure better prices and timely payment for the produce. However, due to lack of development of an appropriate market infrastructure in tandem with changes in production, intermediation has tended to continue resulting in post-harvest losses at every stage thereby reducing the farmer's share in consumer's price. There is a strong need for providing an appropriate backward and forward integration to producers for ensuring primary value additions to the produce and enhance quality.

Problems in agricultural marketing in India

Product Quality: Many of the farmers are not aware of the need for quality seeds and fertilizers. The poor quality seeds and fertilizers used in land will result in poor product quality.

Market Information: The literacy rate of farmers in developing countries are comparably low than the developed countries. The farmers of developing countries may not have the updated knowledge of the market trend and activities. Hence they may unable to achieve the real price of their product.

Product Quantity: In some places improper measuring of products are still in practice. This will result in loss for the farmers at the time of buying or selling of agro produce.

Functionaries Participation: The functionaries in the marketing process hold a major share of profit in the form of commission.

Remedial measures:

• Make arrangement for education and awareness program for rural farmers in order to improve their knowledge in improving agro produce and its marketing process. These programmes will help to educate the farmers in usage of quality inputs, online help for productivity improvement, etc.

• Implement the rural development program in fast track to develop the infrastructural facilities such as road facility, communication facility, electricity, etc., in rural areas. This will help for easy transportation of agro produce to the market place.

• Creation of direct contact network between the farmers and customers will help in reduce the so much functionaries involvement and also to reduce the unnecessary brokerage or commission to the functionaries. This may increase the profit of the farmers. This can be possible by creating local outlets in villages.

• It is essential to provide subsidized power supply and loans to the farmers as the expenses towards power consumption takes considerable amount of investments.

Conclusion:

Agriculture is an important sector in contributing more revenue to the Indian Economy. With the greater importance agriculturist should have good marketing facilities as economy adopt new policies. Challenges and opportunities that the global markets offer in the liberalized trade regime are also to be addressed. For the farming community to benefit from the new global market access opportunities, the internal agricultural marketing system in the country needs to be integrated and strengthened. There is a need to expand all the services that will develop agricultural marketing, relating to marketing system improvement, strengthening of marketing infrastructure, investment needs, possible sources of funds including that from the private sector, improvement in marketing information system using ICT, human resource development in agricultural marketing, and measures needed for promotion of exports.

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Rural Area Health Issues and Challenges In India

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Abstract : *Health system strengthening, human resource development and capacity building and regulation in public health are important areas within the health sector. Contribution to health of a population also derives from social determinants of health like living conditions, nutrition, safe drinking water, sanitation, education, early child development and social security measures. India has faced many hurdles in its attempt to affect the lives of the people of this country. Since independence, major public health problems like malaria, tuberculosis, leprosy, high maternal and child mortality and lately, human immunodeficiency virus (HIV) have been addressed through a concerted action of the government. A majority of these rural areas public health care is poor. Even in private sector, health care is often confined to family planning and antenatal care and do not extend to more critical services like labor and delivery, where proper medical care can save life in the case of complications. This paper focuses on issues and challenges of backwardness of public health in rural areas and emerging trends in services on health care. And I tried to show some solutions to face these challenges.*
Keywords: *Health system, living conditions, nutrition, safe drinking water,*

Introduction

"Health is a state of complete physical, mental and social well being and not merely the absence of disease". - WHO

So many Indian rural area people do not have much money to spend on health because of their economical backwardness. The growth of public health in India has been very slow due to low public expenditure on health, very few public health institutes in India and inadequate national standards for public health education. There are several other determinants of health which include environmental, biological, socio-economic factors, information and communication, availability of health services, utilization of health services, age structure of the population etc. By influencing these factors or these determinants we may play quiet a substantial role in improving the health. According to historian Sunil Amrith, the diversion of public health resources towards population control and the use of technocratic drug-based interventions to tackle specific diseases were responsible for the lack of adequate investments in public health infrastructure in India. While India has been sporadically successful in combating diseases such as malaria in the years after Independence, the absence of an overarching public health network has ensured that the country's disease burden remains extraordinarily high, wrote Indian epidemiologist T. Jacob

John and his colleagues in a 2011 Lancet recent paper. After independence, India started a planned effort on changing standard of living style of people and government was given priority to health care of people and also taking care on socio economic development. Over the past six decades, public health infrastructure and services has undergone remarkable changes and huge expansion in scale and nature based on recommendations by a number of expert committees. Health being a state subject under the constitution,, state governments has undertaken various initiatives to improve healthcare in their respective states. The central Government has the policy direction and thrust to healthcare through many national programs.

Health Care in India

In India during British rule, state and philanthropic intervention played a significant role in healthcare, though most of these facilities were located in large towns, thus projecting a clear urban bias and neglect of the rural population. Modern medicine gradually undermined systems of Ayurveda and Unani, and those traditional practitioners who survived often concentrated in the small towns and rural areas where modern medicine had not yet penetrated. Despite the Bhore committee's recommendations at the dawn of independence towards correcting the rural-urban imbalance and suggestion of integrated planning for increasing access to health services, even post independence the weakness of public health services in rural areas and growth of private practice continued.

This situation was recognized in the National Health Policy of 1983, which was critical of the curative-oriented western, urban-based model of healthcare, and emphasized a primary healthcare approach. There were recommendations for preventive services and a decentralized system of healthcare, focusing on low expenditure, de-professionalization (involvement of volunteers and paramedics) and community participation. Although, significant expansion of healthcare infrastructure did take place during the 1980s, this remained grossly underutilized because of poor facilities and low attendance by medical staff, inadequate supplies, insufficient hours, lack of community involvement and lack of proper monitoring mechanisms. The Primary Healthcare Approach was never implemented in its full form, and selective vertical programmes were pushed as a substitute for comprehensive health system development.

Healthcare Issues and Challenges

The Indian healthcare system is a dilapidated state. The costs seem to raise everyday which makes it unaffordable for a large chuck of the population. Recently Indian Health Progress (IHP) organization discussed what the Indian healthcare system desperately needs and the steps to improve it. “India is the second most populous country in the world and with a healthcare infrastructure that is over-burdened with this ever increasing population, a set of challenges that the new agenda for Public Health in India includes the epidemiological transition (rising burden of chronic non-communicable diseases), demographic transition and environmental changes. The unfinished agenda of maternal and child mortality, HIV/AIDS and other communicable diseases still exerts immense strain on the overstretched health systems. Health systems are grappling with the effects of existing communicable and non-communicable diseases and also with the increasing burden of emerging and re-emerging diseases Inadequate financial resources for the health sector and inefficient utilization result in inequalities in health.

The causes of health inequalities lie down in the social, economic and political mechanisms that lead to social stratification according to income, education, occupation, gender and race or ethnicity. Lack of adequate progress on these underlying social determinants of health has been acknowledged as a glaring failure of public health.

Lack of health insurance: Lack of health insurance and its low penetration causes further challenge towards access to healthcare. With 75 percent of the Indian population paying for healthcare services from their own pockets, it puts tremendous financial burden. Most village people are working on daily wages basis. They are fighting daily with their expenditures. Because of this they do not have much capacity to spend their money in insurance.

Lack of awareness: Lack of awareness is a problem which is faced in building access to healthcare. Mass awareness is important since even if the treatment is free, unless the masses are educated and informed about the symptoms of the diseases, its repercussions and complications and finally the treatment available, there is no guarantee that people will avail these.

Living conditions ***:*** Safe drinking water and sanitation are critical determinants of health, which would directly contribute to 70-80% reduction in the burden of communicable diseases. Full coverage of drinking water supply and sanitation through existing programs, in both rural and urban areas, is achievable and affordable.

For many years, national governments, aid agencies, and charities have subsidized sewerage and toilet construction as a means to improve access. This approach has resulted in slow progress for two main reasons. First, the programmes have tended to benefit the few relatively well-off people who can understand the system and capture the subsidies, rather than reach the more numerous poor people. Second, such programmes have built toilets that remain unused because they are technically or culturally inappropriate or because the householders have not been taught the benefits of them.

Underdeveloped Medical Devices: The medical devices sector is the smallest piece of India’s healthcare pie. However, it is one of the fastest-growing sectors in the country like the health insurance marketplace. Till date, the industry has faced a number of regulatory challenges which has prevented its growth and development. Rural hospitals are facing lack of infrastructure facilities challenges. There is no sufficient medical equipment in rural areas. Sometimes proper medicines also are not available for diseases. Recently, the government has been positive on clearing regulatory hurdles related to the import-export of medical devices, and has set a few standards around clinical trials.

Some Other Challenges on Health Issues:

1. Urban and Rural areas: Lifestyle diseases due to changing working/living habits coupled with processed products increasing the instances of diabetes, cardio-vascular disorders, even cancer .Urban poor due to poor physical infrastructure and awareness leading to communicable and infectious diseases like tuberculosis, typhoid and other water borne diseases. The same can be said of villages with poor sanitation facilities.

2. Lack of access to healthcare services: It hard to find any significant medical care. Diagnosis and treatment is just not accessible to hundreds of millions of Indians. one of the biggest problems with healthcare in India, specifically diagnostics, is that of the referrals or cut practice. It is the ethically questionable practice of sharing fees with professional colleagues, such as physicians or laboratories, in return for being sent referrals. This problem is especially prevalent in diagnostics, with some doctors charging up to 70% of the pathology/radiology bills as a referral fee. Not only does this make quality healthcare unaffordable for a huge number of patients, it also is inherently bad for the patient.

3. Lack "proper" healthcare, both in quantity and quality: There is a serious lack of transparency. According to WHO, our per capita spending on healthcare is in the bottom quartile amongst all countries? This has resulted in an appalling lack in basic government healthcare infrastructure.

4. A problem of unnecessary and excessive diagnostic tests, a minor visit to the doctor Inadequate utilization of budgets, funds and resources by the government might be one of the main cause of poor health status of people. Some of the main problems faced by Indian healthcare system are accessibility and affordability of quality healthcare services and medicines to a large chunk of our population. Also lack of information and transparency are other major problems.

5 Twin epidemic of continuing/emerging infectious diseases as well as chronic degenerative diseases. The former is related to poor implementation of the public health programs, and the latter to demographic transition with increase in life expectancy.

6. Economic deprivation in a large segment of population results in poor access to health care. Poor educational status leads to non-utilization of scanty health services and increase in avoidable risk factors.

7. India faces high burden of disease because of lack of environmental sanitation and safe drinking water, under-nutrition, poor living conditions, and limited access to preventive and curative health services.

8. Lack of education, gender inequality and explosive growth of population contribute to increasing burden of disease.

9. Expenditure on health by the Government continues to be low. It is not viewed as an investment but rather as a dead loss.

10. States under financial constraints cut expenditure on health. Growth in national income by itself is not enough, if the benefits do not manifest themselves in the form of more food, better access to health and education.

Emerging trends in India's on health care

The Indian healthcare industry is seen to be growing at a much rapid. The past two years in the Healthcare Industry have been marked with dramatic changes.

Most of the existing players in the Healthcare Industry announced huge expansion plans, many large companies and corporates with no or very little existence in healthcare delivery declared that they would be putting in huge investments in Healthcare Delivery. According to the Investment Commission of India the healthcare sector has experienced phenomenal growth of more than 12 percent per annum in the last four years and this growth is expected to be driven by a number of factors: rising life expectancy, rising income levels of Indian households, increasing penetration of health insurance and rising incidence of lifestyle-related diseases in the country has led to increased spending on healthcare delivery.

Telemedicine: Telemedicine is the use of telecommunication and information technology to deliver health care at a distant location. This is a way to address two major challenges—lack of manpower and accessibility—that India's health care sector is facing. In August, the government launched Social Endeavour for Health and Telemedicine (SEHAT), a pan-India health initiative in line with the Digital India vision. The initiative, which will be run in collaboration with Apollo Hospitals, aims to connect 60,000 common service centres across the country and provide health care access to citizens irrespective of their geographical location. Mobile phones, with their increasing penetration in India, are also playing a significant role in creating awareness on health.

3D printing: This has been an exciting year for 3D printing in the medical field. While medical professionals across the world have begun to tap into the possibilities of 3D printing technology, doctors in India are using the technology to generate surgical models to guide them before and during a surgical procedure. This, in turn, increases efficiency. A fine example was the case of 11-month-old Lavesh Navedkar, who received a life-saving heart surgery to fix a rare congenital defect; doctors used a detailed 3D-printed model of his heart.

Robotic surgery: Robotic, or robot-assisted surgery, has moved out of the pages of fiction and into our operation theatres. It started off in India with a surgical procedure aided by 'da Vinci Surgical Robot' in 2002. Today, the technology is being used by 25 hospitals with 120 surgeons performing robotic surgeries which are expected to cross 6,000 this year. From the patients' perspective this means smaller incisions, decreased blood loss, less pain, and quicker healing and consequent reduction in hospital stay. As robotics creates a mini revolution in surgery in India, cost is a factor that slows down its growth rate and the need is to develop indigenous surgical robots.

Health Information Portals: In today's cyber-age, information is but a mouse-click away. Patients are becoming more knowledgeable than doctors and hence, the onus of directing patients in the right direction, to reliable sources of medical information has become part of a doctor's job. The need of the hour is to have dedicated sources of such information with an Indian perspective. Such websites, combined with information portals, would give quality advise to patients and hence facilitate the treatment process improving clinical outcomes.

Conclusion

A good system of regulation is fundamental to successful public health outcomes. It reduces exposure to disease through enforcement of sanitary codes, e.g., water quality monitoring, slaughterhouse hygiene and food safety. Wide gaps exist in the enforcement, monitoring and evaluation, resulting in a weak public health system. This is partly due to poor financing for public health, lack of leadership and commitment of public health functionaries and lack of community involvement. More investments in health infrastructure improved low cost diagnostics and a way to make the human resources required for the same accessible to large sections of our population that of ensuring generics and low cost of variants of essential drugs for serious ailments has a significant role in making medicines affordable. Also all National disease control programmes are implemented through the existing government hospitals and health centers. Over the years, a campaign approach has been evolved to implement many of the national health and disease control programme. And other sides we are all have a huge responsibility about facing in challenges of rural areas. We tried to develop literacy in rural areas and communicate about how to affects diseases and how to face that. We have to give knowledge about government health schemes and programs. Then only we can see a Healthy India.

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"Role of District Industrial Centers in the Development of Rural Entrepreneurs in the Post Independence Era- A study"

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Abstract : *The 'District Industries Centre' (DICs) started by the central government in 1978 with focuses on promoting small, tiny, cottage and village industries in a particular area and making available to them all necessary services and facilities at one place. To facilitate the process of small enterprise development, DICs have been entrusted with most of the administrative and financial powers. For purpose of allotment of land, work sheds, raw materials etc., DICs functions under the 'Directorate of Industries'. One of the major steps taken to implement the new industrial policy was the introduction of "DISTRICT INDUSTRIES CENTRES" (DICs) to cover the whole country in a phased manner and District Industries Centre are to provide under a single roof all the services and support at pre-investment, investment and post-investment stages to small and cottage units. This paper evaluates the DIC's role, need and performance. Secondary sources like journals, articles, authentic books, newspapers and companies websites have been accessed for the study. At the end it is concluded that, according to the national policy, each district is provided a DIC to assist the industrial establishments in supplying the required facilities as well as providing training and development.*

Key words: *District Industries Centre, Economy, Post Independence, and Development, Rural area*

Introduction

Small – Scale industries (SSIs) play an important role in the economic development of our country. These industries have distinct advantage of low capital requirement high potential for employment generation, decentralisation of industries base and dispersal of industries to rural areas. Their significance further lies in fact that they account for about 50 per cent of the total industrial production, 70 per cent employment of the industrial sector and more than 35 per cent of the total exports by our country. Considering the glorious historical background of SSIs and their highly significant role in promoting rural industrialisation, the Government of India provided a wide network of promotional and developmental institution in the country. The Janata Government introduced the District Industries centres (DIC) programme in 1978 to promote cottage and small scale industries in rural and semi urban areas. Since then, these DICs have been acting as nodal agencies at pre – investing and post –investment stages and providing all the essential facilities to the SSI entrepreneurs under one roof.

A District Industries Centre is an institution at the district level which provides all the services and facilities to entrepreneurs at one place, so that they may set up micro, small and medium industries. It provides a focal point for the promotion of small, tiny, village and cottage industries and to offer all the services and support to decentralized industries under a single roof at the pre-investment and post-investment stages. It provides the services and facilities like the identification of a suitable scheme, the preparation of a feasibility report, arrangements for the supply of machinery and equipment, provision of raw-materials, credit facilities and input for marketing and extension services, quality control, research and entrepreneurial training. Suitable powers have been delegated by several departments of the state government to the District Industries Centre, so that an entrepreneur may get from one agency all the needed assistance. Efforts have been made to cover each district in the country with an industries centre.

Significance of District Industries Centre

The contribution of industries in economic development of the country has been considered of utmost importance during the first Industrial Policy Resolution which was passed in 1948. Since then many new resolutions have been made and new policies were passed. Under five year plans emphasis was laid on the industrial development. Though, the awareness of the importance and necessity of industries, spread considerably in India yet, the establishment of industry was not an easy task in India. There was a great need of a sound organisation or centre which could provide all facilities under single roof. The main aim of the Industrial Policy 1977 was the effective development of cottage and small industries widely dispersed in rural areas and small towns in the country. The major steps taken to implement the new policy was the introduction of District Industries Centres Programme to cover the whole country in a phased manner and help in effective development of small, tiny and cottage industries all over the country including rural and backward areas. District Industries Centres provide requisite service and support assistance to the entrepreneur in the form of technical support, project reports and help in getting the credit and other essential inputs.

The District Industries Centres are established under the department of Industries and Commerce. The primary objective of the District Industries Centres is to generate employment by promoting Micro, Small and Medium Enterprises, Cottage and Handicrafts Industries through development and modernisation of industries, up gradation of technology and quality control. All the schemes of the Department of Industries and Commerce, specially MSMED Act 2006, MSMI Policy 2008, Single Window clearances, Subsidy schemes etc. are implemented through DIC.

The finances for setting up DICs in a state are contributed equally by the particular state government and the central government. To facilitate the process of small enterprise development, DICs have been entrusted with most of the administrative and financial powers. For purpose of allotment of land, work sheds, raw materials etc., DICs functions under the 'Directorate of Industries'. Each DIC is headed by a General Manager who is assisted by four functional managers and three project managers to look after the following activities;

i. Economic Investigation

ii. Plant and Machinery

iii. Research, education and training

iv. Raw materials

v. Credit facilities

vi. Marketing assistance

vii. Cottage industries

Objectives of the Study

1. To study of the Entrepreneurs perception towards DICs.
2. To Analyse performance of DICs in India.
3. To analyse various Assistance provided by the DIC in entrepreneurship development.
4. To draw suggestions to improve the entrepreneurial development

Research methodology

The study was conducted using mainly secondary data and information sources have been adopted from various news paper, MSME reports, economic survey, articles and reviews of reputed authors publications in national and international journals. Primary data is also used to know the views of the respondents on the assistance available from DICs. The number of respondents is 180. The study has been conducted in Khammam.

REVIEW OF LITERATURE

According to **Oommen (1972)** the various development programmes for the promotion of small scale industries have largely failed to meet their avowed objectives. The poor performance, however, seemed not due to any basic weakness in the conception of these programme but due to the defects in their design and implementation. The Task Force on SSI (1989) found that available subsidies and concessions are not distributed to eligible units at the right time. Such assistances announced by the government are badly delayed for several reasons such as delay in issuing, detailed orders, inadequacy of budget provisions etc. In a seminar on prevention and cure of sickness among the SSI units, held in 1990 at Hyderabad, it was hinted that experience from Kerala showed that an over dose of incentives was one of the main reasons for taming healthy units into sick units. **Shaney M (1980)** suggested that the DICs should be autonomous bodies devoid of any bureaucratic controls and they should be manned with people dedicated to the cause of the segment to be sewed and acceptable to them. **Harinaryana Rao (1986)** examined the role of DICs in the promotion of entrepreneurship and rural industrialization in Anantapur district. He came to the conclusion that effective coordination and cooperation was lacking among the developmental agencies and organizations connected with the implementation of the Gramodaya scheme. **Satyanarayana (1989)** made an attempt to evaluate the impact of DICs in the industrialization of Anantapur district. In this study it is concluded that the impact of DIC was not significant in respect of promotion and development of SS1 units, village and cottage industries in Anantapur district. It also concluded that the role of DIC depends upon the personality of the General Manager and his staff. **Reddy T.S and Reddy P.N (1980)** examined the day-to-day functioning of the DICs and pointed out the constraints that they concluded that proper selection of personnel for DIC work and also imparting necessary training to them is essential to improve the DIC functioning. They also laid emphasis on the need for timely financial assistance, uninterrupted supply of raw materials, result-oriented entrepreneurs, meaningful coordination among officials and agencies engaged in promotion of SSI and entrepreneurship. **Sudakhar Rao (1984)** emphasizes on the technical information available from DICs and writes that the technical information available with DICs is almost negligible. It would be desirable the DICs to possess reliable information relating to projects, technology, machinery suppliers etc., in respect of industries relevant to the district concerned. The DICS should have a shelf of projects with all relevant information, which can be implemented without any difficulty. While the DICs are required to make provisions in their action plans for the establishment of rural marketing centres, most DICs do not make any such provision, as pointed out by the Public Accounts Committee in its 219m Report submitted in August 1984**. Eshwarlal Jain (1979**) while submitting the fourth report of the Estimates Committee of the Maharashtra Legislature welcomed the scheme of setting up DICs for the development of small, tiny, village and cottage industries in rural areas. But the report submitted states that the DICs have proved totally ineffective and inefficient in the matter of establishing the required coordination amongst various organizations of government connected with industrial development.

BACKGROUND OF DICs

In the light of the important role of the small scale sector in the Indian economy, the government in its Industrial Policy of 1977 has accorded a prestigious place to the development of small scale and cottage industries. The main thrust of this industrial policy was on the effective promotion of cottage and small industries widely dispersed in rural areas and small towns. In the past, there was a tendency to proliferate schemes, The Small industrial Extension Training Institute (SIET), Hyderabad, advised the Government of India during the 6th Plan period, to establish a strong developmental agency for industrial promotion at the district level, so that all problems of entrepreneurs could be tackled and solved under a single roof. Following the SIET report, the Government of India in the Industrial Policy Statement of 23 rd December 1977 announced the establishment of District Industries Centres. Announcing the Industrial Policy Statement of 1977 Mr George Femandes the then Union Minister of Industries made the following statement in the Parliament: “That

in each district there will be one agency to deal with all the requirements of small and village industries. This will be called DISTRICT INDUSTRIES CENTRES

(DIC). Under the single roof of DIC, The DIC programme made rapid progress soon after its introduction by the Central Government. The state governments were quick in responding to the centre's initiative and established DICs in a number of districts quite fast. This can be noted from table no- 01.

Table No -01, Number of DICs Sanction

Year	No. of DICs Sanction	Year	No. of DICs Sanction	Year	No. of DICs Sanction
1978-79	346	1990-91	422	2002-03	422
1979-80	372	1991-92	422	2003-04	422
1980-81	382	1992-93	422	2004-05	422
1981-82	385	1993-94	422	2005-06	422
1982-83	393	1994-95	422	2006-07	422
1983-84	397	1995-96	422	2007-08	422
1984-85	397	1996-97	422	2008-09	422
1985-86	397	1997-98	422	2009-10	422
1986-87	419	1998-99	422	2010-11	422
1987-88	422	1999-00	422	2011-12	422
1988-89	422	2000-01	422	2012-13	422
1989-90	422	2001-02	422	2013-14	422

Source: Vasant Desai Management of Small Scale Industries, Himalaya publication.

So far 442 DICs are established covering 442 districts. The four metropolitan cities of Delhi, Mumbai, Kolkata and Chennai are outside the view of the DIC programme. I11 a number of districts created in recent years, proposals for formation of DICs are pending with Development Commissioner, Small Scale industries, (DC,SSI). In various states the urban part of the capital city or the major industrial city is separated from rural parts. The DICs funded by the centre covers the rural parts whereas for the urban part separate DICs are established by the State Directorate of Industries with its own finances. DC (SSI) does not fund those DICs covering the urban part of the major industrial city of the state. Hyderabad district of Telangana is of this category where DIC is promoted by the state government. The tremendous progress in the establishment of DICs can be attributed to the funding policy of the Central Government.

Objectives of District Industries Centre (DIC)

i. Accelerate the overall efforts for industrialisation of the district.

ii. Rural industrialisation and development of rural industries and handicrafts.

iii. Attainment of economic equality in various regions of the district.

iv. Providing the benefit of the government schemes to the new entrepreneurs.

v. Centralisation of procedures required to start a new industrial unit and minimisation- of the efforts and time required to obtain various permissions, licenses, registrations, subsidies etc.

Functions of District Industries Centre (DIC)

i. Acts as the focal point of the industrialisation of the district.

ii. Prepares the industrial profile of the district with respect to :

iii. Statistics and information about existing industrial units in the district in the large,

Medium, small as well as co-operative sectors.

iv. Opportunity guidance to entrepreneurs.

v. Compilation of information about local sources of raw materials and their availability.

vi. Manpower assessment with respect to skilled, semi-skilled workers.

vii. Assessment of availability of infrastructure facilities like quality testing, research and

development, transport, prototype development, warehouse etc.

viii. Organises entrepreneurship development training programs.

ix. Provides information about various government schemes, subsidies, grants and assistance

x. available from the other corporations set up for promotion of industries.

xi. Gives SSI registration.

xii. Prepares techno-economic feasibility report.

xiii. Advices the entrepreneurs on investments.

xiv. Acts as a link between the entrepreneurs and the lead bank of the district.

xv. Implements government sponsored schemes for educated unemployed people like

PMRY scheme, Jawahar Rojgar Yojana, etc.

xvi. Helps entrepreneurs in obtaining licenses from the Electricity Board, Water Supply

Board, No Objection Certificates etc.

xvii. Assist the entrepreneur to procure imported machinery and raw materials.

xviii. Organises marketing outlets in liaison with other government agencies.

DIC as a coordinating agency

The DICs which have been envisaged essentially as coordinating agencies seek guidance from the existing agencies and utilise the expertise so gained for service of small scale units. The DICs are expected to develop close linkage with the various organisations at central and state levels. From the above discussion it is observed that the DICs maintain a very close link with the State as well as Central Level Organisations. These Organisations should work hand in glove with DICs and provide all the necessary assistance to General Manager of DICs, so that all inputs of these organisations are also made available to the entrepreneurs under the DIC scheme.

Table NO 02: Summary Results Fourth All India Census of MSME (In Lakh)

Sl.No	Characteristics	Registered Sector	Unregiatered Sector	Economics	Total
1	Size of Sector	15.64	198.74	147.38	331.76
2	No. of rural units	7.07(45.20)	119.68(60.22)	73.43(49.82)	200.18(55.34)
3	No of women Entrepreneurs	2.15(13.72)	18.06(9.09)	6.40(4.34)	26.61(7.36)
4	Total Employment	93.09	408.84	303.31	805.24
5	Per unit Employment	5.95	2.06	2.06	2.23
6	Total original value of Plant and machinery	10502461	9463960	-	19966421
7	Per unit of original value of Plant and machinery	6.72	0.48	-	-
8	Total fixed Investment	44913840	24081646	-	68995486
9	Per unit fixed Investment	28.72	1.21	-	-
10	Total gross output	70751027	36970259	-	107721286

Source: Annual report MSME 2015-16

Table 03: Performance of SSI /MSME, Employment and Investments. (In Lakh)

Sl.No	Year	Total working Enterprises	Employment	Market value of Fixed Assests(in cr)
1	2006-07	361.76	805.23	868543.79
2	2007-08	377.36	842	920459.84
3	2008-09	393.7	880.84	977114.72
4	2009-10	410.8	921.79	1038546.08
5	2010-11	428.73	965.15	1105934.09
6	2011-12	447.64	1011.69	1182757.64
7	2012-13	467.54	1061.40	1268763.67
8	2013-14	488.46	1114.29	1363700.54
9	2014-15	510.57	1171.32	1471912.94

Source: Annual report MSME 2015-16

Table No -04 Contribution of MSME Sector In GDP and Output(at 2004-05 prices)

Year	Gross value of output of MSME Manufacturing	Manufacturing Sector MSME	Service Sector MSME	Total	Share of MSME Manufacturing output
2006-07	1198818	7.73	27.40	35.13	42.02
2007-08	1322777	7.81	27.60	35.41	41.98
2008-09	1375589	7.52	28.60	36.12	40.79
2009-10	1488352	7.45	28.60	36.05	39.63
2010-11	1653622	7.39	29.30	36.69	38.50
2011-12	1788584	7.27	30.70	37.97	37.47
2012-13	1809976	7.04	30.50	37.54	37.33

Source: Annual report MSME 2015-16

Data Analysis

Table 1 reveals that out of 180 respondents 36(20.2 percent) respondents are motivated by DIC, 109(60.5 percent) respondents have desire for independence, 24 (15.5 percent) respondents have to earn more and remaining 11(3.9 percent) respondents are given EDP by DIC.

Table -01: Motivation to become an Entrepreneur

Motivation to become an Entrepreneur	No of respondents	**%**
Motivation by DIC	36	20.2
Desire for independence	109	60.5
Desire to earn money	24	13.5
EDP by DIC	11	3.8
	180	100

Source: Primary data (questionnaire)

Table 02: Financial Assistance from DIC

Financial Assistance	No of respondents	%
Yes	18	10.08
No	162	89.92
	180	100

Source: Primary data (questionnaire)

Table 2 reveals that out of 180 respondents 13(10.08 percent) respondents are getting financial assistance from DIC and 116(89.92 percent) respondents say that they are not getting financial assistance from DIC.

Table 03: Marketing Assistance from DIC

Opinion	Manufacturing Sector	Service Sector	Agro based Industries	Total
Yes	18(10.1%)	-	-	18(10.1%)
No	54(30.2%)	73(40.35%)	36(19.4%).	162(89.9%)
Total	72(40.3%)	73(40.35%)	36(19.4%)	180(100%)

Source: Primary data (questionnaire)

It is evident from table 3 that 10 percent of the respondents are getting marketing assistance and the remaining 89.9 percent are not getting marketing assistance from DIC.

Table 03: Raw materials and Machinery Assistance from DIC

Opinion	Manufacturing Sector	Service Sector	Agro based Industries	Total
Yes	18(10.1%)	12(6.6)	10(5.6)	18(10.1%)
No	81(30.2%)	36(40.35%)	29(19.4%).	162(89.9%)
Total	72(40.3%)	48(40.35%)	39(19.4%)	180(100%)

Source: Primary data (questionnaire)

Table03 reveals that out of 180 respondents, 18 Manifacturing,12 Service sector and 10 Agro based got raw materials and machinery assistance from DIC and remaining respondents are not getting any assistance from DIC .

Suggestions

1. Functioning of District Industries Centre must be transparent so that the entrepreneurs will be aware of the various schemes and the way there matters are handled.
2. Create awareness about the functioning and various schemes implemented may be using media. Information of Schemes implemented through DIC must be provided on-line. There is a need for keeping the site up dated.
3. DICs should help the SSI units in getting credit facilities mainly for working capital, and arrange for the supply of raw materials on regular basis.
4. DICs should assist in marketing the finished products and arrange training facilities in various crafts to upgrade their skills.
5. Facility of on-line tracing of units must be provided so that the entrepreneurs can get the necessary inputs from within the industrial area.
6. Modernization of the Office of District Industries Centre and its working.
7. Steps to be taken for time bound working.

8. To organize seminars and exhibitions for demonstration of goods manufactured.

Conclusion

The District Industries Centre is playing a crucial role in promoting Micro, Small and Medium industrial units. According to the national policy, each district is provided a DIC to assist the industrial establishments in supplying the required facilities as well as providing training and development. However, there are certain problems they are facing, viz., shortage of required quality inputs, marketing problems, labor problems, technical issues, etc. Training programmes and workshops as desired by most of the entrepreneurs are required to be taken up more seriously by the department. For the prospective entrepreneurs also it must be made compulsory so as to minimise the percentage of failure in the future. Besides providing various facilities of self employment, employment opportunities are to be expanded in the region which leads to economic development.

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Agrarian crisis in Telangana – The way forward

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Abstract : *This study presents on Agrarian Crisis in India as well as in the state of Telangana. Agriculture is an important sector of the economy of the country. It provides not only food to the people but also employment above 60 percent of the population both directly and indirectly. Economic reforms initiated in India during 1991 have put Indian economy on a higher growth trajectory. Annual growth rate in thetotal gross domestic product(GDP) has accelerated from below 6 percent during the initial years of reforms to 7.6 percent in 2015-2016. Agriculture, which accounted for more than 30 per cent of total GDP in the beginning of reforms failed to maintain its pre-reform growth or keep pace with growth in the non-agricultural sector (chand, 2005). Agriculture is the foundation for economic development. The agrarian crisis was passing through from time to time. In this paper, an attempt has been made to find out the trends in agriculture, causes of the crisis, problems faced by the agriculture sector and at the end, some remedial measures are suggested for the betterment of this sector. This paper particularly on focused on Agriculture farmer's suicides in Telangana state and agrarian situation.*

Keywords:*Agrarian, Crisis, Unbearable, Perception*

Introduction

More than twenty-five years of economic liberalization had adversely affected the Indian agriculture. The most prominent sign of this is in the drastic decline in the growth rate of food grains. The rate of growth of agricultural output was gradually increasing in 1950-1990, and it was more than the rate of growth of the population. In the 1980s the agricultural output grew at about four per cent per annum. India has attained self-sufficiency in wheat and rice. But after liberalization and towards the end of the 90's the rate of growth declined to 2 percent. The rate of growth of agriculture and allied sectors was just one per cent per annum during the year 2002-05. As a result, per capita availability of food grains decreased; the growth rate of thepopulation became higher than that of food grains and India started to import food grains at a much higher price than that in the domestic market. Further, agriculture (including allied activities) accounted for only 14 percent of the Gross Domestic Product (GDP-at constant prices) in 2012-13 (Economic Survey, 2013-14) while it was 15.2 percent during the 11th plan period. But, the role of theagricultural sector remains critical as it accounts for about 54.6 percent of the employment in the country, (2011 census) apart from being the provider of food for the people, fodder for livestock and raw materials to industries. Based on the fact that, the relative contribution of agriculture to the GDP has been declining over time whereas there is not much decline in the percentage of people depending on this, it could be inferred that the performance of the sector is depressing. In general, the poor performance of agricultural production and food production is not a healthy sign for the economy.

What are farmer suicides?

Farmer suicides are a socio-economic phenomenon. Up until the 1990s, the government of India did not recognize farmer suicides as a social epidemic plaguing rural India. Farmer suicides farm suicides are those that occur due to crushing debts that farmers agricultural labourers incur due to the problems they face in continuing with agriculture low yield, lack of rains, loans (they take for agricultural up gradation of their land farm) etc.

Earlier studies on Agrarian distress in India

In recent time, identified thehigh incidence of indebtedness among the farmers as the major causative factor for agrarian distress and it's resulted in farmers' suicides in India(Charyulu .Y, 2013).The agriculture sector in India as gambling in monsoon, in Punjab approximately one suicide is happening every day, about 87 percent of them were small farmers and agricultural labourers. Suicides in Punjab are the result of mental stress and this mental stress is most often caused by poverty and indebtedness'(Dealluck Irengbam, 2012). The acreage under the transgenic Bt cotton seeds in India has risen significantly since its legalization in the year 2002. On theempirical evidence, though limited, brings out the problem of how a high-cost technology could be associated with higher risks and may be dominated by traditional alternatives under certain conditions. A formidable test of sustainability of an agricultural technology and its ability to protect farmers against downside risks is how it fares in the eventuality of crop loss in worse seasons(Gaurav Sarthak and Srijit Mishra, 2012). There is a general perception that unbearable burden of debt and augmented competitions from imports are indicative of a crisis in Indian agriculture. In this paper, an attempt has been made to find out the trends in agriculture, causes of the crisis, problems faced by the agriculture sector and at the end, some remedial measures are suggested for the betterment of this sector. To overcome the hurdles in this sector especially the farmers in the rural areas should be empowered with credit facilities(Lipishree Das, 2015).All these studies covered various aspect of agrarian distress. But the present study examines the agrarian crisis in Telangana.

Objectives of the Study

Specific objectives of the study are as follows

1. to ascertain the status of agrarian crisis in India as well as in Telangana
2. to analyze the major causes of farmers suicides
3. to study the Agrarian crisis in Telangana, in particularly the farmer's suicides in selected sample respondents

Methodology

The present study was conducted on the agrarian crisis in the state of Telangana. It will focus on the dismal state of agrarian crisis in the Warangal district of Telangana state. The state was selectedfor study as 2/3rd of the farmer suicides have been noticed in the Telangana state and among which Warangal district occupied the highestrate of farmer suicides in the state. The district's agriculture sector has seensome bad times with drought, crop failures resulting from pests attackfrom diseases and the non-availability of credit playing their part. The secondary and primary sources of datahad been gathered from the families of deceased farmers from two mandals of the Warangal districts namely Dharmasagar and Atmakur respectively. The major observation is focusing on the agrarian farmer suicides, which took placeduring the period of 2014- 2015.

Drought and Telangana

After a prolonged struggle for six decades, the hopes and expectations to achieve a separate statehood for Telangana region were to cherish Achhe Din for the agriculture sector, which was under distress during undivided Andhra Pradesh. However, an appalling situation continues, wherein the farmer suicides and severe drought has been haunting the Telangana region till today. Telangana is mainly dependent on rainfall for crop production change in climate has asevere impact on farming; shortage of rains greatly reduces yields and profitability. The Deccanplateau, in general, has prolonged dry spells, high incidences of rainwater runoffs causing soil erosion. The area receives most of the rainfall from the southwest monsoon during June to September. October to December is dry. Simply put, the physical terrain of Telangana region is such that it needs adequate rainfall in order to be agriculturally sustainable.

The agrarian make-up of Telangana

Most farmers in the state do not own the land they cultivate. According to NCRB reports, a majority of those who committed suicide were small and marginal farmers. Together, they account for 72.4 percent of total farmer suicides.According to the Reserve Bank of India, farmers with landholding of up to 1 hectare are considered as marginal, those with more than 1 hectare and less than 2 hectares are considered small farmers. Landless agricultural labourers (cultivators who take the land on lease), tenant farmers, oral lessees and share-croppers are also defined under this.

Why do farmers commit suicide?

According to the National Crime Records Bureau, a total of 5,650 farmers committed suicide in India in 2014, accounting for 4.3 percent of total suicide victims in the country. Two of the major causes for farmer suicides are Bankruptcy or indebtedness andfamily problems, Cropfailure. Some of the reasons for suicides are mounting debts, increasing costs of cultivation. Subsidies are decreasing and costs of inputs are increasing with reduced access to means of production. Environmentally, the soil conditions are incompatible with cropping patterns, leading to infertility of the soil. Dependence on water intensive crops is placing high pressure on irrigation systems, causing breakdowns.

Table-1 Big Five States Farmer's Suicides

States	Farmer's Suicides
Maharashtra	2568
Telangana	898
Madhya Pradesh	836
Chattisgarh	443
Karnataka	321

Source: NCRB 2014

Table-1 reveals that the farmer suicide phenomenon is concentrated in five states: Maharashtra, Telangana, Karnataka, Chattisgarh and Madhya Pradesh. Maharashtra has the highest incidences, with NCRB pegging the number at 2568 in 2014, followed by 898 victims from Telangana.2014in the state government has admitted in the state assembly that 430 farmers ended their lives in last 15 months. However, the political parties and non-governmental organizations alleged that nearly 2000 farmers committed suicide since the separate state came into existence. As per published reports, nearly 34 farmers committed suicide in a single village in the Medakdistrict.A total of 37,912 farmers committed in Andhra Pradesh and Telangana in the last 20 years. Telangana's agrarian crisis is real, with debilitating stories that underlie these statistics. According to NCRB data, India's agrarian population is 48.9 per cent however, this does not mean that nearly half of the country's people are farmers, but that over 600 million Indians are deployed in a wide variety of related farm activity.

Table-2 Farmers Suicides in Telangana

Districts	No. of Farmers Suicides
Adilabad	35
Karimnagar	38
Khammam	10
MahboobNagar	23
Medak	61
Nalgonda	37
Nizamabad	13
RangaReddy	11
Warangal	72

Source: NCRB 2015

Table-2 indicates that the agriculture farmer's suicides in Telangana.Since 2nd June 2014 to 31st December 2014 Puts the number at more than 300 farmer's suicides. Most of the farmers' suicides are Warangal (72), Karimnagar (38) and Medak (61) districts. However, all farmer suicides are related to crop failure, low yield, lack of rains and indebtedness.Warangal has the highest farmer's suicides in Telangana state.

Particulars of Mandal – wise selected respondents: A total number of respondents selected from two mandals are 62. The majority of them are from Atmakuru (35) and Dharmasagar (27) mandals, respectively. Each of the respondents is from a deceased family.

Table 3: Particulars of Mandal - wise Selected Respondents

S. No.	Category	Mandals		
		Atmakuru	Dharmasagar	Total
1	< 1 Acre	10	08	18
2	1 - 2.5 Acres	15	10	25
3	2.5 and above	10	09	19
Total		35	27	62

Source: Primary Data

Table-3 indicates that the selected respondents from the victims' families are categorized into three groups according to thesize of holdings. The first group consists of farmers with less than one acre, while the second and third groups with 1 to 2.5 acres and 2.5 acres and above, respectively.at the Overall, the highest numbers of farmers are in group two followed by 25 farmers in group three. It is observed that the largest numbers of farmers are found in group two in two the mandals except In the second group, thehighest number of farmers are found in Atmakuru mandal. Overall, the maximum number of farmers committed suicides is found to be in the second group (that is between 1 and 2.5 acres).

Age of the deceased farmers

Age plays an important role in farming activities. It is generally believed that the farmers of middle-aged groups are more dynamic and also experienced in taking up farming activities. Age influences thinking of the farmers many a time. Usually, the younger farmers are better- off in understanding the problems and facing misery and suffering. However, the middle-aged people do not have adequate mental strength and courage to face the losses and sufferings. Generally, they lose their hope on future.

Table 4: Age particulars of the Respondents

S. No.	Category	Age				Total
		< 25 Years	26 - 40	41 - 55	56 and above	
1	Atmakuru	06 (17.14)	22 (62.85)	4 (11.42)	3 (08.57)	35 (100.0)
2	Dharmasagar	05 (18.51)	16 (59.25)	4 (14.81)	2 (07.40)	27 (100.0)
Total		11 (17.74)	38 (61.29)	08 (12.90)	5 (08.06)	62 (100.0)

Source: Primary Data.

Table-4 describe that the farmers are grouped into four categories. The first category consists of farmers below 25 years and the second group between 26-40 years, the third between 41 and 55 years and the fourth between 56 years and above.In the case of Atmakuru mandal the highest percent of 62.85

registered in the category of 26-40 age groups. The lowest per cent 8.57 registered in the category of above 56 age group. The farmers' community suicides are highest per cent 59.25 in the agegroup of 26-40 in Dharmasagar mandal. About 11farmers of them are in the age group of 25 years, while 38farmers of them are in the age group of 26 – 40 years. It is observed that17.74 per cent of the farmers' community suicides are below 25 years. About 61.29 per cent of them are in the age group of 26-40 years, while 12.90 per cent of them are in the age group of 41-55 years and above 56 years aged group consists only 08.06 percent only.

Major causes of farmers' suicide

The causes of or contributory factors for farmers' suicides are presented in the Table-5 below in some cases. The victims' family members mentioned more than one cause for farmers' suicides.

Table-5 Major Causes of Farmers' Suicides

S. No.	Problems	Percentage of farmers reporting the cause (%)		Total per cent
		Atmakuru	Dharmasagar	
1	Indebtedness	52	42	94.00
2	Crop loss, crop failure and risk factor	37	33	70.00
3	Input related problems	38	32	60.00
4	Failure of agriculture extension	32	38	70.00
5	Lack of storage and marketing facilities	22	23	45.00
6	Lack of remunerative price	24	26	50.00
7	Absence of agricultural insurance	4	6	10.00
8	Psychological factors	17	13	30.00

Source: Primary Data

Table-5 reveals that the major cause of farmers suicides in two mandals. In the case of Atmakuru and Dharmasagar mandals the highest percentage 94 per cent account for the cause of indebtedness. The equally percent is 70 accounts in two mandals for the cause of failure of agriculture extension and crop loss, crop failure and risk factor. The lowest percent i.e 10 accounts the absence of agricultural insurance.

Conclusion

The agricultural sector in India is facing anagrarian crisis today. The globalization process, which started in the 1991s, is one of the reasons for this crisis. The solution of the problem is not in a few "packages" but in drastic changes in the present economic policies related to agriculture.

A Farmers' Commission should be established at the state level with statutory powers. This should have representatives from farmers' collectives, and the relevant experts who are sensitive to the priorities of the farming community. Income Security policy should be adopted which assures a minimum income level to all farming households for a dignified living. Various policy measures including price, subsidies, support systems and disaster compensation should be used to achieve the assured income level. Minimum Support Price (MSP) should ensure a profit margin above the real cost of cultivation, and MSP should be guaranteed to the farmers as a statutory measure. MSP implementation and procurement should be extended to dry land crops such as millets, pulses, and oilseeds. Budgetary allocation to agriculture and allied sectors should be increased to 10-15% of the total budget at the Centre and States. Tenant farmers should get access to bank loans, crop compensation, and all support systems through mechanisms like Loan Eligibility Cards and Joint Liability Groups. Women farmers who do 60-70% of the farming work should get full recognition and support as farmers – in terms of land rights, land records, access to credit and other support systems, legal mechanisms, budgetary allocation, and promotion of women farmer collectives. A Women Farmers' Rights Act should be passed to enforce the rights. Identification of farmer suicides should be made more simplified and accountable, and the farmer suicide families should get immediate ex gratia and one-time settlement of all outstanding loans. The exgratia should be set at Rs.5 lakhs and revised regularly. The children should get education and livelihood support. International trade agreements and WTO should not be allowed to dictate anti-farmer policies in the country. Livelihoods of farmers and Food sovereignty of the country should be the two paramount concerns, and any agreements which undermine these concerns should be rejected. A comprehensive social security system should be put in place for the farming community and all rural unorganized sector workers, including a pension of Rs.5000 per month, to be revised regularly for inflation.

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A Descriptive Study on Reforms of Financial Sector in India

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Abstract: *Finance and Growth are immediately interlinked. Financial sector is the backbone of any economy and it plays a crucial role in the mobilisation and allocation of resources. Reforms refer to the introduction of innovative policies such as eliminating the market barriers, encouraging economic participation from private sector, reducing the fiscal deficit, increasing exports and reducing imports, etc. for increasing the growth rate of the economy. As the Economy grows and become more sophisticated, the Finance sector has to develop pari-passu in manner that supports and stimulates such growth. With increasing global integration, the Indian financial system has had to be strengthened. India has had two and half decade (25 years) of Financial Sector Reforms during which there has been sustainable Transformation and Liberalization of these whole Financial System. This paper examines the Indian Financial Sector Reforms in terms of segments like Financial Institutions such as Banking Sectors, Financial Markets such as Capital Markets & Forex Market. This paper concludes that how The Policy Changes in Financial sector is routedthe way towards Economic development in India.*

Key words: *Finance, Reforms, Economic growth, World's first economist, KOSHA.*

Introduction:

Finance and Growth are immediately interlinked. Financial sector is the backbone of any economy and it plays a crucial role in the mobilisation and allocation of resources. Reforms refer to the introduction of innovative policies such as eliminating the market barriers, encouraging economic participation from private sector, reducing the fiscal deficit, increasing exports and reducing imports, etc. for increasing the growth rate of the economy.

As the Economy grows and become more sophisticated, the Finance sector has to develop pari-passu in manner that supports and stimulates such growth. With increasing global integration, the Indian financial system has had to be strengthened. India has had two and half decade (25 years) of Financial Sector Reforms during which there has been sustainable Transformation and Liberalization of these whole Financial System. This paper examines the Indian Financial Sector Reforms in terms of segments like Financial Institutions such as Banking Sectors, Financial Markets such as Capital Markets & Forex Market. Chanakya also known as Kautilya&Vishnuguptha was the World's First Economist, Master Strategist and Management Guru. As the 'Construct of Governance', he wrote many books, in the famous book named 'THE SAPTHANGAS', which refers "the Seven

Pillars of the Successful Kingdom" in that 7 pillars, KOSHA -The Treasury (finance) is the one of the Pillar for the Successful Kingdom.

Economic reforms in India:

Government of India major economic reforms are taken in the years of 1990, In that Financial Sector reforms are plays a vital role to the help of economic development. Financial sector reforms are initiated in the early 1900s based on the Mr. N.M. Narasimhan Committee, the basic objective of the reform process was to create an efficient competitive and stable financial sector that could stimulate economic growth. Till the early 1900s, Indian financial system was characterized by extensive regulations, such as administered interest rates, directed credit programmes, capital control, week banking structure, Lack of proper accountancy, lack of proper transparency in operations.

There are two generations are there for the financial sector reforms, those are

- First generation (Early in 1990s) or First phase
- Second generation (Mid of 1900s) Second Phase

The first is a thrust towards liberalization, which seeks to decrease, if not eliminate a number of direct controls over banks and other financial market participants. That means creating an efficient, Productive and profitable financial sector to function with operational flexibility and functional autonomy. The second is a thrust in favour of strict regulation of the financial sector. This dual approach is also apparent in the reforms tried in India. That means strengthening the financial system and introducing structural improvements.

Review of literature:

Banking is a primary mover in the economic development of a nation. Capital market also have a vital place in the economic development of a nation and research is so essential to improve its working result. The management without right policy is like "Building a house on sand" it means an effective management always needs a through and continuous search into the nature. Sharma (1974) said "The Expansion of Banking facilities was uneven and lopsided and banks were concentrating on their operations metropolitan cities and towns. A fairly large number of rural and semi urban centre with reasonable potentialities of growth failed to attract the attention of commercial banks. As far as the deposit mobilization in the rural areas is concerned, much remains to be done "This gives emphasis on the rural and semi urban growth of the banks."Sathya Sundaram (1991) stated that Expansion of banking facilities in unbanked rural centres with high potential operating facilities. Committee (1999) on technology up gradation in the banking sector, constituted by RBI with Dr. A. Vasudevan, as chairman submitted report in 1999, the committee had strongly advised to adopt latest technology in banking sector. Lal (1990) Comment upon the Indian Capital market in general and trading systems in the stock exchanges in particular and suggests that the systems therein are inefficient and suffer from major weaknesses and malpractices. Shah and Thomus (1997) studied that relative efficiency of Banking System and stock market in terms of Quality of information processing and reduction of transaction cost. they found that in India the stock market is More efficient than banking system in Both dimensions. Efficient stock market contributes to long run growth through efficient allocation of scarce savings. They also found that foreign capital flows have a positive impact on the real economy via lowering the cost of capital.

Objectives of the study:

- The main objectives of the study are as follows
- To know what are the reforms taken place in financial sector from 1991 to till date.
- To know how much effect showed the reforms on financial sector towards economic development.
- To know how much the financial sector developed in terms of technology and how much it helped in economic development.

Methodology:

- The methodology used in this study is fully web based.
- Fully Secondary data used.
- The data collected from the online data, Govt. sites and magazines.

Financial Sector Reforms

The major areas of financial sector reforms are as follows:

1. Financial institutional reforms
2. Financial market reforms

1. Financial Institutions reforms:

A. Banking Sector Reforms:

An efficient banking system and a well-functioning capital market are essential to mobilize savings of the households and channel them to productive uses. The high rate of saving and productive investment is essential for economic growth. Prior to 1991 while the banking system and the capital market had shown impressive growth in the volume of operations, they suffered from many deficiencies with regard to their efficiency and the quality of their operations.

The weaknesses of the banking system were extensively analysed by the committee (1991) on financial sector reforms, headed by Narasimhan. The committee found that banking system was both over-regulated and under-regulated. Prior to 1991 system of multiple regulated interest rates prevailed. Besides, a large proportion of bank funds was pre-empted by Government through high Statutory Liquidity Ratio (SLR) and a high Cash Reserve Ratio (CRR). As a result, there was a decrease in resources of the banks to provide loans to the private sector for investment.

This pre-emption of bank funds by Government weakened the financial health of the banking system and forced banks to charge high interest rates on their advances to the private sector to meet their needs of credit for investment purposes. Further, the lack of transparency in the accounting practice of the banks and non-application of international norms by the banks meant that their balance sheets did not reflect their underlying financial position. This was prominently revealed by 1992 scarcity scam triggered by Harshad Mehta. In this situation, the quality of investment portfolio of the banks deteriorated and culture of ‘non-recovery’ developed in the public-sector banks which led to a severe problem of non-performing assets (NPA) and low profitability of banks. Financial sector reforms aim at removing all these weaknesses of the financial system.

Under these reforms, attempts have been made to make the Indian financial system more viable, operationally efficient and more responsive and improve their allocate efficiency. Financial reforms have been undertaken in all the three segments of the financial system, namely banking, capital market and Government securities market.

The main objective of banking sector reforms is to improve the allocate efficiency of resources through operational flexibility, improved financial viability and institutional strengthening. As the Indian banking system was predominantly government owned during the early 1990s, banking sector reforms involves two-pronged approach: First, is the gradual increase of the level of competition with focus on better supervisory and prudential norms within banks and second is the improvement in the legal framework and technological system in banking.

The important reform measures initiated in the banking sector are:

i) Reduction in Statutory Cash Reserve Requirements (CRR) and Statutory Liquidity Requirements (SLR):

An important financial reform has beenthe reduction in Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) so that more bank credit is made available to the industry, trade and agriculture. The Statutory Liquidity Ratio (SLR) which was as high as 39 percent of deposits with banks was reduced in a phased manner to 25 percent.

It may be noted that under Statutory Liquidity Ratio, banks are required to maintain a minimum amount of liquid assets such as Government securities and gold reserves of not less than 25 percent of their total liabilities. In 2008, Statutory Liquidity Ratio was reduced to 24 percent by RBI. Similarly, Cash Reserve Ratio (CRR), which was 15 percent, was reduced over phases to 4.5 percent in June 2003. Thus, **Dr. C. Rangarajan,** the former Governor of Reserve Bank of India says, "As we move away from automatic monetisation of deficits, monetary policy will come into own. The regulation of money and credit will be determined by the overall perception of the Central Monetary Authority on what appropriate level of expansion of money and credit should be depending on how the real factors in the economy are evolving".Present repo rate is 6.25% and reverse repo rate is 5.75% .

ii) Interest Rate Deregulations:

The administered interest rates structure has been gradually dismantled, allowing banks to freely determine deposit and lending rates based on prevailing market conditions. Banks have been provided with full freedom to determine lending rates for loans above Rs. 0.2 million and all deposits rates except savings and the non-resident Indian deposit rate (which are fixed by RBI).

iii) Introduction of Prudential Norms:

High Capital Adequacy Ratio:As a part of financial sector reforms, capital adequacy norm of 8 percent based on risk-weighted asset ratio system has been introduced in

India. Indian banks which have branches abroad were required to achieve this capital-adequacy norm by March 31, 1994. Foreign banks operating in India had to achieve this norm by March 31, 1993

It may be noted that Global Trust Bank (GTB), a private sector bank, whose operations had to be stopped by RBI on July 24, 2004 to achieve this capital adequacy norm, Government has came into provide capital funds to some Nationalized Banks.

'Know Your Customer' (KYC) and 'Anti Money Laundering' guidelines require banks to be familiar with their customers and their monetary dealings better, so that it can administer their accounts carefully.

iv) Supervisory Measures:

As part of new supervisory strategy, an independent Board for Financial Supervision (BFS) has been established. The Board focuses on off-site and on-site inspections and regulation of internal control system of banks. CAMELS supervisory rating system has been initiated. There is a move towards risk-based supervision and consolidated supervision of Financial Conglomerates.

v) Competition Enhancing Measures:

After nationalization of 14 large banks in 1969, no bank had been allowed to be set up in the private sector. While the importance and role of public sector banks in Indian financial system continued to be emphasised, it was however recognized that there was urgent need for introducing greater competition in the Indian money market which could lead to higher efficiency of the financial system.

Accordingly, private sector banks such as HDFC, Corporation Bank, ICICI Bank, UTI Bank, IDBI Bank and some others have been set up. Establishment of these banks has made substantial contribution to housing finance, car loans and retail credit through credit card system. They have made possible the wider use of what is often called plastic money, namely, ITM cards, Debit Cards, and Credit Cards.

- **Reduction of entry barriers for Private Banks:**

Transparent Norms related to entry, mergers/ amalgamation and government issues for Indian private sector, foreign and Joint venture banks NBFC's and Insurance companies.`.

- **Permission to banks to diversify product portfolio and Business activities:**

An important recent step is the liberalisation of foreign direct investment in banks. In the budget for 2003-04, the limit of Foreign Direct Investment in banking companies was raised from 49 percent to the maximum 74 percent of the paid up capital of the banks. However, this did not apply to the wholly owned subsidiaries of foreign banks.

vii) New Instruments & Technology Related Measures (E-Banking):

The electronic technology has been introduced for bank's transactions, settlement of accounts, bookkeeping and all other related functions. The pace of banks computerization has been enhanced. The Core Banking Systems (CBS) has been initiated in the number of banks to allow customers to avail banking facilities from any branch of the bank any time anywhere. The screen-based trading in government securities has been introduced. The new instruments and services such as credit cards, telebanking, ATMs, retail Electronic Funds Transfer (EFT) and Electronic Clearing Services (ECS) has allowed the development of an efficient and speedy retail payment and settlement systems.

viii) Enhanced transparency and Disclosures: The new disclosures norms require the greater volume of information to be disclosed as notes on Accounts in their balance sheets. These include majorprofitability and financial ratios, details of capital structures, as well as movements in non-performing loans, movements in provisions, advances to sensitive sectors, to mention a few. The range of disclosures has gradually been expanded over the years to promote market discipline.

ix) Financial Inclusion: Financial inclusion means providing wider access and better quality of banking services to the larger section of society.

x) Internet and Mobile-Banking: Internet banking enables a customer to do banking transactions through the bank's website on the Internet. This is also called virtual banking, or net banking, or anywhere banking.

xi) Satellite Banking: This is another reform introduced in banking system to make working the banking activities at the hill stations.

Major reforms of Financial Institutions reforms:

- Weakness of the Banking system were analysed by the committee which is headed by the N.M. Narasimhan in the year of 1991: For controlling of banking activities.
- Reduction in SLR from 39% to 24 %: For proving Liquidity to the Private sectors.
- Reduction in CRR by 15% now present CRR is 4.5%: For proving Liquidity to the Private sectors.
- Interest rates deregulations: For providing loans to the society
- Maintaining capital adequacy ratio: For baring contemporary situations.
- Know your customer policy: For controlling of customer database.
- CAMELS' supervisory rating system has been initiated: Capital adequacy, Asset quality, Management, earnings, Liquidity, Sensitivity.
- Establishment of Private banks and Non-banking financial Institutionsfor the development of economy.
- Permission to banks to diversify product portfolio and Business activities.
- Introduction of technological changes: Banking activities done by electronically.
- Disclosure and transparency of accounting information to related person only: For smothering the activities.
- Financial Inclusion:To everyone has bank account.
- Internet Banking & Mobile banking: for time saving & convenient.
- Satellite Banking: Tosmothering banking activities for the hill stations.

- Demonetization:For reduction of Black money.

2. Financial Market Reforms:

Here in this paper financial market reforms tell about the following

1. Capital Market
2. Forex market

1. Capital market Reforms:

Capital market is defined as a financial market that works as a channel for demand and supply of debt and equity capital. It channels the money provided by savers and depository institutions (banks, credit unions, insurance companies, etc.) to borrowers and investees through a variety of financial instruments (bonds, notes, shares) called securities. A capital market is not a compact unit, but a highly-decentralized system made up of three major parts that include stock market, bond market, and money market. It also works as an exchange for trading existing claims on capital in the form of shares. The Capital Market deals in the long-term capital Securities such as Equity or Debt offered by the private business companies and also governmental undertakings of India

In the agenda of financial sector reforms, Improvement of the capital market is important area and action has been taken parallel with reforms in banking. India has experienced functioning in capital markets the Bombay Stock Exchange (BSE) for over a hundred years but until the 1980s, the volume of activity in the capital market was relatively limited. Capital market activity extended rapidly in the 1980s and the market capitalization of companies registered in the BSE rose from 5 per cent of GDP in 1980 to 13 per cent in 1990. It is observed that the Indian capital market has perceived major reforms in the decade of 1990s and thereafter. It is on the edge of the growth. Thus, the Government of India and SEBI took numerous measures in order to improve the working of the Indian stock exchanges and to make it more progressive and energetic. The Securities and Exchange Board of India (SEBI) was well-known in 1988. It got a legal status in 1992. SEBI was principally set up to control the activities of the commercial banks, to control the operations of mutual funds, to work as a promoter of the stock exchange activities and to act as a regulatory authority of new issue activities of companies. The SEBI was established with the vital objective, "to protect the interest of investors in securities market and for matters connected therewith or incidental thereto."

The main functions of SEBI are as follows:

- To control the business of the stock market and other securities market.
- To promote and regulate the self-regulatory organizations.
- To forbid fraudulent and unfair trade practices in securities market.
- To promote awareness among investors and training of intermediaries about safety of market.
- To prohibit insider trading in securities market.
- To regulate huge acquisition of shares and takeover of companies

Opening the Capital Market to Foreign Investors:

Significant policy initiative in 1993 was the opening of the capital market to foreign institutional investors (FIIs) and allowing Indian companies to raise capital abroad by issue of equity in the form of global depository receipts (GDRs).

Modernization of Trading and Settlement Systems:

Major developments occurred in trading methods which were highly antiquated earlier. The National Stock Exchange (NSE) was established in 1994 as an automated electronic exchange. It empowered brokers in 220 cities all over the country to link up with the NSE computers via VSATs (very small aperture terminal) and trade in a unified exchange with automatic matching of buy and sell orders with price time priority, thus ensuring maximum transparency for investors. The initiation of electronic trading by the NSE generated competitive pressure which forced the BSE to also introduce electronic trading in 1995. The settlement system was old-fashioned which involved physical delivery of share certificates to the buyer who then had to deliver them to a company registrar to record change of ownership after which the certificates had to be returned to the buyer. This process was consuming and also had significant risks for investors. The first step towards paperless trading was put in place by enacting legislation which allowed dematerialization of share certificates with settlement by electronic transfer of ownership from one account to another within a depository. The National Securities Depository Ltd (NSDL) opened for business in 1996.

Measures enhancing role of Market forces:

Sharp reduction in pre-emption though reserve requirement, Market determined prices for Govt. securities, disbanding of administered interest rates, Enhanced transparency and disclosed norms to facilitate market discipline, Introduction of pure interbank call money market and developing market for securitized market, Auction based repos and reverse repos for short term liquidity management and Improved payment and settlement mechanism. Present repo rate is 6.25% and reverse repo rate is 5.75%.

Futures Trading: Currently, an important gap in India's capital market is future markets. Good market in index futures would help in risk management and provide greater liquidity to the market. A decision to present futures trading has been taken and the legislative changes needed to implement this decision have been submitted to parliament.

SEBI (Securities Exchange Board of India): After the scam of Harshad Mehta SEBI was came in to the picture for controlling of Share market in India.

Indian International Stock Exchange: Prime Minister Narendra Modi inaugurated India's first international exchange-India INX- at International Financial Services Centre (IFSC) in Gujarat International Financial Tech City (GIFT) located in Gandhi Nagar. India International Exchange (INX), the wholly-owned subsidiary of the Bombay Stock Exchange (BSE), through its global bourse, will start trading initially in equity derivatives, currency derivatives, commodity derivatives including Index and Stocks. Subsequently, depository receipts and bonds would be offered once the required infrastructure for the same is in place. From January 16 onwards the exchange will going to work for 22 hrs a day.

2.Forex Market: Exchange of currency started in the year of 1939, the British government imposed the exchange activities, Forex market reform took place in 1993 and the successive adoption of current account convertibility were the acmes of the forex reforms introduced in the Indian market. Under these reforms, authorised dealers of foreign exchange as well as banks have been given greater sovereignty to perform in activities and numerous operations. Additionally, the entry of new companies has been allowed in the market. The capital account has become effectively adaptable for non-residents but still has some reservations for residents. The foreign exchange market is a global decentralized market for the trading of currencies. This includes all aspects of buying, selling and exchanging currencies at current or determined prices.

A Discussion on Forex Market Reformsin India

The foreign exchange currency trading in India is growing at a really good pace, however it is said that the forex market is still from the early phase in India. There are already several big players in the Indian forex market. Let us find out details on the forex market history in India to know more about Indian forex market.

The history of forex market in India owes its origin to an important decision taken by the Reserve Bank of India (RBI) in the year of 1978 which allows banks to undertake intra-day trading in foreign currency exchange. As a result of this step, the agreement of maintaining '**square**' or '**near square**' position was to be complied with only at the close of business every day. The history of currency trading in India also clearly shows that during the initial period when these economic reforms started, the exchange rate of national currency i.e. Indian rupee used to be determined by the RBI in terms of a weighted basket of currencies of India's major trading partners. Moreover, there were some fairly significant restrictions on the current account transactions.

Then again during early nineties, more economic reforms were introduced which witnessed the important two-step downward adjustment in the exchange rate of the Indian Rupee in order to place it at a suitable level in line with the inflation differential so that the competitiveness in exports could be maintained. With these economic reforms which resulted in the unification exchange rate of the rupee heralded the commencement of the new Era of market determined forex currency rate regime of rupee in the Indian forex history which was based on the demand and supply principle in the forex market.

Another landmark in Forex history of India came with the appointment of an Expert Group committee on Forex currency in 1994. This committee was made to study the forex market in detail so that step can be taken out to develop, deepen and widen the forex market in India. The result of this exercise was that banks were significant freedom in many of its market operations related to like forex market development and liberalization. The freedom was granted to banks in term of fixing their trading limits, allowed to borrow and invest funds in the overseas markets up to specified limits, accorded freedom to make use of derivative products for asset-liability management purposes.

Until the early seventies, given the fixed rate regime, the foreign exchange market was perceived as a mechanism merely to put through merchant transactions. With the collapse of the **Breton Woods** agreement and the floatation of major currencies, the conduct of exchange rate policy posed a great challenge to central banks as currency fluctuations opened up tremendous opportunities for market players to trade in currency volatilities in a borderless market.

The market in India however remained insulated as exchange rate controls inhibited capital movements and the banks were required to undertake cover operations and maintain a square position at all times. In 1981 the "Guidelines for Internal Control over Foreign Exchange Business" was framed for adoption by banks. During the eighties, deterioration in the macro-economic situation set in, ultimately warranting a structural change in the exchange rate regime, which in turn had an impact on the FOREX market. Large and persistent external imbalances were reflected in rising level of internal indebtedness. The graduated depreciation of the rupee could not compensate for the widening inflation differentials between India and the rest of the world and the exchange rate of the Rupee was getting increasingly overvalued. The Gulf problems of August 1990, given the fragile state of the economy, triggered off an unprecedented crisis of liquidity and confidence. This unprecedented crisis called for the adoption of exceptional corrective steps. The country simultaneously embarked upon measures of adjustment to stabilize the economy and got in motion structural reforms to generate renewed impetus for stable growth.

As a first step in this direction, the RBI effected a two-step downward adjustment of the Rupee in July 1991. Simultaneously, in order to provide a closer alignment between exports and imports, the EXIM scrip scheme was introduced. The scheme provide a boost to exports and with the experience gained in the working of the scheme, it was thought prudent to institutionalize the incentive component and convey it through the price mechanism, while simultaneously insulating essential imports from currency fluctuations. Therefore, with effect from March 1, 1992, RBI instituted a system of dual exchange rates under the Liberalised Exchange Rate Management System (LERMS). Under this, 40% of the exchange earnings had to be surrendered at a rate determined by the RBI and the RBI was obliged to sell foreign exchange only for imports of essential commodities such as oil, fertilizers, life saving drugs etc., besides the government's debt servicing. The balance 60% could be converted at rates determined by the market. The scheme worked satisfactorily preparing the market for its emerging role and the Rupee remained fairly stable with the spread between the official and market rate hovering around 17%.

A critical component of the reform process was introduction of flexible exchange rate. It started with exchange rate adjustments in July 1991, continued with the introduction of Liberalised Exchange Rate Management System in

March 1992 and March 1993 we had put in place a completelymarket determined exchange ratesystem. This was a critical step indeed.

- In **1966,** The Rupee was devalued by 57.5% against Sterlingon June 6.
- In **1967,**Rupee-Sterling parity change as a result of devaluation of the sterling.50 before reneging to Sterling at Rs. 18.8672 with a 2.25% margin on either side.
- In **1979,** Margins around basket parity widened to 5% on each side in January.
- In**1991,** Rupee devalued by 22% July 1st and 3rd. Rupee dollar rate depreciated from 21.20 to 25.80. A version of dual exchange rate introduced through EXIM scrip scheme, given exporters freely tradable import entitlements equivalent to 30-40% of export earnings.
- In **1992,** LERMS introduced with a 40-60 dual rate converting export proceeds, market determined rate for all but specified imports and market rate for approved capital transaction. US Dollar became the intervention currency from March 4thEXIM scrip scheme abolished.
- In**1993,** Unified market determined exchange rate introduced for all transactions. RBI would buy/sell US Dollars for specified purposes. It will not buy or sell forward Dollars though it will enter into Dollar swaps.
- In **1994,** Rupee made fully convertible on current account from August 20th.
- In **1998,** Foreign Exchange Management Act – FEM Bill 1998, which was placed in the Parliament to replace FERA.
- In **1999,** Implication of FEMA started.
- **PADMANABHAN** also refers to expansion of forex market by allowing new participants like primary dealers and select NBFCs before 2015.

Conclusion:

From the study we can understand that the financial reforms play a vital role in economic development of Indian. As the reforms taken place in the financial sector the interest rates are regularized as a result the banking sector zoomed to get very profitable. Through these reforms the CRR and SLR slashed from 15% to 4%, 39% to 24% respectively which increases the liquidity and more loan availability. The supervisory measures and competitive enhance measure helped the public to get housing finance, car loans and retail credit. The banking sector evolved many technological changes to smoothen the transactions by launching E Banking, Mobile banking, Internet banking and satellite banking. Just because of the reforms only the FDI s increased in a significant way from 49% to 74% in the financial year of 2003-2004. By these reforms only the business opened gates for foreign investments as a result we could do the business not only correspondent country and also established over the Universe abroad the overseas. Due to this Indian economy development, drastically and gain Indian Rupee got a value globally. As a part of reforms the Prime Minister of India **Narendra Modi**gaaruinauguratedthe first ever **Indian International Exchange** (INX) which can establish our Indian fame at four corners of Universe.

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Performance of small and medium scale industries in A.P- A study of select units

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Abstract : *Small and medium scale industries plays crucial functions for the development of Indian economy by contributing 45% of industrial output, 40% of exports, 42 millions in employment , create one million jobs every year and produce more than 8,000 with good quality products for the Indian and international markets. As a result, MSMES are today exposed to greater opportunities for expansion and diversifications across the small and medium sectors. Sides, the small and medium scale industries are faced in an inferior position by the problems of finance, marketing, innovation practices, information technology, research and development, competition from large scale industries, and commodities import from various countries, lack of awareness on financial institutions and etc. management of the account of the massive latent of small and medium sector, the entrepreneurs, entrepreneurship development and the government policy makers must act collectively to facilitative to this sectors growth in India. Here we were studying small and medium scale industries in the three districts of Adilabad, Karimnagar and Warangal.*

Key words: *GDP, poverty, economic balance, scale industries and innovation.*

Introduction : The small and medium scale industries are a primary part of the Indian industrial sector. The main feature of the small and medium scale industries are used low capital investment and labour combination which has created extraordinary significance to these sectors. The sector has the vast of being the second highest in employment, production and which is stands next to agriculture sector. The micro, small and medium scale industries with around 51.1 million units throughout the geographical expanse of the country, MSMEs contribute around 7% of the manufacturing GDP and 31% of the GDP from service activities as well as 37% of India's manufacturing output. They have been able to provide employment to around 120 million persons and contribute around 46% of the overall exports from India to international market and as well as in the global. The MSMEs industrial sector has constantly maintained a growth rate of over 10%. About 55.3% of the MSMEs are based out of rural areas, which are indicated.

The association selection consists of around 8000 products, 8000 member companies, both from public and private sectors. 53% of the overall membership belongs to the manufacturing sector while 42% in the service sector. It has an additional circumlocutory membership of over 2, 00,000 companies from around 234 national and regional sector al associations. Out of these, around 126 are MSME associations to assisting MSMEs. The vision of the Indian MSMEs is to strengthen their involvement to India's GDP to 50% by the year 2024.

The total Number of MSMEs 26.1 million, Manufacturing Enterprises 7.3 million and Service Enterprises 18.8 million. In this MSMEs Women Enterprises 2.1 million (8%), Rural Enterprises 14.2 million (54.4%), Employment 59.7 million, per unit employment 6.24 per unit fixed investment Rs.33.78 lakh per unit original value of Plant & Machinery Rs.9.66 lakh per unit, gross output Rs.46.13 lakh, Employment per one lakh fixed investment 0.19. the more than 51 million operational enterprises and 117 million workers, the micro, small and medium enterprise (MSME) sector contributes a significant 37% to India’s gross domestic product. In spite of its large footprint the sector gets the short shrift from institutional finance because of the granular information on the enterprises that are hard to come by, low awareness amongst the entrepreneurs and inadequate resources.

Definitions: Micro, small and medium enterprises development Act-2006

Micro, Small and Medium Enterprises Development act, 2006: according to micro, small and medium scale enterprises act; the enterprises are broadly classified based on the activity undertaken by as enterprises engaged in services. The classifications of industries are according to MSMED Act-2006, investment limits of these enterprises are given follows.

There are industries classified on investment based in plant and machinery and equipment of the two type similarly i.e. manufacturing and services sector industries.

Industries	Investment in plant and machinery of the manufacturing sectors	Investment in value of equipment of the services sectors
Micro	Up to Rs 25 lakhs	Up to Rs 10 lakhs
Small	Up to Rs 5 crores	Up to Rs 2 crores
medium	Up to Rs 10 crores	Up to Rs 5 crores

Objectives of the study

The chief objectives of the study

1. To study the growth and development of small and medium scale industries in India.
2. To identify the government policy and business environment of SMEs in Telangana region.
3. To analyze the support from institutional assistance to micro, small and medium scale industries in the selected units.

Literature Review

The comprehensive literature demonstrates that MSMEs are necessary for sustained economic growth and development of any economy including India. To justify the need of present study, following literature has been reviewed:

Bala Subrahmanya (2004) highlighted the impact of globalization and domestic reforms on small-scale industries sector. The study stated that small industry had suffered in terms of growth of units, employment, output and exports. The Researcher highlighted that the policy changes had also thrown open new opportunities and markets for the small-scale industries sector. He suggested that the focus must be turned to technology development and strengthening of financial infrastructure in order to make Indian small industry internationally competitive and contribute to national income and employment.

Bargal et al. (2009) examined the causal relationship among the three variables GDP, SSI output and SSI exports and also have compared the performance parameters of SSIs in the pre and post liberalization era. The study found that the annual average growth rate of different parameters of SSIs have declined in the period of nineties vis-à-vis the pre-reform years. There is an absence of any lead-lag causal relationship between exports and production in small-scale sector and GDP of Indian economy.

Dixit and Pandey (2011) applied cointegration analysis to examine the causal relationship between SMEs output, exports, employment, number of SMEs and their fixed investment and India‟s GDP, total exports and employment (public and private) for the period 1973-74 to 2006-07. Their study revealed the positive causality between SMEs output and India‟s GDP.

Singh et al. (2012) analyzed the performance of Small scale industry in India and focused on policy changes which have opened new opportunities for this sector. Their study concluded that SSI sector has made good progress in terms of number of SSI units, production & employment levels. The study recommended the emergence of technology development and strengthening of financial infrastructure to boost SSI and to achieve growth target.

Venkatesh and Muthiah (2012) found that the role of small & medium enterprises (SMEs) in the industrial sector is growing rapidly and they have become a thrust area for future growth. They emphasized that nurturing SME sector is essential for the economic well-being of the nation. The above literature highlights the various aspects viz. performance, growth & problems of MSMEs in Indian economy and induces for continuous research in this field.

Garg, I & Walia, Suraj (2012) stated that the significant growth of MSMEs have been taken place over a period of time and this sector is the major donor to gross domestic product (GDP), employment and exports in Indian economy.

Methodology:

Data collected through questionnaires served on top and middle level executives related to different functional areas of the state enterprises of Andhra Pradesh and also government officials of the various departments dealing with the management of the enterprises. Institutional gathered through personal discussions held with the executives of the selected state enterprises and government offices of the controlling ministry and other a relevant agencies and organizations. Date collected form documents reports, records and files of the sample units. The present study

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covers a period of ten years from 2004-05 to 2013-14 in order to draw trends in performance of small and medium scale industries in Andhra Pradesh

Table1. Performance Of Ssi/Msme, Employment And Investments

Years	Total working enterprises(In Lakhs)	Employment (in lakhs)	Gross value of output MSMEs in manufacturing sector (Rs in crores)	Market value of fixed assets (Rs in crores)	Share of MSME sector in total GDP %
2004-05	118.59	282.57	429796	178699	38.62
2005-06	123.42	294.91	497842	188113	38.56
2006-07	361.76	805.23	1198818	868,543.79	35.13
2007-08	377.36	842	1322777	920,459.84	35.41
2008-09	393.7	880.84	1375589	977,114.72	36.12
2009-10	410.8	921.79	1488352	1,038,546.08	36.05
2010-11	428.73	965.15	1653622	1,105,934.09	36.69
2011-12	447.64	1,011.69	1788584	1,182,757.64	37.97
2012-13	467.54	1,061.40	1809976	1,268,763.67	37.54
2013-14	488.46	1,114.29	NA	1,363,700.54	NA

Source: MSME annual report 2013-14, ASI, CSO.

NA=No data available

There has been a great growth in the number of units in the MSME sector from 118.59 lakhs in 2004-05 to 488.46 in 2013-14. Around 45% -50% of the MSMEs are located in rural areas.

Employment:-These sector mostly small and medium enterprises are more labor intensive and thereby they can create more employment opportunities to unemployed work force. From the table it can be clearly understand that the number of persons employed in these industries have increased from 282.57 lakhs persons in 2004-05 to 1,114.29 lakhs in 2013-14. The growth rate in employment has been consistent during the period of the study.

Production:-It is clearly shows that the output in MSME sector shows an increasing tendency since 2004-05 from Rs. 429796 crores to 1809976 crores in 2012-13. From this we can understand that small and medium scale sector plays an important role in developing of the country.

Fixed Investment:-it can be understand that the fixed investment in Micro, small and Medium Enterprises have gone up from Rs. 178,699 crores to 1,363,700 crores in 2013-14. From this it is clear that lot of investment have been made in MSMEs to encourage their growth and development in the interest of the nation.

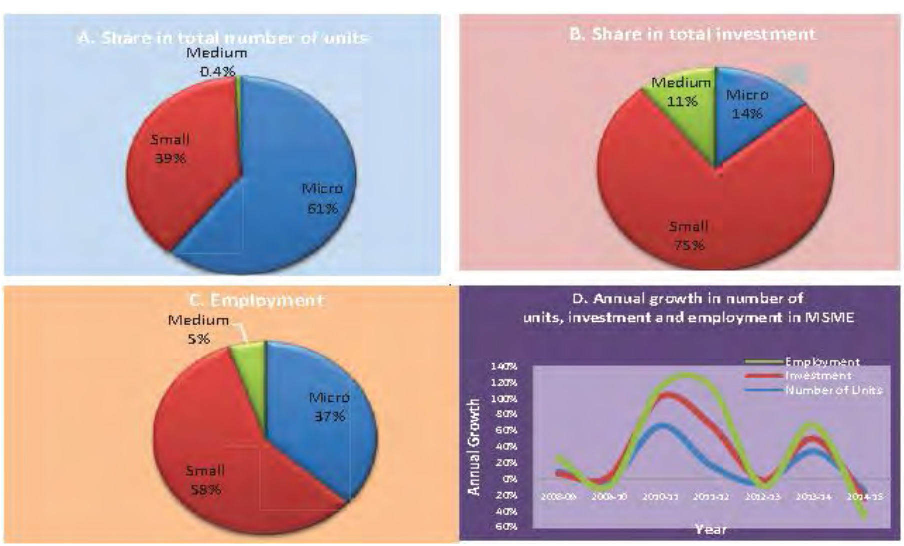
Share in GDP of MSME. It can be we shows clear the share of small and medium scale industries in GDP percent in 2004-05 of 38.62, 2012-13 is 37.54.

Table 2 Outstanding bank credit to micro and small enterprises in India

(Rs in crores)

Year	Public sector bank	Private sector bank	Foreign bank	All scheduled Commercial banks
2005	67,800	8,592	6,907	83,498
2006	82,434 (21.6)	10,421 (21.3)	8,430 (22.1)	1,01,285 (21.3)
2007	1,02,550 (24.4)	13,136 (26.1)	11,637 (38.0)	1,27,323 (25.7)
2008	1,51,137 (47.4)	46,912 (257.1)	15,489 (33.1)	2,13,538 (67.7)
2009	1,91,408 (26.6)	46,656 (0.0)	18,063 (16.6)	2,56,127 (19.9)
2010	2,78,398 (45.4)	64,534 (38.3)	21,069 (16.6)	3,64,001 (42.1)
2011	3,76,625 (35.3)	87,857 (36.1)	21,535 (2.2)	4,86,017 (33.5)
2012	3,96,343 (5.2)	1,10,514 (25.8)	21,760 (1.1)	5,28,617 (8.8)
March 31, 2013	5,02,459 (26.8)	1,54,732 (40.0)	30,020 (37.9)	6,87,211 (30.0)
March 31, 2014	6,20,139 (23.4)	2,00,840 (29.8)	29,491 (-1.76)	8,50,469 (23.8)

Source: Reserve bank of India



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Performance of The micro, small and medium enterprises of Andhra Pradesh state region of Telangana. (Investment& export in Rs lakhs)

Period	Micro			Small			Medium			Total			
	Units	Investment	Employ ment	Units	Investment	Employ ment	Units	Invest ment	Employ ment	Units	Invest ment	Employ ment	Export
2007-08	1702	32020	20514	776	89276	22958	4	4536	299	2572	125832	43771	57343
2008-09	1993	28284	22440	814	91615	30059	2	1901	99	2809	121800	52598	64240
2009-10	1838	22361	18162	945	98756	27482	9	6128	810	2792	127245	46454	73143
2010-11	3103	47383	18223	1521	115232	30731	15	10971	2759	4639	173586	51713	91613
2011-12	3257	78676	31837	2104	167701	43793	20	13683	1043	5381	260061	76673	116103
2012-13	3066	40669	23803	2030	206586	44623	29	20165	2744	5125	267419	71170	129001
2013-14	4312	51629	30982	2499	233251	49521	33	26261	2714	6844	311141	83217	149800
2014-15	3513	39753	23595	2237	213090	37661	37	30098	3348	5787	282940	64604	NA

Source: Commissioner of Industries, Hyderabad.

Out of 5,787 MSME units in 2014-15, around 61 percent constitute micro enterprises, 39 percent small enterprises and mere 0.4 percent medium enterprises. However, it is noted that in terms of employment and investment, small enterprises occupies signify cant share in total MSME. The growth rates of MSME industry have seen high fl actuations in the recent times. It is observed that number of units, employment, investment in MSME sector has peaked during 2010-11 and declining with another peak in 2013-14. The absolute and relative share of number of factories, investment and employment of the micro industries has been declining during the period 2008-09 to 2014-15. However, the share of small and medium enterprises has seen an increasing trend though the absolute trend shown a decline.

Government Policies and Schemes to SMEs

1. Central government policies
    1. General policies
    2. Industrial policies
    3. Funding and finance
    4. Modernization and training
    5. Energy and environment
2. State government policies
    1. Andhra Pradesh state industrial policy
    2. Assistance to new entrepreneurs
    3. Tax relief policy
    4. Training facilities in entrepreneurs
3. Featured section- policies

In order to support and promote small enterprises as also to help them became self supporting, a number of protective and promotional measures have been undertaken by the government. The promotional measures cover on below given

Industrial extension facilities 2. Institutional support for credit ; 3. Providing of the training facilities; 4. Supply of machinery on hire-purchase terms 5.Assistance for domestic marketing as well as exports; Special incentives for backward areas, Technical consultancy and financial assistance

Conclusion: In this sector providing more employment and used maximum level of resource to production process. After attaining independence in 1947 India adopted mixed economic planning as a method to achieve economic development. Industrial Policy Resolutions and SMEs, Government's attitude and intention towards industries in general and SMEs in particular are reflected in Industrial policy Resolutions. Business environment the small and medium scale industries in the Andhra Pradesh state of these districts in Warangal, Karimnagar and Adilabad. Environment Changed on behalf of the globalization and based on import and export products consumed at low price. To sectors financial institutions and central government and state government assistance financial supports to small and medium scale industries. The financial position is closed to development of these sectors.

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