

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., The American Economic Association's electronic bibliography, EconLit, U.S.A., EBSCO Publishing, U.S.A.,
Index Copernicus Publishers Panel, Poland, Open J-Gate, India [link of the same is duly available at Inlibnet of University Grants Commission (U.G.C.)]
as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

Circulated all over the world & Google has verified that scholars of more than Hundred & Twenty One countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

www.ijrcm.org.in

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	SITUATION ANALYSIS OF DOCTORS WORKING IN HEALTH DEPARTMENT OF ODISHA: A DESCRIPTIVE STUDY <i>RAMA CHANDRA ROUT, BHUPUTRA PANDA & ABHIMANYU SINGH CHAUHAN</i>	1
2.	QUALITY OF EDUCATION AND TEACHERS IN ETHIOPIAN SECONDARY SCHOOLS (THE CASE OF EASTERN ZONE OF TIGRAI REGION, ETHIOPIA) <i>DR. HAILAY GEBRETINSAE BEYENE & MRUTS DESTA YEEBIYO</i>	4
3.	AN ANALYSIS OF THE IMPACT OF FISCAL DECENTRALIZATION (FD) ON BUDGET DEFICIT IN PAKISTAN <i>ABDUR RAUF, DR. ABDUL QAYYUM KHAN & DR. KHAIR-UZ ZAMAN</i>	11
4.	DETERMINANTS OF MILITARY EXPENDITURE IN DEVELOPING COUNTRIES AND THEIR EFFECTS ON THE ECONOMY <i>A. K. M. SAIFUR RASHID, MD. ZAHIR UDDIN ARIF & M. NURUL HOQUE</i>	16
5.	A CRITICAL EVALUATION OF THE GOVERNMENT EXTENSION SERVICES: THE CASE FOR LAND REFORM FARMS, IN THE WEST COAST DISTRICT, WESTERN CAPE <i>MOGALE PETER SEBOPETSA & DR. MOHAMED SAYEED BAYAT</i>	21
6.	LABOUR MIGRATION AND IMPACT OF REMITTANCES ON LIVELIHOOD PATTERN IN SOME AREAS OF TANGAIL DISTRICT IN BANGLADESH <i>RAZIA SULTANA, DR. M. A. SATTAR MANDAL & MD. SAIDUR RAHMAN</i>	29
7.	ARE OLDER LEARNERS SATISFIED WITH THEIR INVOLVEMENT IN LEARNING COURSES'? <i>JUI-YING HUNG, FENG-LI LIN & WEN-GOANG, YANG</i>	33
8.	ECONOMIC GROWTH, INCOME INEQUALITY, AND POVERTY: EVIDENCE FROM BANGLADESH, 1981-82 TO 2009-10 <i>MD. MAIN UDDIN</i>	37
9.	IMPACT OF ABSENCE OF ANTI-COUNTERFEITING LAWS AND PRESENCE OF LOW PRICE ON CONSUMERS' ATTITUDES TOWARD THE NON-DECEPTIVE COUNTERFEITS IN A DEVELOPING CONTEXT <i>IMRAN ANWAR MIR</i>	41
10.	MOBILITY AND MIGRATION OF FEMALE SEX WORKERS: NEED FOR STRATEGIC INTERVENTIONS <i>GOVERDAN KUMMARIKUNTA & DR. CHANNAVEER R.M.</i>	46
11.	BUSINESS DEVELOPMENT & GREEN MARKETING <i>DR. R. KARUPPASAMY & C. ARUL VENKADESH</i>	50
12.	IMPACT OF SOCIO-ECONOMIC PROFILE ON SATISFACTION OF BANK OFFICIALS OVER TRAINING AND DEVELOPMENT PROGRAMMES IN BANKS <i>JASPREET KAUR & DR. R. JAYARAMAN</i>	55
13.	ECONOMIC GLOBALIZATION CATASTROPHE AND ITS UPSHOT ON INDIAN ECONOMIC MARKETS <i>K.LOGESHWARI</i>	61
14.	FOREIGN EXCHANGE DERIVATIVES TRADING SCENARIO: A NEW PARADIGM IN THE ERA OF CURRENCY <i>DR. P. S. RAVINDRA & E.V.P.A.S.PALLAVI</i>	65
15.	REGIONAL DIVERGENCE IN PER CAPITA INCOME IN DISTRICTS OF RAJASTHAN <i>DR. REKHA MEHTA</i>	71
16.	CONTRIBUTION OF INFORMATION TECHNOLOGY INDUSTRY IN PROMOTING INDIA AS BRAND INDIA <i>DR. DEEPAKSHI GUPTA & DR. NEENA MALHOTRA</i>	75
17.	AN EMPIRICAL STUDY ON SOCIO-ECONOMIC EMPOWERMENT OF WOMEN THROUGH SELF HELP GROUPS <i>ANURADHA.PS</i>	84
18.	OPERATIONAL ADEQUACY OF WORKING CAPITAL MANAGEMENT OF SELECTED INDIAN AUTOMOBILE INDUSTRY - A BIVARIATE DISCRIMINANT ANALYSIS <i>DR. N. PASUPATHI</i>	87
19.	DEFORESTATION AND ENVIRONMENTAL SUSTAINABILITY: A STUDY OF INTERDEPENDENCE <i>DR. MD. TARIQUE</i>	93
20.	PATTERN OF GROWTH AND INSTABILITY OF INDIA'S EXPORTS (1991-2006) <i>DR. KULWINDER SINGH & DR. SURINDER KUMAR SINGLA</i>	100
21.	CHANGE IN RETAIL SHOPPING BEHAVIOUR: WHY AND FOR WHOM? <i>PRAMOD PANDURANGRAO LONARKAR & PARMESHWAR GORE</i>	108
22.	LIVESTOCK A WAY TOWARDS RURAL INDUSTRIALIZATION-A CASE STUDY OF POULTRY BUSINESS <i>SUNIL SUBHASH PATIL</i>	112
23.	THE ECONOMETRIC ESTIMATION OF ELASTICITIES OF DEMAND FOR INDIA'S EXPORTS AND IMPORTS <i>P. SUHAIL & V.R. REMA JYOTHIRMAYI</i>	117
24.	SOCIAL IMPACT OF MICRO FINANCE ON RURAL POOR IN ANDHRA PRADESH <i>DR. NANU LUNAVATH</i>	122
25.	MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA): ISSUES AND CHALLENGES <i>HARSIMRAN SINGH</i>	136
	REQUEST FOR FEEDBACK	141

CHIEF PATRON

PROF. K. K. AGGARWAL

Chancellor, Lingaya's University, Delhi
Founder Vice-Chancellor, Guru Gobind Singh Indraprastha University, Delhi
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

PATRON

SH. RAM BHAJAN AGGARWAL

Ex. State Minister for Home & Tourism, Government of Haryana
Vice-President, Dadri Education Society, Charkhi Dadri
President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

CO-ORDINATOR

DR. BHAVET

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

ADVISORS

DR. PRIYA RANJAN TRIVEDI

Chancellor, The Global Open University, Nagaland

PROF. M. S. SENAM RAJU

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

PROF. M. N. SHARMA

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

PROF. S. L. MAHANDRU

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR

PROF. R. K. SHARMA

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

CO-EDITOR

DR. SAMBHAV GARG

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

EDITORIAL ADVISORY BOARD

DR. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SIKANDER KUMAR

Chairman, Department of Economics, Himachal Pradesh University, Shimla, Himachal Pradesh

PROF. SANJIV MITTAL

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

PROF. RAJENDER GUPTA

Convener, Board of Studies in Economics, University of Jammu, Jammu

PROF. NAWAB ALI KHAN

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

PROF. S. P. TIWARI

Department of Economics & Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

DR. ANIL CHANDHOK

Professor, Faculty of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

DR. ASHOK KUMAR CHAUHAN

Reader, Department of Economics, Kurukshetra University, Kurukshetra

DR. SAMBHAVNA

Faculty, I.I.T.M., Delhi

DR. MOHENDER KUMAR GUPTA

Associate Professor, P. J. L. N. Government College, Faridabad

DR. VIVEK CHAWLA

Associate Professor, Kurukshetra University, Kurukshetra

DR. SHIVAKUMAR DEENE

Asst. Professor, Government F. G. College Chitguppa, Bidar, Karnataka

ASSOCIATE EDITORS**PROF. ABHAY BANSAL**

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

PARVEEN KHURANA

Associate Professor, Mukand Lal National College, Yamuna Nagar

SHASHI KHURANA

Associate Professor, S. M. S. Khalsa Lubana Girls College, Barara, Ambala

SUNIL KUMAR KARWASRA

Principal, Aakash College of Education, Chander Kalan, Tohana, Fatehabad

DR. VIKAS CHOUDHARY

Asst. Professor, N.I.T. (University), Kurukshetra

TECHNICAL ADVISORS**MOHITA**

Faculty, Yamuna Institute of Engineering & Technology, Village Gadholi, P. O. Gadholi, Yamunanagar

AMITA

Faculty, Government M. S., Mohali

FINANCIAL ADVISORS**DICKIN GOYAL**

Advocate & Tax Adviser, Panchkula

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS**JITENDER S. CHAHAL**

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT**SURENDER KUMAR POONIA**

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Insurance, Corporate Governance and emerging paradigms in allied subjects like Accounting Education; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Monetary Policy; Portfolio & Security Analysis; Public Policy Economics; Real Estate; Regional Economics; Tax Accounting; Advertising & Promotion Management; Business Education; Business Information Systems (MIS); Business Law, Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labor Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; Public Administration; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism, Hospitality & Leisure; Transportation/Physical Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Digital Logic; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Multimedia; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic and Web Design. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email addresses: infoijrcm@gmail.com or info@ijrcm.org.in.

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR
IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF _____.

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, **please specify**)

DEAR SIR/MADAM

Please find my submission of manuscript entitled ' _____ ' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR:

Designation:

Affiliation with full address, contact numbers & Pin Code:

Residential address with Pin Code:

Mobile Number (s):

Landline Number (s):

E-mail Address:

Alternate E-mail Address:

NOTES:

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
- d) The total size of the file containing the manuscript is required to be below **500 KB**.
- e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
- f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers, and email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.
6. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.
7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should follow the following sequence:

INTRODUCTION**REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESES****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****SCOPE FOR FURTHER RESEARCH****ACKNOWLEDGMENTS****REFERENCES****APPENDIX/ANNEXURE**

It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed **5000 WORDS**.

10. **FIGURES & TABLES:** These should be simple, centered, separately numbered & self explained, and **titles must be above the table/figure. Sources of data should be mentioned below the table/figure.** It should be ensured that the tables/figures are referred to from the main text.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **REFERENCES:** The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:
 - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use (ed.) for one editor, and (ed.s) for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parentheses.
 - The location of endnotes within the text should be indicated by superscript numbers.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19-22 June.

UNPUBLISHED DISSERTATIONS AND THESES

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITE

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

ECONOMIC GLOBALIZATION CATASTROPHE AND ITS UPSHOT ON INDIAN ECONOMIC MARKETS

K.LOGESHWARI
PROFESSOR
SCHOOL OF MANAGEMENT STUDIES
KARPAGAM UNIVERSITY
COIMBATORE

ABSTRACT

Financial globalization is the integration of a country's local financial system with international financial market and institution. This integration typically requires that government liberalize the domestic financial sector and the capital account. Financial globalization is not a new phenomenon, but today's depth and breath are unprecedented. Capital flows have existed for a long time. In fact, according to some measures, the extent of capital mobility and capital flows a hundred year ago is comparable to today's as opined by Bordo, Eichengreen and Irwin. At the time, however, only few countries and sectors participated in financial globalization and capital flows particular in financial globalization and capital flow tended to flow migration and were generally directed towards supporting trade flow. It's also defined as an amalgamation of domestic financial system of a particular country with the international organization as well as financial market. Massive growth have been noticed in global economy in the last couple of years, and in the field of technology, more precisely in transport and communication there was a silent revolution which made the globalization of finance an obvious choice. The international monetary fund (IMF) and world bank are the two international institutions of finance which were set up to endorse world trade to keep up with the growth of Financial Globalization.

KEYWORDS

Market, globalization, integration, capital, amalgamation, monetary, international.

FOREWORD

There are different focuses that are pushing toward an increasing financial globalization. These forces are governments, borrowers, investors, and financial institutions. Government allow globalization by liberalizing restrictions on the domestic financial sector and capital account of the balances payment. There has been a gradual lifting of restrictions in developed and emerging countries during the last 30 years. Firm and even households abroad and thus relaxing their financial advantages of financial constraints and smoothing consumption and investment. International investors have taken advantages of financial globalization to achieved across-country risk diversification.

Financial institutions have also played an important role in globalization. The gains in information technology have diminished the importance of geography, allowing international cooperation to services several market from one location. Moreover, the increased competition in developed countries has led banks and other non-bank financial firms to look for expanding their market shares into new business and market and the liberalization of the regulatory system in developing countries has opened the door for international firms to participate in local market for developing countries is the development of their financial system. That is more complete, deeper, more stable and better regulated financial development. First financial globalization implies that new sources of capital and more capital become available allowing countries to better smooth consumption, deeper financial market and increasing the degree of discipline. Second, financial globalization lead to crises in countries with sound fundamentals. Imperfection in international financial market and external factors that determine capital flows make open economic more prone to crises. Furthermore; countries that integrate into world financial market become exposed to corruption.

IMPACT OF FINANCIAL GLOBALIZATION

Although, there is rich history of trans-country capital movement, but the impact of financial globalization is definitely huge in the composition of natural and international capital market. The banking system was mostly stirred and it had to experiences dis-remediation massive improvement in global economy and technology, specification in the filed of transport and communications, led to the beginning that support world trade to continue the trend of financial globalization

Instruments of this nature increase the probability of foreclosure. More importantly; shock waves from the US financial market have spread throughout the globe with many countries on the brink of recession. According to the current an available assessment of the IMF the global economy is projected to contract by 4.3% percent in 2011. the real fact that nobody much of those MBS would return on their balance sheets, banks effectively stopped lending to each other, drying up liquidity substantially, both in US and in the Europe.

WHAT MEASURES ARE REQUIRED?

The US government has spent more than a trillion dollars in trying to prevent the collapse of US financial markets. US congress can provide approved the emergency Economic stabilization Act to give authority to the US treasury to buy troubled mortgage related securities. And if the treasury finds the right buyers for the banks that it partially owns, and then it could also end up making money. In Europe, the bank of England pledge direct support to the country's major financial institutions. Central banks around the world (Fed, ECB, Canada, Sweden, Switzerland and China) introduced co-ordinate interest rate cuts to lower the cost of borrowing, with the aim of restoring confidence in the global economy.

IMPACT ON INDIAN ECONOMY

In India, the impact of the crisis has been deeper than what was estimated by our policy makers although it is less serve than in other emerging market economics. Impact has been restricted due to several reasons such as,

- Indian financial sector particularly our banks have no direct exposure to attain the assets and its off balance sheet activities have been limited. The credit derivatives market is in a budding stage.
- Foreign exchange reserves provide confidence in our ability to manage our balance of payments not withstanding lower export demand and dampened capital flows.
- Head line inflation, has measured by the sale price index (WPI) has declined sharply. Customer price inflation too has begun to moderate.
- India's merchandise exports are round 23.9%-of GDP, which is relatively modest.

Increased substantially to 3.8 per cent of GDP in 2009-2010 as compared to 0.5 per cent in 2008-2009. This led to net accretion of US\$ 13.4 billion in foreign exchange reserves on balance of payment basis, as against the net outflow of US\$20.1 billion in 2008-2009. Major determinates of balances of payment such as external demand, international oil and commodity prices, pattern of capital flows and the exchange rate changed significantly during the course of the year with the turnaround in export and revival in capital flows, external sector concerns receded gradually in the second half of 2009-2010 as per the latest data available, the highlights of balances of payment development during the first half (H1-April-September 2010) of 2010-2011 were higher trade and current account deficits as well as capital flows visa-visa the first half of 2009-2010

STOCK MARKET

The economy and the stock market are closely related as the buoyancy of the economy gets reflected in the stock market. Due to the impact of the global economy recession, Indian stock market crashed the high of 21,045 to a low of around 15,950 points in sensex and nifty points are high as 6338 and low is 4721 points. Indian stock market has stumbled down mainly because of the substitution effect of:

1. Driving up of overseas financing for Indian banks and Indian Corporate.
2. Constraints in raising funds in a bearish domestic capital market and
3. Decline in the internal accruals of the corporate.

FOREX MARKETS

In India, the current economy crisis was largely insulated by the several of foreign institutional investment (FFI), external commercial borrowing (ECB) and trade credit. The two main functions of the foreign exchange market are to determine the price of the different currencies in terms of one another and to transfer currency risk from more risk-averse participants to those more willing to bear it. As in any market essentially the demand and supply for a particular currency at any specific point in time determines its prices (exchange rate) at that point. However, since the value of a country's currency has significant bearing on its economy, foreign exchange markets frequently witness government intervention in one form or another, to maintain the value of a currency at or near its "desired" level

MONEY MARKETS

The money market consists of credit market, debt market and government securities market. All these market are in some or other way related to the soundness of banking systems as they are regulated by the reserve Bank of India. Emerging market is used to evaluate the socio economic scenario of the country in terms of the growth of the market and industrial development. According to the recent survey, there are around 28 emerging market in the world out of which India ranks in the second place. The increase in foreign investment has also cast a favorable effect on the emerging market in India. Due to the increase in demand well known global companies are investing in the India market. The foreign institutional investment (FII) amount has reached around US\$10 billion mark. In case of the foreign direct investment (FDI) there has been a significant increase of around 85.1% from US\$ 25.1 billion to US\$ 46.5 billion.

TABLE 1: QUARTERLY ESTIMATES OF EXPENDITURE OF GDP AT MARKET PRICES (Rs. Crore)

S. no	Industry	2008-2009				2009-2010		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3
1	Private final consumption	640588	635771	712521	666654	651167	671041	737013
	Expenditure	-61.45	-60.14	-61.46	-55.26	-58.89	-59.43	-60.01
2	Government final consumption	109412	97746	158446	146522	120618	124054	142205
	Expenditure	-10.49	-9.25	-13.67	-12.15	-10.91	-10.99	-11.58
3	Gross fixed capital formation	340421	368983	368009	393747	354595	396011	400706
	Expenditure	-32.65	-34.9	-31.74	-32.64	-32.07	-35.07	-32.63
4	Change in stock	14573	14821	14837	15581	15032	8097	8696
	Expenditure	-1.4	-1.4	-1.28	-1.29	-1.36	-0.72	-0.71
5	Valuables	11506	15095	17763	14309	13626	11618	11657
	Expenditure	-1.1	-1.43	-1.53	-1.19			
6	Exports of goods and services	279297	288863	265107	261662	235184	239340	252435
	Expenditure	-26.79	-27.33	-22.87	-21.69	-21.27	-21.2	-20.55
7	Less: Imports of goods and services	334024	381617	349232	304329	304509	341377	315413
	Expenditure	-32.04	-36.1	-30.12	-25.53	-27.54	-30.23	-25.68
8	Discrepancies	-19245	17454	-28152	12274	19928	20398	-9099
	Expenditure	(-1.85)	-1.65	(-2.43)	-1.02	-1.8	-1.81	(-0.74)
9	Gross domestic product at market prices	1042528	1057115	1159298	1206421	1105641	1129182	1228201

Source: Central Statistical Organization

Note: figures in brackets show rates of the quarterly GDP at market prices.

Q1, Q2, Q3, & Q4 DENOTES PERIODS APRIL- JUNE, JULY – SEPT., OCT- DEC. & JAN- MARCH RESPECTIVELY

During 2008-2009 the point of change is 14,587 takes in first quarter, in second quarter of 2008-2009 the point of change 1,02,183 is been increased due the import of goods and services is been increased, in third quarter of 2008-2009 the point has been decreased the reason is increase in government consumption and the decreases in export and import of goods and services and fourth quarter of 2008-2009 the points of change taken places is increased of goods and services and in fourth quarter of 2008-2009 the points of change taken places is increased due to the imports of goods and services and in the year 2009-2010 (April to December 2010), points is been in increasing trend because of the changes in discrepancies.

BALANCE OF PAYMENTS

Balance of payment (BOP) comprises current account, capital account, errors and omissions and changes in foreign exchange reserves. Under current account of the Bop, transactions are classified into merchandise (exports and imports) and invisibles. Invisible transactions are further classified into three categories, namely

- Services –travel, transportation, insurance, government not included elsewhere (GNIE) and miscellaneous (such as, communication, construction, financial, software, news agency, royalties, management and business services),
- Income, and
- Transfers (grants, gifts, remittances, etc.) which do not have any quid pro quo.

TABLE 2: BALANCE OF PAYMENTS

S.no & Item	2005-06	2006-07	2007-08	2008-09PR	2009-10	2009-10 H1	2010-11H1
1	2	3	4	5	6	7(April-sep.09)pr	8 (april-sep.2010)p
1) Current account							
1.exports	1,05,152	1,28,888	1,66,162	1,89,001	1,82,235	82,569	1,10,518
2.imports	1,57,056	1,90,670	2,57,629	3,08,521	3,00,609	1,38,419	1,77,457
3.trade balance	-51,904	-61,782	-91,467	-119,520	-118,374	-55,850	-66,939
4.invisibles(net)	42,002	52,217	75,731	91,605	79,991	42,511	39,058
a)nonfactordservice	23,170	29,469	38,853	53,916	35,726	19,098	19,510
b)income	-5,855	-7,331	-5068	-7,110	-8,040	-3,279	-6,509
c)transfers	24,687	30,079	41,945	44,798	52,305	26,692	26,057
5.goods and services balance	-28,734	-32,313	-52,614	-65,604	-82,648	-36,752	-47,429
6.current account balance	-9,902	-9,565	-15,737	-27,915	-38,383	-13,339	-27,881
2)Capital Account							
1. Capital Account Balance	25,470	45,203	1,06,585	6,768	53,397	22,964	36,661
a)External Assistance(net)	1,702	1,775	2,114	2,114	2,893	1,023	2,993
b)Exteranl Borrowings(net)	2,508	16,103	22,609	7,862	2,808	728	5,974
c)Short termDebit	3,669	6,612	15,930	-1,985	7,558	-49	6,749
d)banking capital (net)	1,373	1,913	11,759	-3,246	2,084	1,045	834
Nonresidential deposit(net)	2,789	4,321	179	4,290	2,924	2,865	2,163
e)Foreign investment(net)	15,528	14,753	43,326	5,758	51,167	30,275	29,137
A)FDI(net)	3,034	7,693	15,893	19,816	18,771	12,330	5,340
B)Portfolio(net)	12,494	7,693	15,893	19,816	18,771	12,330	5,340
f)other flows(net)a	660	4,047	10,847	-4,090	-13,113	-10,058	-9,026
3)Errors and omission	-516	968	1,316	1,067	-1,573	-92	-1,750
4)Over allbalance (b)	15,052	36,606	92,164	-20,080	13,441	9,533	7,030
5)Reserves(increase-/decrease(+))	(-)15,052	(-)36,606	(-)92,164	20,080	(-)13,441	(-)9,533	(-)7,030

Source Reserve bank of India (RBI)

Pr-Partially Revised

P-Preliminary

Includes among others delayed export receipts and rupee debt service & Overall balance includes total current account balance, capital account balance and errors and omissions.

Balance of payments developments during 2009-10 indicate that despite lower also sharp increase in capital flows, which led to accretion in foreign exchange reserves. The current account deficit of 2.8 per cent of the gross domestic product (GDP) in 2009-10 vis-à-vis 2.3 per cent in 2008-09, however remained well within manageable limits. The net capital flows

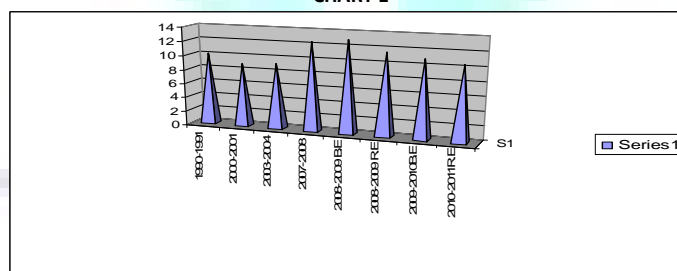
IMPORT SERVICES-CRITICAL ASPECTS

The export in April December 2010 up 29.5 percent import up 19 percent. There are predictions of international economists that the usage of services in labor market, could have unintended side effect within the services sectors. The import services industries are those market sectors that offer transport, telecommunication, and solutions to finance, insurance coverage as well as assistance, which is important to world trade. Portable, global business, there are a few places you can go on the internet to learn about import and export opportunities with reflecting sharper in the import in relation to exports.

TAXATION

The economic slowdown has rigorously scratched the center's tax collections with indirect taxes demeanor the impact .The tax –GDP ratio registered a steady increases from 8.97 percent to 12.56 percent between 2000-2001 and 2009-2010 as show in the figure .But this has reversed as the tax-GDP ratio has fallen to 10.57% during current fiscal year mainly on account of reduction in customs and excise tax due to effect of economic slowdown.

CHART 1



Source: Economic survey, Government of India

CONCLUSION

Financial Globalization while allowing Institution to get benefit from the global capital market. As a global economy goes through a recession, there will be a negative impact on employment growth, redistribution and inequality reduction .Increase in standard of living risks remain higher especially in emerging and development countries Government should use policy tools to ensure that the low –income households do not disproportional bear the costs of economic slowdowns. The effects on financial crisis on the labour market and distribution tend to persist well into the period of economic recovery, therefore it important that the government put in place appropriate social safety nets to help lower income households through the recovery period. In the face of these challenges, we have to remain devoted to providing opportunities for women and men to obtain upright and dynamic work in conditions of liberty, security, and human seamliness, its important for emerging and developing economics have benefits from financial globalization so the solution to the current crisis is not shut doors for foreign capital, especially not as regards long term foreign investment. Such inflow of capital leads to productivity growth and transfer of technology, which is crucial for better labour market outcomes and economic development.

BIBLIOGRAPHY

- Simla S.L.N, Investment management, Vikas Publishing House Pvt.Ltd., New Delhi, 2009.
- Paul .H.Cootner- "Globalization" Random V.S.Systematic Changes Industrial Management Review, Volume iii , No.2,1902.
- Shanmugam R (2000), "Factor Influencing Investment Globalization", Tata McGraw Hill Publishing Company Ltd. New Delhi, pp 256-267.
- Swedroe. E. Larry (2003), "The Successful Investor Today – 14 Simple Truths You Must Know When You Invest", Portfolio Organizer, Nov 2003, pp 71-74.

- Muhesh Khani (2002), "An overview of the Indian System – Issues & Challenges", The Journal of the Indian Institute of Bankers, Vol.73, No.3, July-Sep, pp 30-36.
- Muthuoandi M (2000), "Factors Influencing Investment Decision", Banking Finance, May, pp 6-8.
- Rajarajan V (2000), "Investors Life Styles and Investment Character", Finance India, Vol. XIV, No. 2, June, 465-478.
- Annual report 2009-2010, Reserve Bank of India (2010)
- Macro economic and monetary Developments: first quarter Review 2009-10, Reserve Bank of India(2010)
- Moel A., The Role of American Depository Receipts in the Development of Emerging Stock market and Developments. Economic 2 (1999)
- Levein R and Zervos "stock markets banks and Economic Growth" American Economic Review (1999)
- Atje-Stock market and Development "European Economic Review (1998)
- www.calloptionputoption.com
- www.importexportbusinesscourse.wordpress.com
- www.importexporthomestudy.com
- www.nationalaccountsstatistics
- www.centralstatistical.com
- www.economic survey.com
- www.Reserve Bank India.com



REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mails i.e. **infoijrcm@gmail.com** or **info@ijrcm.org.in** for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

