

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

ijrcm



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., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.

as well as in Open J-Gate, India (link of the same is duly available at Inlibnet of University Grants Commission (U.G.C.))

Registered & Listed at: Index Copernicus Publishers Panel, Poland

Circulated all over the world & Google has verified that scholars of more than 1388 Cities in 138 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.	THE IMMIGRANTS DILEMMA AND HOW THE HUMAN RESOURCE MANAGER COPES WITH THE MIGRATED LOT: A COMPARISON OF UK AND PAKISTANI COMPANIES <i>DR. AMER AL-KASSEM</i>	1
2.	ASSESSING CAUSES AND EFFECTS OF ETHNIC CONFLICT IN WONDGENET WOREDA BETWEEN THE SIDAMA AND GUJI-OROMO PEOPLE <i>DR. BREHANU BORJI AYALEW</i>	5
3.	THE RANKING OF EFFECTIVE FACTORS ON LABOR PRODUCER WOMEN'S ENTREPRENEURSHIP BY TOPSIS (THE CASE OF A PROVINCE IN IRAN) <i>DR. YOUNOS VAKIL ALROAIA & RAHIL KATOLI</i>	10
4.	THE STRATEGIC GAINS OF ORGANIZATIONAL VERTICAL INTEGRATION: A STUDY ON SOME EDUCATIONAL INSTITUTIONS <i>GOLAM MOHAMMAD FORKAN</i>	17
5.	THE IMPACT OF MICRO CREDIT ON WOMEN EMPOWERMENT <i>RATHIRANEYOGENDRARAJAH</i>	22
6.	THE MEDIATING EFFECT OF INTRINSIC MOTIVATION ON PERCEIVED INVESTMENT IN EMPLOYEE DEVELOPMENT AND WORK PERFORMANCE <i>ASIF SHAHZAD, AAMER WAHEED & MUHAMMAD ARSALAN KHAN</i>	27
7.	THE IMPACT OF IMPLEMENTATION OF KNOWLEDGE MANAGEMENT ON THE FINANCIAL PERFORMANCE OF COMPANIES <i>ROYA DARABI & ALIREZA ESLAMPOOR</i>	36
8.	EDUCATED UNEMPLOYMENT PROBLEM IN KARNATAKA: A STUDY <i>DR. RAJNALKAR LAXMAN & AMBANNA MALAKAPPA</i>	42
9.	COMPARATIVELY STUDY OF REAL ORGANIZATION & VIRTUAL ORGANIZATION (STUDY OF SELECTED COMMERCIAL BANK) <i>VIVEK UPRIT & MANGAL MISHRA</i>	46
10.	A STUDY ON MERGERS AND BANKS PERFORMANCE IN INDIA <i>M. VAISHNAVI, DR. S. NIRMALA & V. JEYAKUMAR</i>	51
11.	IMPACT OF MICROFINANCE ON POOR PEOPLE: A STUDY OF LIVING STANDARDS, EMPOWERMENT AND POVERTY ALLEVIATION IN THE DAVANAGERE DISTRICT OF KARNATAKA STATE <i>MANJULA B.G & DR. CHANNABASAVANAGOUDA</i>	56
12.	INDIA'S SPECIAL ECONOMIC ZONES: DEVELOPMENT AND EXPORT PERFORMANCE <i>PRAMOD P. LONARKAR & DR. A. B. DEOGIRIKAR</i>	59
13.	THE RE-VITALIZATION OF KHADI - A NEED OF THE HOUR: A CASE STUDY AT SANGRUR (PUNJAB) <i>RAKESH MISHRA & DR. P. K. JAIN</i>	63
14.	VALIDATION AND EVALUATION OF BURNOUT AMONG NURSES <i>DR. BEJOY JOHN THOMAS & DR. G. S. DAVID SAM JAYAKUMAR</i>	67
15.	'SWADESHI': A TOOL OF ECONOMIC EMPOWERMENT <i>DR. AVIJIT ROYCHOUDHURY</i>	72
16.	WOMEN ENTREPRENEUR THROUGH SHGs: A STUDY IN THOOTHUKUDI DISTRICT <i>C. RATHINAM & DR. K. KAMALAKANNAN</i>	75
17.	A STUDY ON CENTRAL COORDINATED VEGETABLE MARKET IN PARAVAI MADURAI: PROSPECTS AND PROBLEMS WITH SPECIAL REFERENCE TO FARMERS <i>DR. MRS. S. FATIMA ROSALINE MARY & S. P. SAVITHA</i>	79
18.	EMPOWERMENT OF WOMEN AT HOUSE-HOLD LEVEL THROUGH SELF-HELP-GROUPS- A STUDY OF KHORDHA DISTRICT OF THE STATE OF ODISHA, INDIA <i>DR. ANUJA MOHAPATRA</i>	83
19.	ENVIRONMENTAL ASSETS AND LIABILITIES IN ARUNACHAL PRADESH, INDIA: A CRITICAL ASSESSMENT <i>DR. TASI KAYE</i>	88
20.	STUDENTS AND PRIVATISATION OF HIGHER EDUCATION <i>DR. NARINDER TANWAR</i>	92
21.	ECONOMIC DEPENDENCE OF TRIBAL ON FOREST: A CASE STUDY IN THE GANJAM DISTRICT OF ORISSA <i>PADMA LOCHANA BISOI</i>	96
22.	NON – PERFORMING ASSETS IN STATE CO-OPERATIVE BANKS IN INDIA – AN EMPIRICAL STUDY <i>DR. A. DHARMENDRAN</i>	102
23.	GOVERNANCE OF MANAGEMENT EDUCATION IN INDIA: A MYTH OR REALITY? <i>A. LAKSHMANA RAO</i>	107
24.	MODERN DAY WOMEN ENTREPRENEURS OF TAMILNADU – A CASE STUDY <i>S. SHAILAJA</i>	112
25.	PERFORMANCE OF PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME SCHEME IN NAGAPATTINAM DISTRICT <i>S. DHINESHANKAR & DR. S. MAYILVAGANAN</i>	116
26.	WOMEN EMPOWERMENT: A STUDY BASED ON INDEX OF WOMEN EMPOWERMENT IN INDIA <i>N. P. ABDUL AZEEZ & S. M. JAWED AKHTAR</i>	119
27.	WOMEN EMPOWERMENT – BREAKING THE GLASS CEILING <i>ANANDAMMA N.</i>	126
28.	POVERTY AND FOOD SECURITY NEXUS IN INDIA <i>PARVAZE AHMAD LONE & NASEER AHMAD RATHER</i>	129
29.	A STUDY ON THE PERFORMANCE OF DAIRY CO-OPERATIVES IN TAMIL NADU <i>S. MADHESWARAN</i>	133
30.	AN ECONOMIC STUDY ON THE PERFORMANCE OF PRIMARY AGRICULTURAL CO-OPERATIVE BANK <i>P. SANTHOSH KUMAR</i>	137
	REQUEST FOR FEEDBACK	140

CHIEF PATRON**PROF. K. K. AGGARWAL**

Chancellor, Lingaya's University, Delhi
Founder Vice-Chancellor, GuruGobindSinghIndraprasthaUniversity, Delhi
Ex. Pro Vice-Chancellor, GuruJambheshwarUniversity, 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, MaharishiMarkandeshwarUniversity, 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., HaryanaCollege of Technology & Management, Kaithal

PROF. S. L. MAHANDRU

Principal (Retd.), MaharajaAgrasenCollege, 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, MaharishiMarkandeshwarUniversity, Mullana, Ambala, Haryana

EDITORIAL ADVISORY BOARD**DR. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SIKANDER KUMAR

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

PROF. SANJIV MITTAL

UniversitySchool of Management Studies, GuruGobindSinghI. 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, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

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; Management 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, crystal clear, 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>

INDIA'S SPECIAL ECONOMIC ZONES: DEVELOPMENT AND EXPORT PERFORMANCE

PRAMOD P. LONARKAR
ASST. PROFESSOR
SCHOOL OF SOCIAL SCIENCES
S.R.T.M. UNIVERSITY'S SUB-CENTRE
LATUR

DR. A. B. DEOGIRIKAR
PROFESSOR IN ECONOMICS
DR. BABASAHEB AMBEDKAR MARATHWADA UNIVERSITY
AURANGABAD

ABSTRACT

Special Economic Zone policy in India was implemented with many objectives like export promotion, employment generation, earning foreign exchange etc. This paper made an attempt to shed light on the export performance of SEZs. First half of this paper explained the stages of EPZ to SEZ development in India. After fourth stage a brief on fiscal and non-fiscal benefits given to SEZ developers and units are given to focus on the specialty of SEZ policy. Second half of this paper focused on export performance of SEZ for a time series of 18 years followed by zone specific export performance and sector specific performance. By this analysis at first it is found that export of SEZ is increasing in absolute value, it is also found that only few zones and few sectors have fair export performance which raised few questions in concluding remark which opens new window for further research.

KEYWORDS

Export, Central Government (CG) established SEZs, Special Economic Zones (SEZs), Stages of development.

INTRODUCTION

Many countries such as Hong Kong, Taiwan, Malaysia, Indonesia and South Korea adopted the model of export oriented economic growth in the 1960s along with creation of special export oriented facilities such as Free Trade Zone (FTZ), Export Processing Zones (EPZ) where as world's first export zone was set up in Ireland in 1958. Seven years after, Indian government set up its first EPZ at Kandla (Gujarat) in 1965 which was also the first in Asia. It was followed by the Santacruz export processing zone followed by five other public sector zones at Noida (Uttar Pradesh), Falta (West Bengal), Cochin (Kerala), Chennai (Tamil Nadu) and Visakhapatnam (Andhra Pradesh). In 1998 a private sector EPZ became operational at Surat (Gujarat). After implementation of SEZ policy all public sector EPZs are converted into Special Economic Zones (SEZ). SEZs are recognized as an important mechanism for trade and investment promotion, creation of infrastructure, employment generation, promotion of regional development, increase in foreign exchange earnings, improving export competitiveness and transfer of skills and technology. The basic objective of setting up EPZs/SEZs in India is to promote exports and foreign exchange earnings.

WHAT IS EPZ AND SEZ

EPZ or Export Processing Zone is that whose economic laws are different from the laws of country but they are designed to help the manufacturing companies that are exporting their entire production. EPZ has the sole aim to produce goods for export. The manufacturing units are given tax holiday for a fixed period of time so as to make the product competitive in the international market.

SEZ or Special Economic Zone is an area in a country that is selected by the government for its development. This area has economical laws completely different from the laws of the country. These laws are made in such a manner so that they are business friendly to attract people to set up manufacturing, trading or service establishments. The establishments in SEZ can be established by foreign or native investments and the products can be sent exported or sold within the country.

OBJECTIVES OF THE STUDY

- 1) To know the stages of development of exporting zones
- 2) To find the export performance of EPZs/SEZs
- 3) To find the export performance of Government established SEZs.

METHODOLOGY

Considering the above objectives this paper has used published research papers, working papers and reports for literature review and to find out the stages of development of EPZs/SEZs. To find out the export performance of EPZs/SEZs secondary data is used which is collected from various government reports, books, research articles and web-sights providing data. Instead of using any statistical techniques the export performance is shown by graphical presentation.

STAGES OF EPZ/SEZ DEVELOPMENT IN INDIA

In India there are four stages of development of these exporting Zones¹ which starts after 1960 and reaches at the beginning of SEZ policy instrument.

STAGE 1st

The first stage started with the establishment of Kandla EPZ (KFTZ) in 1965 which was India's as well as world's first EPZ. This was followed by Santacruz Electronics Export Processing Zone (SEEPZ) which was set up at Mumbai in 1974. At this stage, there was no clarity of objectives for setting up these zones KFTZ was primarily meant for the development of Kutch area. SEEPZ was established for manufacture of electronics. Later on Gems and Jewellery added to it. The Government of India appointed three committees to review the working of these zones. Kaul Committee (1978) to review KFTZ, Review Committee on Electronics in 1979 for the review of SEEPZ. Finally, Tondon Committee (1980) reviewed both the zones. Tondon committee called for establishment of additional EPZs for expansion of India's exports.

STAGE 2nd

Second stage starts from 1984 because as per the Tondon Committee's report four new EPZs were established between 1984 and 1987 at Noida, Falta, Cochin and Chennai. Visakhapatnam EPZ in Andhra Pradesh was established in 1989. Thus, this phase witnessed the establishment of 5 zones.

STAGE 3rd

Third stage starts with the reform in India since 1991. Government took several initiatives for revamping EPZ policy. During the period of ten years, about 146 circulars were issued by Central Board of Excise and Customs, DGFT and RBI for relaxation of controls and simplification of procedures relating to operation of

EPZs and Export oriented units (EOU). The scope and coverage of EPZs/EOU scheme was also enlarged in 1992 by permitting agriculture, horticulture and aquaculture sector units. Later on trading, re-engineering and reconditioning units were also included under the scheme.

STAGE 4th

This stage is an important stage of policy reform for the development of Indian export zones. After looking a massive export growth of China the EXIM policy of India for 1997-2002 came up with the concept of Special Economic Zone (SEZ). This concept provided additional benefits to EPZs like extra tax incentives, freedom for work, enhanced infrastructure etc. With this policy change, all the existing EPZs have been converted into SEZs in two phases, year 2000 and 2004 respectively.

FISCAL AND NON-FISCAL BENEFITS GIVEN TO SEZ DEVELOPERS AND UNITS²

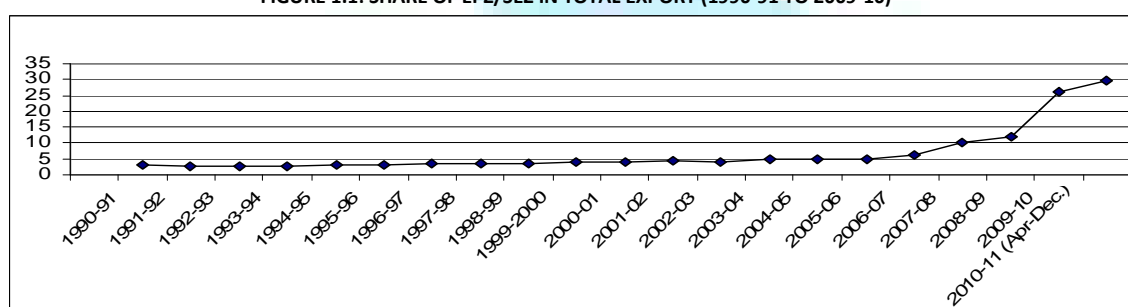
- i. 100% income tax exemption for a block of five years and an additional 50% tax exemption for two years thereafter
- ii. 100% FDI in the manufacturing sector permitted through automatic route, barring a few sectors.
- iii. External commercial borrowings by SEZ units upto US\$500 million in a year without any maturity restrictions through recognized banking channels.
- iv. Facility to retain 100% foreign exchange receipts in Exchange Earners' Foreign Currency Account.
- v. 100% FDI permitted to SEZ franchisee in providing basic telephone services in SEZs.
- vi. No cap on foreign investment for small scale sector reserved items.
- vii. Exemption from industrial licensing requirements for items reserved for the SSI sector.
- viii. No import licence requirements
- ix. Exemption from customs duties on import of capital goods, raw materials, consumables, spares etc
- x. Exemption from Central Excise duties on procurement of capital goods, raw materials, consumable spares etc., from the domestic market.
- xi. No routine examinations by Customs for export and import cargo.
- xii. Facility to realize and repatriate export proceeds within 12 months.
- xiii. Profits allowed to be repatriated without any dividend-balancing requirement.
- xiv. Job work on behalf of domestic exporters for direct export allowed.
- xv. Subcontracting both domestic and international is permitted; this facility is available to jewellery units as well.
- xvi. Exemption from Central Sales Tax and Service Tax

EXPORT PERFORMANCE OF INDIAN EPZs/SEZs

SHARE OF EPZs/SEZs IN TOTAL EXPORT OF COUNTRY

This paper provides summary information on EPZ/SEZ exports across the study period of 18 years. It shows that while EPZ exports in absolute terms increased phenomenally across the 18 years. In 1990-91 it was 986.66 crores followed by 6707.9 crore in 1999-2000 further it has increased to 66638 crore (Refer Annexure A). Figure 1.1 shows that the share of EPZ export in countries export was 2 to 3 percent but after the inclusion of SEZ scheme (as per EXIM policy) share of SEZ/EPZ has remained more than 4 percent.

FIGURE 1.1: SHARE OF EPZ/SEZ IN TOTAL EXPORT (1990-91 TO 2009-10)

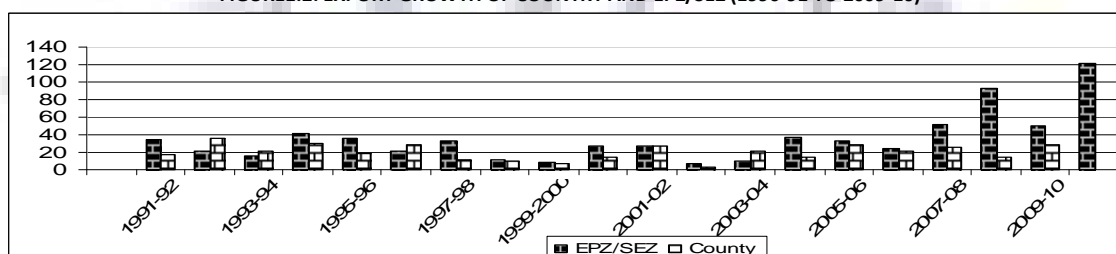


Source: Data compiled from RBI Hand Book, web sight indiastat.com and Ministry of commerce and The performance of India's export processing zones - Kundra, A. (2000).

EXPORT GROWTH OVER LAST YEAR FOR INDIA AND EPZs/SEZs

EPZ/SEZ export has increased in India in absolute values it seems impressive. Was it a natural rate of growth? To address this question we analyzed the export growth of EPZs/SEZs and export growth of country over last year. It is interesting to note from this analysis that except four years from 1990-91 to 2007-08 all other years shows greater export growth of EPZs/SEZs over last year than India's total export. It is also important to note that in some years export growth of the zones is more than double than countries export growth (Refer figure 1.2).

FIGURE 1.2: EXPORT GROWTH OF COUNTRY AND EPZ/SEZ (1990-91 TO 2009-10)

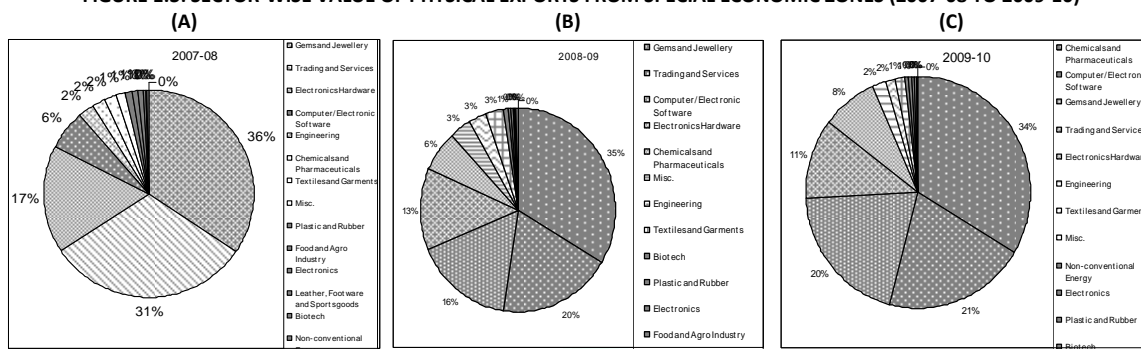


Source: Data compiled from RBI Hand Book, web sight indiastat.com and Ministry of commerce and 'The performance of India's export processing zones' - Kundra, A. (2000).

SECTOR-WISE VALUE OF PHYSICAL EXPORTS FROM SPECIAL ECONOMIC ZONES OF INDIA

Figure 1.4 provides a view of the sectoral patterns of EPZ/SEZ exports. In the 2007-08, Gems and Jewellery sector accounted for the largest share (36%) in exports followed by Trading and Services and Electronics hardware in that order with 31 and 17 percent share. By the late 2008-09, the share of Electronics hardware started declining and it went on third position. Gems & jewellery and Trading & services remained on first and second position respectively. In 2009-10 Chemicals and Pharmaceuticals took first position with 34 percent share followed by computer/Electronic software (21%) and Gems and jewellery (20%). Trading and services went on fourth position with 11%. Other sectors namely Engineering, Textiles and Garments, Non-conventional Energy, Electronics, Plastic and Rubber, Biotech, Leather, Footware and Sports goods, Food and Agro Industry and Handicraft comprises very little share in EPZ/SEZ exports.

FIGURE 1.3: SECTOR-WISE VALUE OF PHYSICAL EXPORTS FROM SPECIAL ECONOMIC ZONES (2007-08 TO 2009-10)

Source: Data compiled from the web sight <http://www.indiastat.com>**CENTRAL GOVERNMENT ESTABLISHED SEZs****SUMMARY OF PHYSICAL EXPORT FROM SEZs: BY CATEGORY**

SEZs can be categorized on the basis of their establishment as Central Government (CG) SEZs, State govt/pvt. SEZs prior SEZ Act 2005 and SEZs notified under this Act. The export from this category of zones shows 20.26 percent export from central government established SEZs during 2009-10. These zones are namely Kandla SEZ, SEEPZ SEZ, Noida SEZ, MEPZ SEZ, Cochin SEZ, Falta SEZ and Visakhapatnam SEZ.

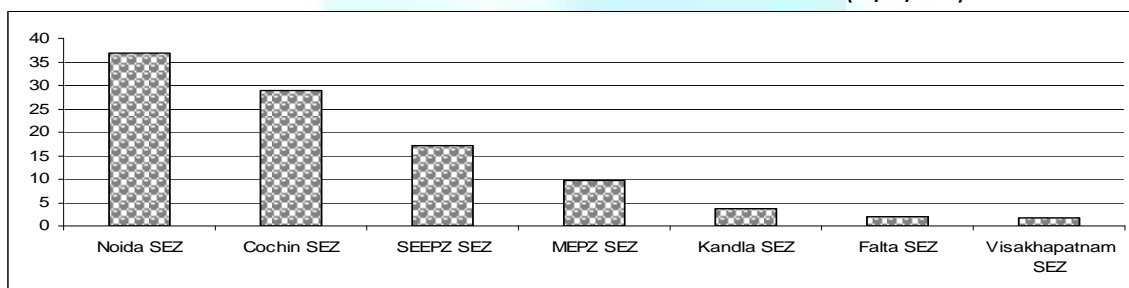
TABLE 1.1: SUMMARY OF PHYSICAL EXPORT FROM SEZs DURING 2009-10

Zone established by	Export in Rs crores	Percentage
Central Govt. SEZs	58036.86	26.30
State Govt/pvt. SEZs established prior to SEZ Act, 2005	44728.93	20.26
SEZs notified under SEZ Act, 2005	117945.6	53.44
Total	220711.39	

Source: Data compiled from the web sight <http://www.indiastat.com>**EXPORT PERFORMANCE OF CENTRAL GOVERNMENT ESTABLISHED SEZs**

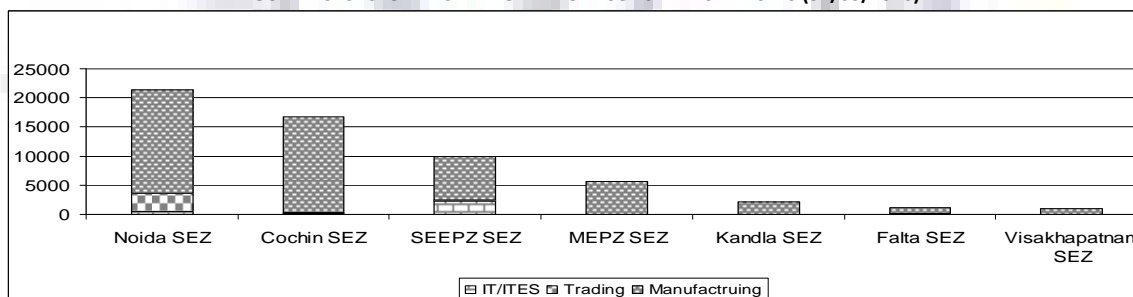
Of the operational seven CG established Special Economic Zones only two SEEPZ and Noida SEZ have well in their export performance. SEEPZ has contributed more than 40% in total export of public sector zones since 2003-04 to 2006-07 where as Noida contributed between 12 to 31 percent. Though Kandla zone got fame for its old establishment but it has contributed only 6 to 8 percent during this period. Other public sector zones like Madras SEZ, Cochin SEZ, Falta SEZ and Visakhapatnam SEZ have very little export performance and contributing only 2 to 10 percent in total export of these seven zones. Recently data available on www.sezindia.gov.in shows that as on 31/03/2010 Noida SEZ contributed around 37% of the total export from CG established SEZs, followed by CSEZ (29%), SEEPZ (17%) and MEPZ (10%).

FIGURE 1.4: EXPORT FROM SEZs ESTABLISHED BY CENTRAL GOVERNMENT (31/03/2010)

Source: Data compiled from the web sight www.sezindia.gov.in

Sector wise distribution of export from CG established SEZ shows that share of manufacturing export is very large for each zone. Export from trading is on second number where as IT/ITES stands on third number. (Ref. Figure 1.5).

FIGURE 1.5: SECTOR WISE EXPORT FROM CG ESTABLISHED SEZs (31/03/2010)

Source: Data compiled from the web sight www.sezindia.gov.in**CONCLUSION**

The India's Special economic or export zones have gone through four stages of development where in fourth (not last) stage abundant fiscal and non fiscal incentives are given. But by the above analysis there are four concluding remarks for export performance of EPZs/SEZs. At first it can be concluded that export performance of Special Economic Zones is fair and accounted for nearly more than 4 percent of the total export from the India than that of 2 to 3 percent before the SEZ scheme. Exports have increased over a time in absolute value and good export growth over a last year than countries export growth. But considering the Fiscal and non-fiscal benefits given to SEZ developers and units is it a satisfactory export performance? This question opens new window for further research. Second it is observed that among the seven public sector zones export performance is centered to only SEEPZ and Noida SEZ. So again there is a question on the

zone specific export performance. Third, sector-wise export performance is concentrated to five sectors (only). They are namely Gems and Jewellery, Chemicals and Pharmaceuticals, Trading and Services, Computer/Electronic software and Electronics hardware. Can this few sector specific performance face the market risks? So there is still long way for the better export performance of Special Economic Zones.

REFERENCES

1. L.B. Singhal (October-December 2005)- Evolution and Performance of Indian EPZs/SEZs- Journal Foreign Trade Review, vol. XL p(3).
2. Special Economic Zone Act 23rd June 2005- Government of India and compiled from various research papers.
3. Agarwal, A. (2004).Export processing zones- Analysis of the export performance. ICRIER, working paper-148.
4. Kundra, A. (2000). The performance of India's export processing zones: A comparison with Chinese approach.: Sage publication. New Delhi.
5. L. Lakshmanan June 2009 Evolution of Special Economic Zones and some Issues: The Indian Experience :Department of Economic Analysis and Policy, RBI
6. <http://www.indiastat.com/table/industries/18/industrialparksspecialzoneeconomiczonessez> Received on 6/6/2011.
7. <http://www.indiastat.com/table/foreigntrade/12/foreigntrade/107/277189/data.aspx> Received on 6/6/2011.

ANNEXURE

ANNEXURE – A: ABSOLUTE EXPORT OF EPZ/SEZ AND INDIA, SHARE OF EPZ/SEZ IN COUNTRY'S EXPORT, GROWTH OVER LAST YEAR FOR BOTH. (1990-91 TO 2007-08)

Year	Export from EPZ/SEZ (Rs in Crore)	Export from Country (Rs in Crore)	Share of EPZ/SEZ in total export	Growth of EPZ/SEZ export over last year	Growth of county's export over last year
1990-91	986.66	32557.6	3.03	33.74	17.71
1991-92	1192.08	44041.8	2.70	20.81	35.27
1992-93	1379.59	53688.3	2.56	15.72	21.90
1993-94	1959.91	69751.4	2.80	42.06	29.91
1994-95	2658.06	82674.1	3.21	35.62	18.52
1995-96	3235.62	106353.3	3.04	21.72	28.64
1996-97	4309.09	118817.1	3.62	33.17	11.71
1997-98	4809.2	130100.6	3.69	11.60	9.49
1998-99	5252.5	139753.1	3.75	9.21	7.41
1999-2000	6707.9	159561.4	4.20	27.70	14.17
2000-01	8552.3	203571	4.20	27.49	27.58
2001-02	9189.55	209018	4.39	7.45	2.67
2002-03	10056.62	255137.3	3.94	9.43	22.06
2003-04	13853.58	293366.8	4.72	37.75	14.98
2004-05	18314	375339.5	4.87	32.19	27.94
2005-06	22840	456417.9	5.00	24.71	21.60
2006-07	34615	571779.3	6.05	51.55	25.27
2007-08	66638	655863.5	10.16	92.51	14.70
2008-09	99689	840755	11.85	49.6	28.2
2009-10	220711	845534	26.10	121.4	0.6
2010-11 (April-Sept. 2010)*	2,23,132	-	-	47	-

* Provisional

Source: Data compiled from RBI Hand Book, web sight indiastat.com and Ministry of commerce and The performance of India's export processing zones - Kundra, A. (2000).

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics and 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

