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INTRODUCTION

REVIEW OF LITERATURE

NEED/IMPORTANCE OF THE STUDY

STATEMENT OF THE PROBLEM

OBJECTIVES

HYPOTHESIS (ES)

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

LIMITATIONS

SCOPE FOR FURTHER RESEARCH

REFERENCES

APPENDIX/ANNEXURE

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BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.

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UNPUBLISHED DISSERTATIONS

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

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COST AND RETURN ANALYSIS OF PADDY UNDER ORGANIC FARMING

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ABSTRACT
Organic farming uses fertilizers and pesticides but excludes or strictly limits the use of manufactured synthetic fertilizers, pesticides which include herbicides, insecticides and fungicides, plant growth regulators such as livestock antibiotics, food additives, genetically modified organisms and nano material. Currently, India ranks 10th among the top ten countries in terms of cultivable land under organic certification. The certified area includes 15% cultivable area with 0.72 million Hectare and rest 85% (3.99 million Hectare) is forest and wild area for collection of minor forest produces. The total area under organic certification is 4.72 million Hectare (2013-14). With its widening scope it becomes necessary to know its costs and return to have a clear approach towards organic farming and its commercial viability. Against this backdrop, the present study analyses the cost of cultivation of Paddy under organic farming in Tirunelveli district and its profitability.

KEYWORDS
cost, organic paddy, returns.

INTRODUCTION
rganic Farming is a form of agriculture that relies on techniques such as crop rotation, green manure, compost and biological pest control to maintain soil productivity and control pest on a farm. Organic farming uses fertilizers and pesticides but excludes or strictly limits the use of manufactured synthetic fertilizers, pesticides which include herbicides, insecticides and fungicides, plant growth regulators such as livestock antibiotics, food additives, genetically modified organisms and nano material. Currently, India ranks 10th among the top ten countries in terms of cultivable land under organic certification. The certified area includes 15% cultivable area with 0.72 million Hectare and rest 85% (3.99 million Hectare) is forest and wild area for collection of minor forest produces. The total area under organic certification is 4.72 million Hectare (2013-14).

With its widening scope it becomes necessary to know its costs and return to have a clear approach towards organic farming and its commercial viability. Against this backdrop, the present study analyses the cost of cultivation of Paddy under organic farming in Tirunelveli district and its profitability analysis.

OBJECTIVES
❖ To analyse the average annual cost of production of paddy under organic farming in Tirunelveli district.
❖ To present the profitability analysis of organic paddy cultivation.

METHODOLOGY
The present study is confined to Tirunelveli District. The present study is both descriptive and analytical in nature. The farmers who are practicing organic farming were identified by using "Snow-ball" sampling technique. Likewise, a sample of 300 farmers were chosen by using the technique throughout Tirunelveli district, who form part of the sample size of the study. The farmers with less than 5 acres of land and having less than 3 years of organic farming experience were grouped as small farmers**.** The farmers possessing five or more acres and having organic farming experience of three or more years were grouped as medium farmers.

The present study is based on both primary and secondary data. The primary data were collected with help of a well- structured and pre- tested interview schedule by adopting personal interview method. The secondary data were collected from articles published in various reputed research journals, books, periodicals and websites.

MATERIALS AND METHODS
COST OF CULTIVATION OF PADDY UNDER ORGANIC FARMING
The average annual cost of production of Paddy under Organic cultivation for small and medium farmers per acre was worked out and the results are presented in Table 1:

TABLE 1: ITEM WISE ANNUAL PRODUCTION OF PADDY UNDER ORGANIC CULTIVATION

S.No	Particulars	Classification of Farm			
		Small Rs/Acre	**Percentage**	**Medium Rs/Acre**	**Percentage**
A.	**Variable Cost**				
1.	Seed and seed Materials	252.54	0.70	250.00	0.79
2.	Human labour	12000.00	33.19	9685.00	30.49
	a. Family Labour	998.40	2.76	574.15	1.81
	b. Hired labour	11001.60	30.43	9110.85	28.68
3.	Tractor power &Bullock power	3122.77	8.64	2603.50	8.20
4.	Panchagavya	643.31	1.78	453.13	1.43
5.	Amirta karaisal	289.70	0.80	206.25	0.65
6.	Farmyard Manure	1964.62	5.43	1942.97	6.12
7.	Vermicompost	4500.00	12.45	4009.32	12.62
8.	Bone meal/fish meal	327.93	0.91	308.44	0.97
9.	Cost of irrigation	2828.13	7.82	2489.55	7.84
10.	Bio-pesticide	390.47	1.08	373.44	1.18
11.	Interest on working capital	986.98	2.73	837.06	2.63
12.	**Total Operating Cost(A)**	27306.45	75.54	23158.66	72.90
B	**Fixed Cost**				
13.	Land revenue	12.00	0.03	12.00	0.04
14.	Rental Value of Owned Land	7500.00	20.75	7500.00	23.61
15.	Depreciation	749.73	2.07	574.04	1.81
16.	Interest on fixed capital	581.91	1.61	523.54	1.65
17.	**Total Fixed Cost(B)**	8843.65	24.46	8609.57	27.10
18.	**Total Cost (A+B)**	36150.10	100.00	31768.23	100.00

Source: Compiled from Primary data

It could be observed from the table that the cost of production of Paddy under organic cultivation worked out Rs. 36150.10 per acre in the case of small farmers and Rs.31768.23 per acre in the case of medium farmers.

The total operational costs were worked out at Rs. 27306.45 and Rs.23158.66 respectively for small and medium farmers. In other words, the share of operational cost to total cost was 75.54 per cent in the case of small farmers and 72.90 per cent in the case of medium farmers. The contribution of fixed cost to total cost of production was Rs. 8843.65(24.46%) and Rs.8609.57(27.10%) for small and medium farmers respectively.

In the case of small farmers, among operational costs, human labour accounted for the maximum share of Rs.12000.00(33.19%) followed by cost of the Vermicompost Rs.4500(12.45%) and cost of the tractor power and bullock power Rs.3122.77(8.64%). The cost of irrigation and cost of manure was estimated Rs. 2828.13(7.82%) and Rs. 1964.62 (5.43%) respectively for per acre production. Besides that, interest on working capital (2.73%), cost of panchakavya (1.78%), cost of bio pesticides (1.08%) and cost of amirtha karaisal (0.80%) are the other significant costs included in total variable cost.

In the case of medium farmers, among operational costs human labour accounted for the maximum share of Rs. 9685.00(30.49%) followed by cost of the vermicompost Rs.4009.32(12.62%) and cost of the tractor power and bullock power Rs.2603.50(8.20%). The cost of irrigation and cost of farm yard manure was estimated Rs. 2489.55(7.84%) and Rs.1942.97(6.12%) respectively for per acre production. Besides that, interest on working capital (2.63%), cost of panchagavya (1.43%), cost of bio-pesticides (1.18%) and cost of amirtha karaisal (0.65%) are the other significant cost included in total variable cost.

Among the fixed cost components, the rental value of owned land constituted the major share of Rs.7500 both in the case of small farmers (to whom it is accounted for 20.75% in total cost) and medium farmers (23.61%).

Share of interest on fixed capital was 1.61 per cent in the case of small farmers and 1.65 percent in the case of medium farmers, both of them were little lower than the share of depreciation on total cost. The share of depreciation for small farmers was 2.07 per cent and for medium farmers it was 1.81 per cent.

From the above analysis, it could be inferred that the variable cost was more than the fixed cost in both the cases of farmers. In the case of medium farmers, the percentage share of variable cost was lower than that of other category. It might be due to efficient utilization of resources and comparatively larger area of cultivation. It is also observed from the table that the total cost was also lower for medium farmers which indicate that they are conscious of the economic methods of cultivation and are enjoying the advantage of large scale of operation.

PROFITABILITY ANALYSIS

The gross returns and the net profit were computed for the sample farmers and the results were analyzed. The gross returns and net profit of Paddy under organic cultivation per acre in Tirunelveli district were estimated. The results are presented in Table:2

TABLE 2: STATEMENT OF INCOME IN PADDY UNDER ORGANIC CULTIVATION (acre/annum)

S.No	Particulars	Small farmers (Rs.)	Medium farmers (Rs.)
1.	Gross sales	78726.65	88324.67
2.	Less: Marketing Cost	18386.00	19626.62
3.	Gross returns	60340.64	68698.05
4.	Less:Variable cost	27306.45	23158.66
5.	Contribution	33034.19	45539.39
6.	Less:Fixed cost	8843.65	8609.57
7.	Net profit	24190.54	36939.81
8.	Net profit ratio	40.09%	53.76%

Source: Computed data

It could be observed from Table:2 that the gross returns worked out was Rs. 60340.64 per acre in the case of small farmers and it was Rs.68698.05 per acre in the case of medium farmers. The gross return was computed by deducting marketing cost incurred by the farmers from the sale proceeds of Paddy produced under organic cultivation. The contribution was worked out Rs.33034.19 per acre and Rs.45539.39 per acre respectively for small and medium farmers when the variable cost was deducted from the gross returns.

The net profit derived by reducing fixed cost from the contribution amounted to Rs.24190.54 per acre is the cost of small farmers and it was Rs.36939.81 per acre in the case of medium farmers. The net profit ratio indicates that the producers' margin was 40.09 per cent in the case of small farmers and 53.76 per cent in the case of medium farmers.

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RESULTS AND DISCUSSION

- The analysis of cost of cultivation of paddy under organic farming indicates the variable cost was more than the fixed cost in both the groups of farmers. However, the medium farmers enjoyed more a favourable position than that of their small category counterparts as they incurred a lesser percentage of variable costs resulting to lower cost of production. This may be due to efficient utilization of available resources and advantage of larger scale operation.
- The profitability analysis indicates that in the Tirunelveli region the organic paddy producers' margin was 40.09 per cent in the case of small farmers and 53.76 per cent in the case of medium farmers, which clearly shows that the medium farmers are reaping the benefit more than the small farmers, however the return of the small farmers also seems to be profitable.

CONCLUSION

Costs and return structure of organic paddy cultivation gives an insight into commercial viability of organic farming. Organic products have been increasingly conquering the market for the past five years, during which the sales crossed billions worldwide. With necessary initiatives, it is hoped that the market will further expand both to tapped and untapped sectors.

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A MONTE CARLO RISK ANALYSIS OF THE REAL TIME GROSS SETTLEMENT SYSTEM OF FUND TRANSFER IN ZAMBIA

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ABSTRACT

Risk analysis is a concept that has attracted many researchers and practitioners in both business and project management fields. This is because both businesses and projects aim at avoiding and or minimising losses while maximising gains. This view was adopted when undertaking the current study whose aim was to perform a risk analysis of risks associated with the Real Time Gross Settlement System (RTGS) operated by the Bank of Zambia. The RTGS System is a money transfer system intended to transfer funds safely, quickly and conveniently but the implementation approach in Zambia was done without a comprehensive risk analysis. It is against this background that the researchers undertook to simulate the risks of the RTGS in order to classify risks according to severity on business transactions. Literature relevant to answer the research questions was reviewed. The research design used was descriptive and explorative in which semi structured questionnaires were used to collect data. Responses from users of the RTGS were coded and used to generate descriptive statistics which were in turn used as entry parameters prior to simulation. The simulation outputs revealed that fraud, liquidity, human, settlement, replacement and systematic risks were high risks. High risk meant that they are highly likely to occur with very severe consequences. On the other hand, legal, credit, fire, technology, hacking and operation risks were found to be medium risks. They can occur in as much as they cannot and the consequences range from sever to bearable. Lastly, the only low risk was found to be theft risk. This implies that the chance of losing money through theft when using the RTGS is negligible. Finally, the research has revealed that the RTGS system is not a risk free facility and can yield catastrophic consequences to the business transactions.

KEYWORDS
risk, rtgs, simulation, fund, monte carlo.

INTRODUCTION

R isk management (RM) is in use in almost all industries, from IT related business, automobile or pharmaceutical industry, the construction sector to the banking sector. Each industry has developed their own risk management standards, but the general ideas of the concept usually remain the same regardless of the sector. According to the Project Management Institute (PMI) (2004), project risk management is one of the nine most critical parts of project commissioning. This indicates a strong relationship between managing risks and project success. While risk management is described as the most difficult area within construction management (Winch, 2002; Potts 2008), its application is promoted in all projects in order to avoid negative consequences (Potts, 2008). Risk management uses the risk management process (RMP) to identify analyse and respond to risks (Cooper et al., 2005). In each of these steps, there are a number of methods and techniques which facilitate handling the risks.

The industry at issue, the banking industry, operates in a very uncertain environment where conditions can change due to the sensitivity of each operation (Sanvido et al., 1992), and yet the industry aims at becoming successful therefore risk management can facilitate this aim. However, it should be underlined that risk management is not a tool which ensures success but rather a tool which helps to increase the probability of achieving success. Risk management is therefore a proactive rather than a reactive concept. Many previous studies (Klemetti, 2006; Lyons and Skitmore, 2004; Zou et al. 2006) have been conducted within the field of risk management but each presents a different approach to this study. This work focuses on the banking sector and particularly the newly introduced Real Time Gross Settlement system for funds transfer in Zambia.

The current study seeks to analyse the risk associated with the Real Time Gross Settlement system of money transfer in Zambia. The system is based on real time money transfer whereby the recipient receives the money just after the transfer command no matter the location of the recipient. The system is information technology (IT) based and is therefore susceptible to risks. Common risks suffered by the system include credit risk, technology failure risk, liquidity risk and operation risk.

The computerization of the workplace and the levels of IT dependency that now exist means the risks associated with the failure of IT systems owe one of the most potent sources of operational risk within any organization (Kremljak and Kafol, 2014).

It is important therefore that risk analysis is conducted and mitigation measures highlighted in the risk register to guarantee business operations. The risk analysis that produces a risk register as an output is the methodology that will be mimicked in the current paper.

Risk analysis, or 'probabilistic simulation' based on the Monte-Carlo simulation technique is a methodology by which the uncertainty encompassing the main variables projected in a forecasting model is processed in order to estimate the impact of risk on the projected results (Glenday, 1989). It is a technique by which a mathematical model is subjected to a number of simulation runs, usually with the aid of a computer. During this process, successive scenarios are built up using input values for the project's key uncertain variables which are selected at random from multi-value probability distributions (Pouliquen, 1970). The current research will adopt this analytical approach to analyse the risks associated with the Real Time Gross Settlement system to produce a risk profile and risk register

THE REAL TIME GROSS SETTLEMENT SYSTEM (RTGS)

The Real Time Gross Settlement Systems offer a rich set of banking-related services that provide value throughout the financial and real sectors of the economy. Bank and non-bank financial institutions, commercial and industrial firms, and even individuals benefit from use of RTGS services. The terms and conditions under which access to RTGS services is granted have an important bearing on how effectively and efficiently an RTGS system supports the financial and real sectors of the economy. Moreover, the terms of access affect the abilities of the providers and users of RTGS services to manage their payment system risks.

The Real Time Gross Settlement System (RTGS) is a system of fund transfer where transfer of money takes place from one bank to another on a real time and gross basis. Settlement in real time system means payment transaction is not subjected to any waiting period. The transaction is settled as soon as it is processed. The transaction is settled on one to one basis without netting with any other transaction. Once processed, payments are final and irrevocable and this makes the system liable to loss hence risky. The principal goals of the international central banking community in offering RTGS services are to increase safety and efficiency in systemically important payment systems, thereby serving the wider objectives of large-value payment systems across the financial markets and the real economy (Allsopp, et at., 2008).

The World Bank Group (2008) surveyed 142 central banks about their national payment systems. The survey included questions about national large-value and RTGS systems, and also about settlement arrangements for securities and foreign exchange that rely on RTGS systems for final settlement. The central bank respondents indicated that an RTGS is a feature of their national payment systems in 112 of the 142 cases. The central bank is the settlement authority for every RTGS system, and the RTGS system is operated by the central bank in 108 cases. Some countries share RTGS platforms and altogether the survey identified 98 distinct systems. The survey results suggest that central bank operational principles and practices vary greatly across these systems in the areas of access, liquidity and credit, and costing and pricing and this variation is another source of risk (Allsopp, *et at.*, 2008).

The analysis of risk in this paper will focus on settlement accounts only and the risks will be analysed using a risk profile generated from the probability of occurrence and impact after occurrence outputting a risk register. This will be determined from the mean, variance, standard deviation, skew and kurtosis of both occurrence and impact.

This is consistent with Allsopp, et al. (2008) who argued that both the IMF review and the Bank of England response focus only on credit risk to the correspondent banks acting as direct access settlement participants on behalf of their respondent bank indirect access participants. This one directional view is presumably motivated by the concern with systemic risk caused by the failure of large financial institutions, a concern which underlies the British Standard Institute (BIS) core principles. There is, however, another type of systemic credit and liquidity risk that posed to the respondent banks through the failure of a large, direct access settlement participant. An unasked "what if" question concerns the implications of broadly transmitted credit and/or liquidity risk from one or more direct access participants to the population of respondent banks and other indirect access participants such as clearing organizations and investment banks.

This type of risk is illustrated by the 1974 failure of Continental Illinois National Bank in the United States. Continental served as a large correspondent bank and gateway to the interbank payment system, and a major financial stability consideration at the time of its failure and intervention by bank regulatory authorities was concerned about the financial standing of the large network of respondent banks.

STUDY OBJECTIVES

The problem in this study is that risks associated with operating the Real Time Gross System in Zambia have not been analysed and documented. This implies that customers make uninformed decisions when using the system because no risk register is available to take calculated risks when using the system. Further, Allsopp (2008) argues that the RTGS is a single point of failure across the entire financial system, in that participants face liquidity impacts from all of their links, as well as settlement links to clearing houses and other elements of financial markets infrastructures, sometimes in multiple countries and currencies simultaneously. In as much as the system is important for easy and fast business transactions, the systems possess inherent and external risks with great potential for huge losses should the risks materialize. The World Bank survey of 2007, revealed risks such as credit and liquidity which are linked to the transmitters of the funds but did not analyse in detail the risks specific and internal to the system. Therefore, there is inadequacy coverage of risks directly linked to the system and risks external to the system and this is what the current study seeks to analyse. This analysis is based on the objective of ascertaining the risk profile of RTGS system in Zambia and determining the risk classification of the RTGS risks in Zambia

LITERATURE REVIEW

INTRODUCTION

This chapter reviews literature relevant to the study. Research interest relating to risk analysis will be discussed within the connotation of the current study. The chapter will present an overview of risk analysis and keep developing the literature around risk analysis with particular focus on the money transfer system.

RISK ANALYSIS

Over the last decades, risk analysis and corporate risk management activities have become very important elements for both financial as well as non-financial corporations. Firms are exposed to different sources of risk, which can be divided into operational risks and financial risks.

In the field of safety and health, risk is linked with possible hazards and dangers, while in finance it is a technical matter of unpredictability in expected outcomes, both negative and positive. In other businesses and political settings, risk is closely associated with the spirit of enterprise and value creation (Power, 2007, p.3).

In today's business, nearly all decisions are taken purely on a financial consequences basis. Business leaders need to understand and know whether the returns on a project justify taking risks, and the extent of these consequences (losses) if the risks do materialize. Investors, on the other hand, need some indication of whether the returns on an investment meet their minimum returns if the investment is fully exposed to the risks identified. Merna (2002) suggests: "we are at a unique point in the market where players are starting to recognize that risks need to be quantified and that information about these projects needs to be made available to all participants in the transaction."

Therefore, identifying risks and quantifying them in relation to the returns of a project is important. Additionally, by knowing the full extent of their gains and/or losses, business leaders and investors can then decide whether to sanction or cancel an investment or project.

Rowe (1977) defines risk as 'The potential for unwanted negative consequences of an event or activity' whilst many authors define risk as 'A measure of the probability and the severity of adverse effects'. Rescher (1983) explains that 'Risk is the chancing of a negative outcome. To measure risk, we must accordingly measure both its defining components, and the chance of negativity'. The way in which these measurements must be combined is described by Gratt (1987) as 'estimation of risk is usually based on the expected result of the conditional probability of the event occurring times the consequences of the event given that it has occurred' Analysis and assessment of risks provides a systematic approach for evaluating the risks that stakeholders identify.

The purpose of risk analysis is to determine the likelihood of occurrence of each identified risks and its impact on the project so as to plan for the appropriate response (Marchewka, 2003, p.179)." According to Passenheim (2009, p. 83), "risk analysis covers a complete and continuous evaluation which should be qualitative as well as quantitative for all identified risks. Its goal is to detect possible interrelationships and enables the project manager to identify some order of importance or prioritization."

Risk analysis can be qualitative based on subjective assessment using experience or intuition. Quantitative analysis on the other hand is based on mathematical and statistical techniques that allow to model a respective risk situation. However, "quantitative techniques operate around some probability rule of the thumb (Marchewka, 2003, p. 200)."

Each approach has its own strengths and weaknesses when dealing with risk and uncertainty but a combination of qualitative and quantitative methods provides valuable insight when performing risk analysis and assessment. However, Passenheim (2009) and Nicholas and Steyn (2008), observed that "in order to do a proper risk evaluation, the level to conduct the evaluation should be defined. For instance, there should be ranges say between (0 -1.0) to give the severity/likelihood a "size" which denotes a range from low, very low, and high to very high, where 0 is "not serious" and 1.0 is "catastrophic and needs attention. Both qualitative and quantitative ratings are based on judgment of managers and experts.

CONCEPT DESCRIPTION

The conceptualized research model represents a decision to implement RTGS tempting the implementer to predict the risk that may come with the money transfer system. This implementation therefore provokes and yields the risk such as liquidity, credit, legal, technology failure, human error, principal, systemic and fraud. Since the implementer is a business party seeking to maximize gain, this gain maximizing desire triggers risk analysis that determines with certainty the probability of occurrence of any of the anticipated risk and the associated consequence after occurrence.

Risk analysis, or 'probabilistic simulation' based on the Monte-Carlo simulation technique is a methodology by which the uncertainty encompassing the main variables projected in a forecasting model is processed in order to estimate the impact of risk on the projected results. It is a technique by which a mathematical model is subjected to a number of simulation runs, usually with the aid of a computer. During this process, successive scenarios are built up using input values for the project's key uncertain variables which are selected at random from multi-value probability distributions. The simulation is controlled so that the random selection of values from the specified probability distributions does not violate the existence of known or suspected correlation relationships among the project

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variables. The results are collected and analysed statistically so as to arrive at a probability distribution of the potential outcomes of the project and to estimate various measures of project risk

Risk analysis is simulated using Monte Carlo simulation whereby the highest mean, low kurtosis, low standard deviation and variability relates with low risk situations whereas high kurtosis, low mean, high standard deviation and variability relates with high risk. The simulation is performed over 10,000 times to arrive at accurate predictions of the risk profiles.

The risk analysis techniques are based on occurrence probability and impact of occurrence which if combined determines the riskiness of the event. This whole process in turn outputs a risk register that profiles the risk and determines courses of action to respond to the risks.

Proactive responses to risk include aspects of risk avoidance and risk transfer while reactive response provides for risk mitigation and acceptance. However, each response aspect has numerous specific responses to use to make the event safe and event in this work means real time gross settlement system.

METHODOLOGY
INTRODUCTION
This study describes in detail how the research was conducted. It is simply a framework or plan of the study. It outlines the procedures and tools used in collecting, analyzing and interpreting the data. This chapter is used as a guide in collecting and analyzing data. It describes the nature of the data that was used to analyse the risks associated with RTGS money transfer system.

RESEARCH DESIGN AND DATA COLLECTION
To achieve the objectives of the research, an exploratory research was ideal and therefore adopted. During this research, data was collected from bank clients who have used the RTGS system before. This is because parties that have never used it or knows nothing about it would not give reasonable responses. A pilot questionnaire on ten bank clients that have used the system before and ten bank clients that have not used the system before showed a major difference in responses such that clients without experience could not understand the meaning of questions as well as the system itself. Most of them were not aware of the facility.

The research determined one population made up of individual clients equal to one thousand six hundred and seventy-five clients (1675) users of the system. The researcher undertook to administer questionnaires to a sample of 323 clients generated from Yamanes's formula as follows:

n=N/(1+N 〖(e)〗^2)

Where n is the sample size, N is the population size, and e is the level of precision which was set at 0.05 (5%) with a confidence level of 95%.

Applying the formula to derive the sample size gives the following;

n=1675/(1+1675 〖(0.05)〗^2) = 323

These n = 323 were sampled according to proportion contribution to the population per bank. The researchers administered questionnaires at random at the bank entrance assisted by research assistants until the required number was reached

RESULTS AND DISCUSSION
A 93% response rate was achieved in the study. Responses from bank clients on the risks experienced in their transactions using RTGS shows that technology, fraud and liquidity are the prominent few that affect the system and can potentially disrupt business whereas the rest of the seven risks have little occurrence probability and little effect on the system. After asking what could have caused technology failure, most clients revealed that power disruptions, fibre cut instances and internal failures in the RTGS hardware lead to the technology result of 22% of the failures experienced. Most of the fraud and liquidity risk were intercepted after long lasting verification processes with authorities.

The researchers performed risk analysis from the responses of bank clients to determine the riskiness of each identified risk and produce a profile of each to show the associated variability and kurtosis change. The analysis was done by calculating the mean score and standard deviation from the responses, then calculating the risk level after which the result was simulated using Monte Carlo simulation in Crystal Ball to build the risk profile of each identified risk. The base case for each risk was set at zero (0) to mean a situation of no risk. The researchers used a likert scale of 1 to 7 for both probabilities of occurrence and impact of occurrence of each risk

The impact scale ranged from 1 representing no impact and 7 representing catastrophic impact while the likelihood scale ranged 1 representing highly unlikely to 7 representing highly likely.

MONTE CARLO ANALYSIS OUTPUT
The following outputs per identified risks were generated in Crystal Ball using Monte Carlo Simulation:

FIG. 1: RISK PROFILE OF CREDIT RISK
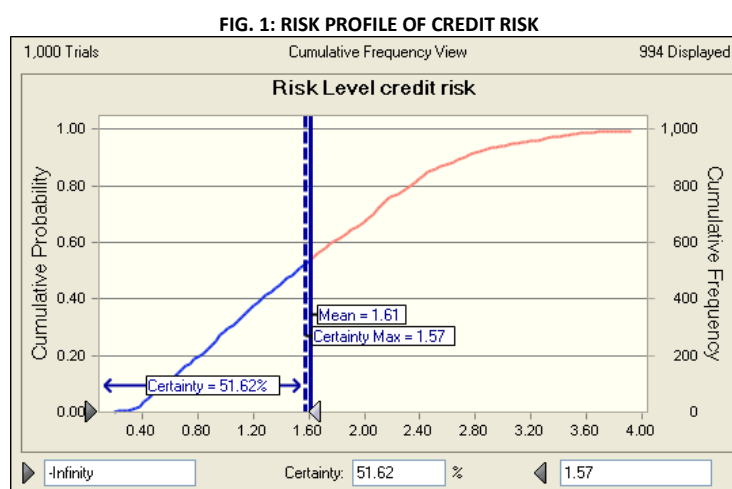
FIG. 2: RISK PROFILE OF LIQUIDITY RISK
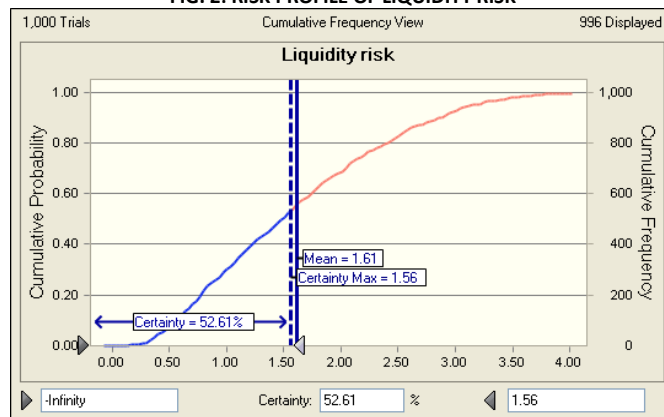
FIG. 3: RISK PROFILE OF SETTLEMENT RISK
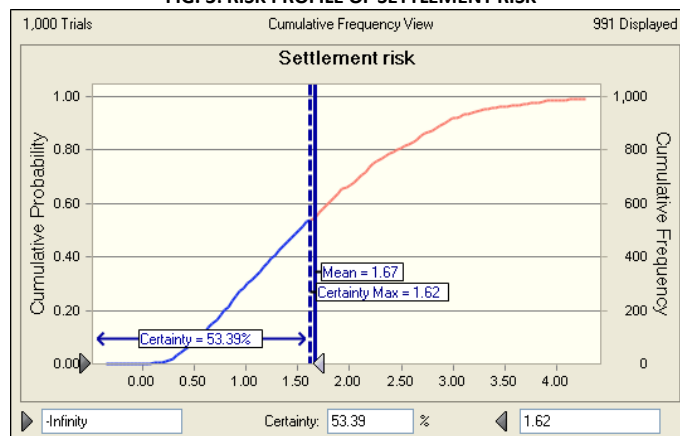
FIG. 4: RISK PROFILE OF SYSTEMATIC RISK
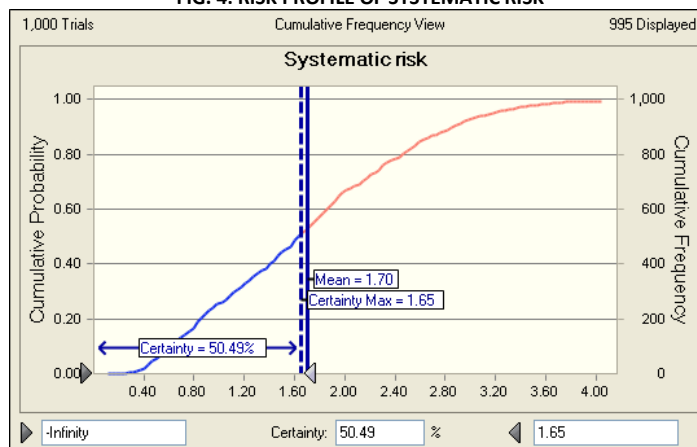
FIG. 5: RISK PROFILE OF HUMAN RISK
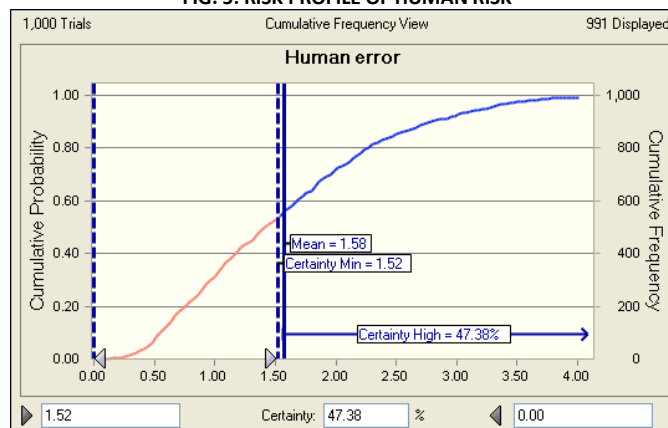
FIG. 6: RISK PROFILE OF FIRE RISK
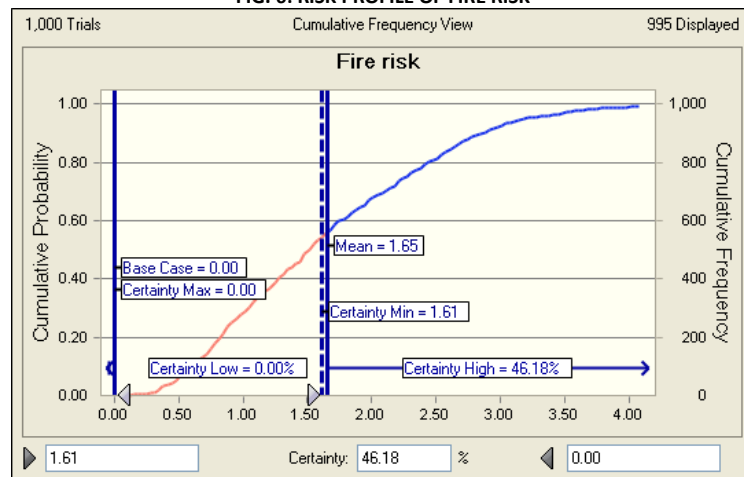
FIG. 7: RISK PROFILE OF THEFT RISK
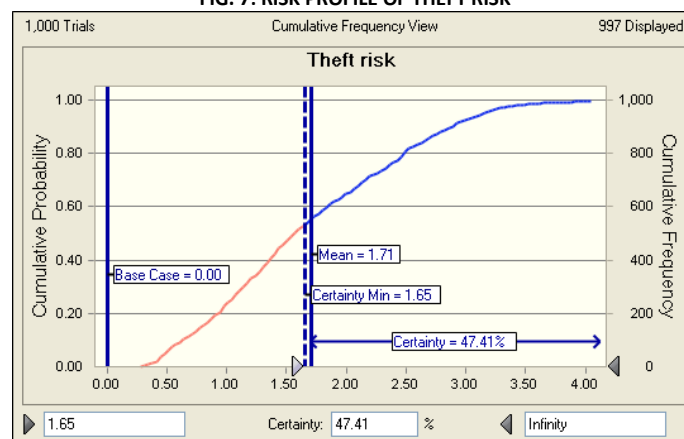
FIG. 8: RISK PROFILE OF FRAUD RISK
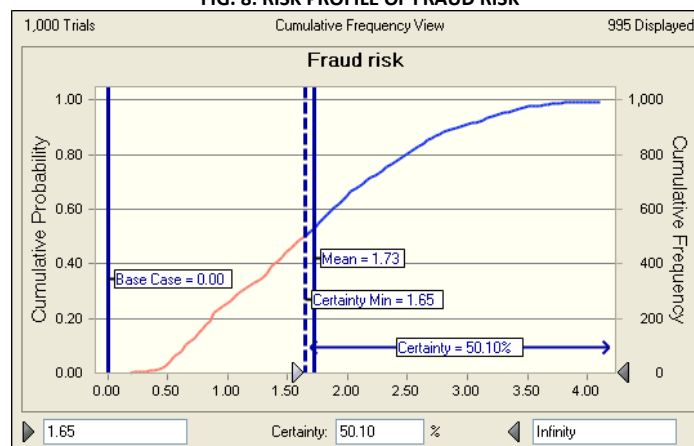
FIG. 9: RISK PROFILE OF HACKING RISK
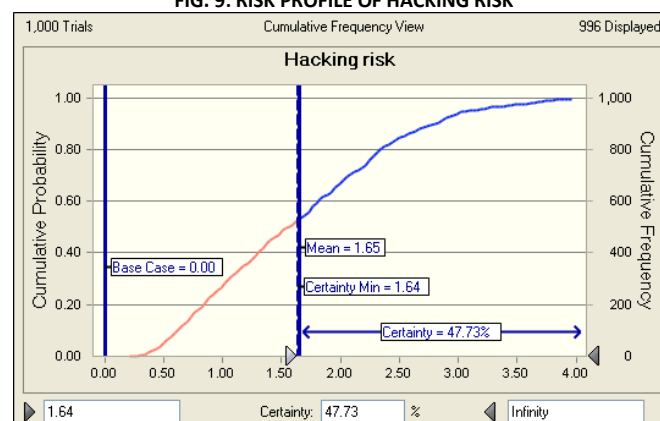
FIG. 10: RISK PROFILE OF REPLACEMENT RISK
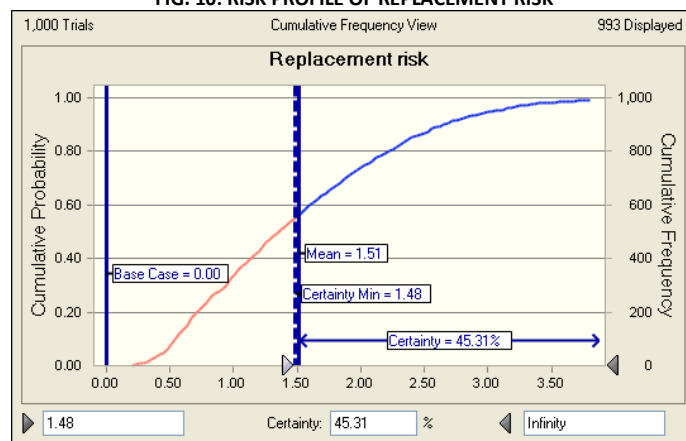
FIG. 11: RISK PROFILE OF OPERATIONAL RISK
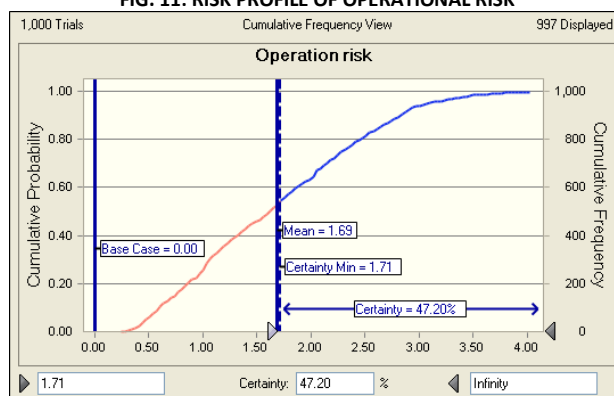
FIG. 12: RISK PROFILE OF LEGAL RISK
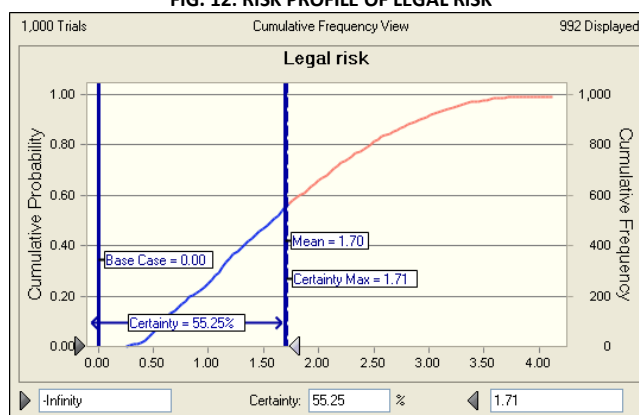
FIG. 13: AN OVERLAY ANALYSIS OF ALL THE RISKS
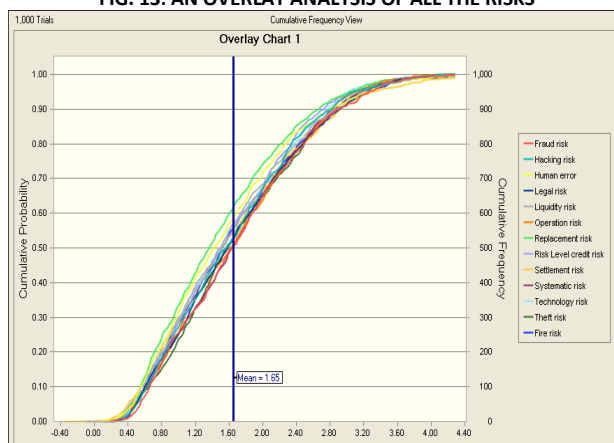
DISCUSSION OF RESULTS

The implication from these outputs is that errors of entry by operators pose a serious risk to RTGS because once posted, the transaction is irreversible. This is compounded by inadequate knowledge and skills to operate the software and related hardware. This is also related to inaccuracy in the transmission of payment

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messages. Errors/mistakes are a potential risk because there is a possibility of causing unnecessary system failure that will result in delaying the settlement of payments to clients

Similarly, inability to settle transactions can seriously impact the business of the recipient as well as put pressure on the remitting bank. Additionally, the replacement risk poses a danger if funds are used for other purposes and must be replaced abruptly as the remitting party may equally have to incur losses in an attempt to replace the funds.

The medium risks of credit include both the risk of loss of unrealized gains on unsettled contracts with the defaulting bank or institution and the risk of loss of the whole value of the transaction referred to as principal risk. Information Technology failure (IT) is sometimes interfered with by unscrupulous and criminal individuals and groups such as terrorist groups. RTGS by its nature can be used or even hacked in order to facilitate the transfer of money for criminal and terrorist activities. This can be mitigated by training staff to acquire skills to detect such activities or even using security sensitive software which is safe and not easily manipulated for criminal activities.

Fire is yet another risk. Fires due to faulty electrical fittings and appliances can result in damage to property, RTGS services would be disrupted resulting in loss of business more especially for foreign business transactions (import and Exports) which needs to be settled immediately.

Theft and fraud in money transfer transactions is an inevitable risk. This may be so when the security code number used in the transaction is exposed to the third party. This increases the transfer to the likelihood of theft and fraud because if an unauthorized person comes in possession of the security code, s/he can withdraw the money using the same pin code where such is used.

CONCLUSIONS

The research has revealed that risks in RTGS include Fraud, liquidity, Human, settlement, Replacement, systematic, Legal, Credit, Fire, Technology, Hacking, operation and theft risk which answers objective one and are classified as shown in table 1.

TABLE 1: CLASSIFICATION OF IDENTIFIED RISKS

Color Code	Classification	Risks
	High Risk	Fraud, liquidity, Human, settlement, Replacement, systematic
	Medium Risk	Legal, Credit, Fire, Technology , Hacking , operation
	Low Risk	theft risk

It can therefore be concluded that RTGS system is risky and potentially catastrophic on bank business and bank clients. It can further be concluded that Fraud, liquidity, Human, settlement, Replacement, systematic risks are high risks which can bring about catastrophic impact on business while Legal, Credit, Fire, Technology, Hacking and operation risks are medium risks whereas theft is a low risk.

The implication in this research is that in terms of governance, the central bank must produce strict policies and procedures for operating the RTGS. Employees working on the RTGS must be given specific and differentiated roles to reduce on human error. Additionally, communication on the RTGS system must be widespread from the implementers to the clients.

For purposes of business continuity, the banks must implement disaster recovery mechanism and alternative hedges against the high and medium risks.

Fraud, hacking and technology risks can be mitigated and avoided by secure information flow through adequate testing and proofing of the system, internal system interlocks and posting prompts and increased awareness of the risks to both users and officials in commercial banks.

Finally, change management can be achieved through scenario planning of simulated risks. The researcher consequently developed a risk register represented by World Bank Group, (2008) Payment Systems Worldwide: A Snapshot (Outcomes of the Global Payment Systems Survey 2008).

TABLE 2: RISK REGISTER DERIVED FROM THE RESULTS

RISK REGISTER

Project Name: Money transfer using RTGS

ID	Risk	Description of Risk	Classification	Priority Rating	Actions	Owner
A	Fraud	Indiscriminate move of funds	High	1	Policies and Procedures	Bank of Zambia
B	Liquidity	remitting bank or institution unable to meet its obligation	High	1	Communication	Shared
C	Human	Error of entry by operator	High	1	Give workers on RTGS specific roles and responsibilities	Shared
D	Settlment	Delay between payment initiation and final transfer	High	1	Communication	Shared
E	Replacement	Inability to replace used funds	High	1	System control	Commercial banks
F	Systematic	Interbank transfer failures	High	1	Implement recovery system	Commercial banks
G	Legal	Litigation by bank client	Medium	2	Alternative dispute resolution insert in contract	Shared
H	Credit	Inadequacy of available funds	Medium	2	System control	Commercial banks
ID	Fire	Damage of RTGS hardware due to fire	Medium	2	Fireproofing, auto switch off and fire alarm system	Bank of Zambia
J	Technology	RTGS system internal and external failure	Medium	2	Disaster recovery system and back up system	Shared
K	Hacking	Intruder accessing and commanding RTGS instructions	Medium	2	System control	Shared
L	Operation	Failures in internal control system	Medium	2	System control	Shared
M	Theft	Absolute loss of funds due to theft	Low	3	No hard cash in use.	Commercial banks

ACKNOWLEDGMENT

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SOCIO-DEMOGRAPHIC, ECONOMIC AND LIVING CONDITIONS OF THE TRIBAL WOMEN: A STUDY IN THE AGENCY AREA OF KHAMMAM DISTRICT OF TELANGANA STATE

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ABSTRACT

Schedule tribes and denotified tribes constitute the weaker sections of India's population and the major constituents of the matrix of India's poverty. These sections are being exploited and they are deprived of civic facilities. They are bypassed by the planning process for the past several decades. This micro level study examines the socio-economic and demographic conditions of tribal women in Telangana state. The study strongly opines that more positive interventions by the administrators only will change the economic and living conditions of tribals.

KEYWORDS

tribal women, Khamman district, schedule tribes, poverty.

INTRODUCTION

The Tribal population of 10.43 crore accounting for 8.6 percent of the total population of India as per 2011 census is larger than any other ethnic community in the world. Tribal women constitute near half of the total tribal population. Tribals are economically backward and they inhabit forests, hills and mountain slopes. Their culture is ancient, rich, divergent and colorful, very much akin to that of the Indian culture in general. They are referred to as vanavasis, girijans, adivasis, adimajathis and the like. The term "Tribe" has not been defined precisely and clearly in the Indian context. However, the Lokur committee suggested the criteria to identify the tribals which include; primitive traits, distinctive culture, shyness of contact, geographical isolation and socio-economic backwardness. Women in the tribal societies are assets to the households as they take care of the household, earn money to support the family and manage the households. They assist in farm activities of the family, work as wage labour and involve in the collection of NTFP. Along with constitutional guarantees and legislative measures the governments at the centre and the states have introduced different programmes to improve them on par with the general population. But they are still lagging behind on all indicators of human development though the transition to modernity at a slow pace has begun.

OBJECTIVES

The primary objective of this paper is to examine the socio-demographic, economic and living conditions of the tribal women in the agency mandals of Khammam district of the Telangana state. Specific objectives include the following;
1.   To analyze the socio-demographic features of the tribal women.
2.   To examine economic and living conditions of the respondents.
3.   To ascertain the employment patterns of the tribal women.

DATA BASE AND METHODOLOGY

The state of Telangana came into existence as the 29th state of India on 2nd June 2014. It has the largest concentration of ST Population (9.3 percent) among the states in South India. Khammam district in the Telangana state has 27.4 percent of its population as STs and it is at the top in ST population in the state. The study has taken three contiguous mandals where "Koya" tribe is dominant and 340 women respondents are selected randomly. A sample of 116 respondents are chosen from Dummugudem, 120 from Dammapeta and 104 from Yellandu mandals. The study is based on primary data collected with the help of a structured questionnaire. Secondary data in the form of reports and publications has also been used. Simple tools of analysis like averages and percentages are applied.

RESULTS AND DISCUSSION

Ten important indicators related to the Socio-Demographic features of the tribal women have been selected for analysis and the data is presented in table-1. It shows that a majority of the respondents (84.4 percent) in the study are in between 26-55 years of age with in marginal variations. Younger age group of below 25 years is less than 2 percent while 14.1 percent are in the above 55 years of age group. It implies that majority of the respondents are capable of taking up income earning activities. It is noted that 98.5 percent of the respondents are married substantiating the cultural ethos in India that marriage is universal. Illiteracy is wide spread in the study area as more than three fourths of the respondents are illiterates. Even among the literate's levels of education are very low since majority have completed primary/upper primary level of education. Joint families have lost their shin, even among the tribals, as 88.2 percent of the respondents are in nuclear families. As a natural corollary to this trend average size of the family in the study area is just 4.02.

School dropouts among the school going children are relatively low and the major reasons include lack of interest in education, poverty and domestic work. It is found that school dropout children are relatively more in the interior mandals than the mandal which is close to the urban centers. Most of the households of the sample (96 percent) opt government schools run by the ITDA, for the education of their children across the board. Though awareness level through watching TVs by 68 percent of the sample households is relatively better, other areas like news paper reading (11 percent) and visiting movies (15 percent) are very low.

Land ownership in the study mandals shows glaring inequalities. More than half of the respondents in one sample mandal - Yellandu, are medium and large farmers against 20 to 27 percent in the other two mandals. Land less households are more (23.3 percent) in Dammapeta mandal against 5 to 10 percent in the other two mandals. In the study area as a whole marginal and small farmers account for 54.7 percent along with 12.9 percent of the respondents are landless. Disparities in the land ownership need state intervention in protecting the rights of tribals on forest land where 1/70 Act is applicable.

TABLE 1: SOCIO-DEMOGRAPHIC FEATURES OF THE SAMPLE TRIBAL HOUSEHOLDS

Sl.No	Feature	DM	DP	YLD	Total
1	Age				
	Below 25yrs	0(0)	2(1.7)	3(2.9)	5(1.5)
	26 to 55yrs	102(87.9)	101(84.2)	84(80.8)	287(84.4)
	Above 55 yrs	14(12.1)	17(14.2)	17(16.3)	48(14.1)
	Total	116(100)	120(100)	104(100)	340(100)
2	Marital status				
	Married	115(99.1)	117(97.5)	103(99)	335(98.5)
	Unmarried	1(0.9)	3(2.5)	1(1)	5(1.5)
	Total	116(100)	120(100)	104(100)	340(100)
3	Literacy				
	Illiterates	90(77.6)	93(77.5)	75(72.1)	258(75.9)
	Primary & Upper Primary edn. Above upper primary level	21(18.1) 5(4.3)	21(17.5) 6(5)	16(15.4) 13(12.5)	58(17.1) 24(7.1)
	Total	116(100)	120(100)	104(100)	340(100)
4	Type of family				
	Nuclear	104(89.7)	105(87.5)	91(87.5)	300(88.2)
	Joint	11(9.5)	10(8.3)	12(11.5)	33(9.7)
	Extended	1(0.9)	5(4.2)	1(1)	7(2.1)
	Total	116(100)	120(100)	104(100)	340(100)
5	Family members	496	755	416	1667
	Average size of the family	4.3	3.8	4	4.02
6	School dropout children	11	6	2	19
7	Reasons for school dropouts				
	Poverty	1	2	0	3
	No interest in edn.	8	1	0	9
	Domestic work	2	0	1	3
	No need of edn. To girls	0	2	1	3
8	Schools where children are studying				
	Government	98(98)	90(95)	79(94)	267(96)
	Private	2(2)	5(5)	5(6)	12(4)
	Total	100(100)	95(100)	84(100)	279(100)
9	Awareness levels through				
	News paper reading	13(13)	9(7)	15(15)	37(12)
	Watching TV	71(71)	88(73)	72(73)	231(72)
	Visiting movies	16(16)	24(20)	12(12)	52(16)
	Total	100(100)	121(100)	99(100)	320(100)
10	Land ownership				
	Landless	6(5.2)	28(23.3)	10(9.6)	44(12.9)
	Marginal farmers	38(32.8)	49(40.8)	11(10.6)	98(28.8)
	Small farmers	41(35.3)	19(15.8)	28(26.9)	88(25.9)
	Medium & Large farmers	31(26.7)	24(20)	55(52.9)	110(32.4)
	Total	116(100)	120(100)	104(100)	340(100)

Source: Field Study (figures in the brackets are percentages)

Note (Mandals): DM = Dummugudem, DP=Dammapeta, YLD= Yellandu

Table-2 presents the economic and living conditions of the respondent women. Average operated agricultural holding is 7.5 acres in the study mandals with the respondents in one mandal, Yellandu having more than the average size against the lowest size by those of Dammapeta. It is interesting to note that the land value in Yellandu mandal where the average land holding is the largest has higher land value than the overall average value of 2.2 lakhs. Another interesting point of note worthy is that one thirds of the respondent households have no live stock even through the conditions in the tribal areas are favorable for rearing live stock. However, majority of the respondent households (54 percent) have live stock with values of above Rs 6000. It can be inferred that two thirds of the respondent households are involved in live stock rearing. Majority of the respondents (91.5 percent) go into the forests and collect minor forest produce both for domestic use and commercial consideration. The respondents of interior mandals are more in MFP collection than the respondents of Yellandu.

With regard to housing 59.1 percent of the respondents have pucca houses of which the respondents of Yellandu are relatively more. It implies that 41 percent of the households live in semi pucca/katcha houses. Majority of the respondents have two or more rooms in the houses and 92 percent of the households have electricity connectivities. However, all other amenities like toilets, separate kitchens, tap water, LPG gas are available to a limited number of respondent households.

Employment in own-farm agriculture is the main occupation to 82.6 percent of the respondents while both agricultural and non-agricultural labour to the remaining. Near 80 percent of the respondents depend on agriculture as labour under secondary occupation. Occupational structure is found to be sticky as just 2.6 percent have stated occupational shifts. MGNREGA employment has provided 87 days of work to the respondent households on an average while agricultural labour has provided 278 days, own-farm activities 76 days, MFP collection 29 days and non-agricultural wage employment has been available for 116 days. It can be stated that agricultural labour and own-farm employment together constitute major source of employment supported by MGNREGA wage employment during the slack seasons.

TABLE 2: ECONOMIC AND LIVING CONDITIONS OF THE TRIBAL HOUSEHOLDS

Sl. No	Feature	DM	DP	YLD	Total
1	Average operated land holding (acres):	7.56	6.22	8.33	7.5
2	Average value of land per acres (in lakhs of Rs)	2.3	1.5	2.7	2.2
3	Live stock values				
	No live stock	17(14.7)	77(64.2)	28(26.9)	122(35.9)
	Below Rs.6000	12(10.3)	9(7.5)	13(12.5)	34(10)
	Above Rs.6000	87(75)	34(28.3)	63(60.6)	184(54.1)
	Total	116(100)	120(100)	104(100)	340(100)
4	MFP Collection	115(99.1)	109(90.8)	87(83.6)	311(91.5)
5	Housing				
	Pucca	37(31.9)	74(61.7)	90(86.5)	201(59.1)
	Semi pucca	7(6)	13(10.8)	3(2.9)	23(6.8)
	Kutcha	72(62.1)	33(27.5)	11(10.6)	116(34.1)
6	Household amenities				
	Single room	26(22.4)	37(30.8)	13(12.5)	76(22.4)
	Two or more rooms	90(77.6)	83(69.2)	91(87.5)	264(77.6)
	Separate kitchen	6(5.2)	8(6.7)	10(9.6)	24(7.1)
	Drinking water - taps	8(6.9)	97(80.8)	44(42.3)	149(43.8)
	Bore wells	99(85.3)	12(10)	49(47.1)	160(47.1)
	Electricity : available	104(89.6)	110(91.7)	100(96.1)	314(92.3)
	Fuel for cooking : LPG	9(7.7)	9(7.5)	34(32.7)	52(15.3)
	Fire wood	107(92.2)	111(92.5)	69(66.3)	287(84.4)
	No toilet facility	116(100)	105(87.5)	69(66.3)	290(85.3)
7	Main occupation				
	Own farm agriculture	105(90.5)	85(70.8)	91(87.5)	281(82.6)
	Agriculture labour	4(3.4)	27(22.5)	5(4.8)	36(10.6)
	Non-agriculture labour	7(6)	8(6.7)	8(7.7)	23(6.8)
8	Major secondary occupation				
	Agriculture labour	91(78.4)	100(82.3)	80(76.9)	271(79.7)
9	Occupational shifts	4(3.4)	1(0.8)	4(3.8)	9(2.6)
10	Average employment days of the sample households				
	Own farm	76.01	74.19	77.81	76.01
	agriculture labour	235.48	362.67	221.91	277.87
	MGNREGS	83.2	96.13	81.69	87.22
	NTFP Collection	21.17	128.18	19.66	29.33
	Non-agriculture wage employment	116.15	171.5	66.25	115.93

Source: Field Study (Figures in the brackets are percentages)

Note (Mandals): DM = Dummugudem, DP=Dammapeta, YLD= Yellandu

MAJOR FINDINGS

1. Illiteracy is rampant in the tribal villages of the sample.
2. School dropouts among school-aged children are relatively more in the interior villages of the agency areas and the major reason is lack of interest in education.
3. Most of the tribal children are in government schools run by ITDA.
4. Land distribution is inequitable and land less households are considerable
5. Average land holdings in the study area are relatively higher than the national average
6. Tribal villages close to the plain areas are more advanced in many aspects when compared to the interior villages
7. Agriculture is the major source of employment in the tribal areas as non-agricultural employment is limited. MGNREGA has become significant in providing wage employment during the slack season of agriculture. Hence the days of employment under MGNREGA be enhanced by removing the ceiling, specially in the remote tribal areas.

CONCLUSION

Variations are noted in different degrees among the Koya tribal community implying exclusion among the excluded, marginalized social group. The study, thus, focuses on the need to design region specific and tribe specific policies and programs to ameliorate the conditions of the tribals. A dualistic situation is discernible in the sample villages as the modern trends and traditional features co-exist. Nuclear families, pucca houses with electricity connectivities and the schooling of maximum number of children are the indicators of transition to modernity while illiteracy of the respondents, low levels of awareness, dependence on agriculture, involvement in MFP collection, use of fire wood for cooking and low household amenities testify the traditional living. It can be surmised that tribal households have to go miles to reach the road to development. The study strongly opines that more positive interventions by the administrators only will change the economic and living conditions of tribals.

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SOCIO – ECONOMIC CONDITION OF WOMEN ENTREPRENEURS THROUGH SHGs IN KANCEPURAM DISTRICT OF TAMIL NADU

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ABSTRACT
Women in India constitute about 50 per cent of the total population and comprise one third of the labour force. It is, therefore, important that when considering the economic development of this segment of the population, due attention is given to their socio-economic empowerment. Women still have to struggle with their traditional role in order to balance career and household responsibilities. They have to endure negative social value and cultural bias that lead to unfair perceptions about their ability to operate a business and legal constraints also limit the pursuit of economic independence by women. Among the different districts in Tamil Nadu, the Kancepuram district has been purposively selected for the present study. Among different geographical locations in the district, Tambaram, Chengalpattu, and Sriperumpudur has been again purposively selected based on the concentration of number of Self Help Groups (SHGs) and members. Multi-stage random sampling technique has been adopted for data collection. The data and information have been collected from the sample size of 100 through structured interview method. The primary data collected from respondents pertains to the year 2014-2015. In order to analyze the socio-demographic features, the descriptive statistics has been carried out. Besides, in order to analyze the differences among the socio-economic features, the Chi-Square test is employed.

KEYWORDS
women entrepreneur, SHG, socio economic condition.

INTRODUCTION

In almost all the societies, women have less power than men, have less control over resources and receive lesser wages for their work. They remain as an 'invisible' work force. Inevitably, all these affect women's capacity to open up, grow, develop, exceed and excel. It is unfortunate that because of centuries of inertia, ignorance and conservatism, the actual and potential role of women in the society has been ignored, preventing them from making their rightful contribution to social progress.

Women in India constitute about 50 per cent of the total population and comprise one third of the labour force. It is, therefore, important that when considering the economic development of this segment of the population, due attention is given to their socio-economic empowerment. India envisions a future in which Indian women are independent and self-reliant (Agarwal, 2001).

Women must be empowered by enhancing their awareness, knowledge; skills and technology use efficiency, thereby, facilitating overall development of the society. In various national policies and developmental programmes, emphasis has been given on organizing women in Self Help Groups and thus, marks the beginning of a major process of empowering women (Ashford, 1995).

Micro finance and SHG intervention have brought tremendous change in the life of women at the grass root. Unlike the other kind of micro finance, self help group have savings as a base which created a binding on the part of the women and also the financial partners, say banks, to extend credit to the hitherto unreached poor, women. It has succeeded in bringing several women to compulsory savings and through some committed women in the group and NGOs support they have been able to avail micro credit in the form of revolving credit and economic assistance.

Entrepreneurship development and income generating activities are a feasible solution for empowering women. It generates income and also provides flexible working hours according to the needs of home makers. Economic independence is the need of the hour. Participation in income generating activities helps in the overall empowerment of women. Empowering women through education, ideas, consciousness, mobilization and participatory approach can enable them to take their own decisions, make them self-reliant and self-confident.

The emergence of women entrepreneurship in the past two decades and especially in the second half of the 1990's is not a coincidence. First of all, the entire business environment has changed. Women are being encouraged to participate in various business activities – a process that was unimaginable decades ago. Next, the rapid development of computers and information technology makes starting and operating a business easier, with less capital and a lower minimum efficient level of production. Third, the rapid expansion and specialization of the service sector have provided women with new opportunities to pursue their own business careers. Finally, new business tools, like the internet and e-commerce make flexible working hours possible and help balance women's responsibilities in workplace and the family.

Although women are taking on important positions in the business sector, they continue to face barriers to their entrepreneurial activities, compared to their male counterparts. Some barriers are general to women and men, such as administrative barriers, including the regulations of business establishments. However, others are gender-specific and have severe implications for women entrepreneurs, especially those in SMEs and micro businesses. Women still have to struggle with their traditional role in order to balance career and household responsibilities. They have to endure negative social value and cultural bias that lead to unfair perceptions about their ability to operate a business and legal constraints also limit the pursuit of economic independence by women. With this background, the present study was attempted to study the influence of growth determinants on business income of women entrepreneurs through SHGs in Kancepuramdistrict of Tamil Nadu.

METHODOLOGY

Among the different districts in Tamil Nadu, the Kancepuram district has been purposively selected for the present study. Among different geographical locations in the district, Tambaram, Chengalpattu, and Sriperumpudur has been again purposively selected based on the concentration of number of Self Help Groups (SHGs) and members. The data and information have been collected from the respondents by adopting random sampling technique. The district has been selected purposively followed by geographical location and the sample respondents have been selected randomly thus, multi-stage random sampling technique has been adopted for data collection. The data and information have been collected from the sample size of 100 through structured interview method. The primary data collected from respondents pertains to the year 2014-2015.

STATISTICAL TECHNIQUES

DESCRIPTIVE STATISTICS AND CHI-SQUARE TEST

In order to analyze the socio-demographic features, the descriptive statistics has been carried out. Besides, in order to analyze the differences among the socio-economic features, the Chi-Square test is employed and the formula is:

$$\chi^2 = \sum \left(\frac{(O-E)^2}{E} \right)$$

Where

O = Observed Frequency in each category

E = Expected Frequency in the corresponding category

df is the "degree of freedom" (r-1)(c-1)

RESULTS AND DISCUSSION

SOCIO-DEMOGRAPHICS

The socio-demographic features of women entrepreneurs were analyzed and the results are hereunder discussed. The age distributions of women entrepreneurs were analyzed and the results are presented in Table 1. From the table, the majority of women entrepreneurs (52 per cent) belonged to the age group of 30-45 years followed by less than 30 years (41 per cent). Only 7 per cent of women were in the age group of 45 and above 45 years. The chi square value was 0.01 and it was statically significant at five per cent level of significance indicating that there was a significant difference between age of the women entrepreneurs.

TABLE 1: FREQUENCY DISTRIBUTION OF AGE OF WOMEN ENTREPRENEURS

Age	Frequency	Per cent	Chi Square Value	Sig
< 30 Years	41	41		
30-45 Years	52	52	0.010	0.00
45 and Above	7	7		
Total	**100.00**	**100.00**		

Source: Primary & Computed Data

The educational qualifications of the women entrepreneurs are presented in Table 2. The results indicated that about half of the entrepreneurs (50 per cent) have school education followed by under graduation (42 per cent). The post graduation and professionals accounted about only 2 per cent while illiterates were only 6 per cent. The chi square value was 0.05 and it was statically significant at five per cent level of significance indicating that there was a significant difference between educational qualifications of the women entrepreneurs.

TABLE 2: FREQUENCY DISTRIBUTION OF QUALIFICATION

Educational Qualification	Frequency	Per cent	Chi Square Value	Sig
School Education	50	50		
Under Graduation	42	42		
Post Graduation	2	2	0.050	0.00
Illiterates	6	6		
Total	**100.00**	**100.00**		

Source: Primary & Computed Data

The source of income from business for women entrepreneurs are presented in Table 3. The results showed that about 48 per cent of women entrepreneurs earned income in the range of Rs. 50000-1 lakh from their business followed by less than Rs. 50000(33 per cent). About 18 per cent of entrepreneurs earned the income in the range of Rs.1 lakh-150000 and only 1 per cent earned their income in the range of above 2.5 lakh. The chi square value was 0.02 and it was statically significant at five per cent level of significance indicating that there was a significant difference between business income for the women entrepreneurs.

TABLE 3: FREQUENCY DISTRIBUTION OF BUSINESS INCOME

Business Income(Rs)	Frequency	Per cent	Chi Square Value	Sig
< 50000	33	33		
50000-1 Lakh	48	48		
1Lakh- 150000	18	18	0.02	0.01
150000-2.5 Lakh	1	1		
> 2.5 Lakh	0	0		
Total	**100.00**	**100.00**		

Source: Primary & Computed Data

The distribution of sector wise business activity is presented in Table 4. It is clear that about 48 per cent of women entrepreneurs were involving in marketing followed by supplier (23 per cent). About 16 per cent of the women carried manufacturing activities while, only 13 per cent was involving in service sector activities. The chi square value was 0.01 and it was statically significant at five per cent level of significance indicating that there was a significant difference between sector of business activity of the women entrepreneurs.

TABLE 4: FREQUENCY DISTRIBUTION OF SECTOR OF BUSINESS ACTIVITY

Sector	Frequency	Per cent	Chi Square Value	Sig
Manufacturing	16	16		
Marketing	48	48	0.01	0.00
Supplier	23	23		
Service	13	13		
Total	**100.00**	**100.00**		

Source: Primary & Computed Data

The enterprise base of the women entrepreneurs is presented in Table 5. From the table, it is apparent that the enterprise base for majority of the entrepreneurs (60 per cent) was semi-urban followed by urban (37 per cent). Only 3 per cent of them, used metropolitan area as their enterprise base. The chi square value was 0.02 and it was statically significant at five per cent level of significance indicating that there was a significant difference between enterprise base of the women entrepreneurs.

TABLE 5: FREQUENCY DISTRIBUTION OF ENTERPRISE BASE

Sector	Frequency	Per cent	Chi Square Value	Sig
Semi Urban	60	60	0.02	0.01
Urban	37	37		
Metropolitan	3	3		
Total	**100.00**	**100.00**		

Source: Primary & Computed Data

CONCLUSION

The forgoing analysis indicted that the socio-demographic features of the women entrepreneurs are significantly different in various aspects. About 52 per cent of women entrepreneurs belong to the age group of 30-45 years followed by less than 30 years. It was evident that about 62 per cent of women in the business income group of Rs. less than 50000, 55 per cent in the income group of Rs.50000-1 lakh and 73 per cent in the income group of Rs. 1 lakh-15000 have invested less than Rs.25 lakhs. About 48 per cent of women entrepreneurs were involving in marketing followed by supplier (23 per cent). About 16 per cent of the women carried manufacturing activities while, only 12 per cent was involving in service sector activities

My past experience strengthens and develops network, Correct business location contributed to my success, I take measures to protect the environment as I grow, As I gain more experience I commit less mistakes and Orientation and training assisted me to run my business are positively influencing the business income of the women entrepreneurs.

Entrepreneurial development should not be left to chance, as is the practice now. The training programmes should include identification and selection of potential entrepreneurs, and their motivation into entrepreneurial career through provision training and other inputs necessary to set up entrepreneurial units.

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SOCIAL INSECURITY IN KERALA: SOME REFLECTIONS OF CONSUMERISM

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ABSTRACT
Based on Human Development Index, the state of Kerala is ranked first among Indian states. With high rate of literacy (both among male and female) and vertical mobility in the social set up, the state acquired the most progressive atmosphere for social progress. But, at present, this God's own land attracts attention as a crime prone region which deviates to Devil's path. The present attempt is to examine the extent of social insecurity in Kerala. The facts are verified in the light of data relating to various aspects of social life in the state. The findings substantiate that consumerism with its pervasive influence on socio-economic life of Kerala has contributed positively towards social distress and the situation invites concern of policy makers.

KEYWORDS
social insecurity, crime rate, atrocities, dowry death, suicide rate.

INTRODUCTION
The state of Kerala is known for its consumerist tendencies in consumption and spending practices. Receiving a wide-spread nature, consumerist tendencies have emerged into a culture in the state. Though stemming from economic behavior, the adverse fallouts of this phenomenon on social life of Kerala is so serious that it invites concern of administrators, policy makers and social scientists. Security in social life is a major concern of every society. The present attempt is to examine the adverse effects of consumerism in the context of social security in Kerala. The facts are examined in the light of data relating to various aspects of social life in the state. This paper is arranged into five sections. Section two examines the social perspective of the state in general. Third and fourth sections provide brief explanations of consumerism and social insecurity in the state. Fifth section is devoted exclusively for the verification of the adverse impact of consumerism on the social life in the state. Last section offers concluding remarks.

SOCIAL PERSPECTIVES OF THE STATE
Kerala had contacts with various parts of the world from time immemorial. These contacts played a dominant role in formulating a Kerala culture. The services rendered by missionaries and other educative efforts contributed towards elevating this state as one of the most educated region in the country. The advent of social reform measures and their effect have played an important role in emanating people from the clutches of many societal taboos and restrictions that hindered social mobility in the state. The level of education along with social mobility worked to make the society more progressive. Large scale migration and consequent inflow of remittances resulted in drastic changes in the socio-economic environment of Kerala.

CONSUMERISM IN KERALA
'Consumerism is the cultural relationship between humans and consumer goods and services including behaviour, institutions and ideas' (Martin, 1993). It is economically manifested in the chronic purchasing of new goods and services, with little attention to their real properties. Among the states of India, Kerala is unique in many respects. The so called 'Kerala model' was a deviation from the accepted path in the process of economic development, ie, development from the primary sector to the tertiary sector, bypassing secondary sector (Mohan and Shyjan, 2007). In the state, consumerism might be considered as an offspring of this development experience. As part of vertical social mobility, people started to condone wealth over other variables as a means of status and recognition. In the new atmosphere, spending spree operated as a rewarding system and people started to respond positively through this type of behavior. The spending practices that Kerala society follows are indicative of the consumerist culture prevailing in the state (Nair, 1986: Zacaria,et.al, 2003). The admiration for the cost of outdoing behavior prompted individuals to resort to consumerism. In the state, Consumerism has a wide spread nature and the trend could be seen in all walks of social life.

SOCIAL INSECURITY IN KERALA
The term social insecurity is used to denote the prevalence of unhealthy situations leading to social distress. The land of Kerala is very rich in its diverse treasure required for the smooth progress of the society. It acquired the potentials for a healthy social life. It has high rate of literacy, high rate of female literacy, progressive social atmosphere and other positive indicators of human index. Despite this, the state is ranked very high in the case of crimes and other social evils. Kerala, the state with high human development has got a very high rank in crime rates also (economic review, 2010).

Consumerism is found to have produced dangerous consequences on the social life of Keralites. Youngsters might have developed hedonism as the philosophy of their social life. Very often, they might have resorted to foul means for achieving their social objectives. Money making 'at any cost and by whatever means' might have become the accepted philosophy of economic life. A kind of 'mammoth worship' is found to have re-emerged in the society. Accordingly, ruthless exploitation of fellow beings has not been considered a 'sin'. The attitude of the people to a large extent becomes 'money is the be all and end all of life'. The outcome of 'fast buck' seems to have appeared in the form of increasing number of crimes, cases of dowry deaths, aggressive activities of quotation groups, etc. A large portion of the people might have considered the activities like liquor consumption, using of drugs and narcotics, immoral sex, etc as the accepted form of pleasure.

CONSUMERISM & SOCIAL INSECURITY – SOME EVIDENCE FROM KERALA
It is widely believed that consumerism produces detrimental effect on the economy that it incorporates. The negative impacts that are expected to be associated with it may endanger the sustainability of the economy and may pose a serious threat to its future. Being a social illness and a massive phenomenon, its impact is supposed to extend to the areas of economic, social and political life as well. Consumerism may produce some serious fall outs on the society it engenders. 'Consumerism can affect more than buying habits and personal and family life' (Stearns: 2001).

As per the records of National Crime Records Bureau, the total cognizable **crime rate** of Kerala is far above the all India average. Statistics showed that Kerala has highest cognizable crime rate. The crime rate (crime per one lakh population) for Kerala during the year 2012 was 455.8 while that was much below 300 for other states and union territories. Statistics also showed that the crime rate in the state is on the rise. The number of crimes registered under Indian Penal Code increased from 1,10,620 in 2008 to 1,48,313 in 2010 and, to 2,05,337 in 2014. The crimes registered under Special and Local Laws also have shown an increase from 1, 41,788 in 2008 to 2,25,458 in 2010 and, to 4, 09,852in 2014. As per records, atrocities against women have increased by 300 percent in the state during the period 1991 – 2003. It is to be noted that the increase in population growth in the state during this period was only by 14.58 percent. Contrary to the expectations, atrocities against women in this state with highest female literacy are on the rise. The number of cases increased from 8049 in 2009 to 13002 in 2012 and, to 13738 in 2013.

TABLE 1: EXTENT OF SELECTED OFFENCES AGAINST WOMEN IN THE STATE

Offences	Year			
	2008	2010	2012	2014
Rape	568	634	1019	1283
Molestation	2745	2936	3735	4357
Dowry deaths	31	22	32	19
Cruelty by husbands & relatives	4138	4797	5216	4810
Sexual harassment	258	537	498	257

Source: Economic Review, various volumes

The crime rate against women in Kerala was 23.2 against the all India average of 17.4 during the year 2009. Crimes against children reported during this year was 587. The number of complaints received by Kerala women's commission during 2013 was 7089. The nature of the complaints shows the dominance of domestic crimes and family problems among the crimes. Of the total, there were 1371 cases of domestic violence and 1357 cases of family problems. The complaints regarding dowry harassment from this state which ranked first in literacy were 81.

TABLE 2: CASE-WISE DISTRIBUTION OF MAJOR COMPLAINTS

Nature of complaints	Number of cases	Nature of complaints	Number of cases
Domestic violence	1371	Family problems	1357
Harassment of women	444	Use of abuse language	199
Nuisance after drinking	114	Dowry harassment	81
Suspicious death	53	Harassment by husbants	37
rape	26	Attempt to rape	27
Cyber/Mobile nuisance	20	Sexual cheating by offering marriage	39

Source: Kerala Womens Commission/ Economic Review, 2015

Now a days there are evidence to view that crimes in the state is passing to the fields of Cyber crime. The recently reported case of online sex business offered a great shock to Kerala society.

The per capita **consumption of liquor** is said to be very high in the state. Kerala has been increasingly becoming a state of 'drunkards'. 'Liquor tragedies' which take hundreds of lives are common in this small state. Almost every celebration passes the state by leaving sorrowful memories. 'As per the available statistics, per capita liquor consumption is the highest in Kerala. The consumption of other banned drugs and narcotics is also on the rise in the state' (Dr. Abdul Bari, Superintendent, Mental health care, Thiruvananthapuram, 2006). The youngsters are seemed to have developed a craze for liquors and drugs and, the campuses – even those of schools, have become the raring places of such habits. The intensity of such habits and its expansion, surpassing any controlling measures, has become a challenge for the very existence of the society and a threat to the future generation. A cause-wise examination of suicides in the state showed that drug abuse was the cause for 235 cases in the year 2008.

In liquor and narcotics, we may observe the roots of many **vices**. In their search for money, youths may have attracted towards various anti-social groups like theft groups, quotation groups or the camp of smugglers. The quotation groups have become more active these days in the state. We may not deny the role of politics in the emergence and existence of such anti–social groups. It is either by political 'support' or by 'neglect' that such groups became prominent in the state. 'Muscle power' and 'criminalization' have become the distinguishing marks of present day politics. Whatever is the cause, the existence of such groups and their growth has become a social nuisance. The under-ground activities of such groups as well as the rivalry among various groups, and the consequent 'fights and deaths' have become a threat to the peaceful social life in the state. The pity thing is that such activities are getting wider respect in the present social environment and such groups are being used extensively.

Dowry has become a 'necessary evil'. This social nuisance has become a source for and force of consumerism. Considering the social spectrum of the country, we could see that, out of greed for acquiring products of western culture, expensive consumer goods are increasingly demanded as part of bride's dowry by grooms. In the case of Kerala, huge amounts of money along with vehicles and consumer goods are demanded as dowry. A shortage in this amount or putting away a part of its payment may lead to the total collapse of the marital relations. The compulsion to obtain the consumer goods whatever its cost and also for additional money may very often manifest in the dowry deaths. In Kerala, dowry disputes were the reason for 32 suicides in the year 2008. Nineteen cases of dowry deaths are reported even during the year 2013. Actual cases of deaths and harassments may be higher than those reported. In this connection, let us recall a shocking incident that happened in the state a few years ago. A girl who was married off with a hefty dowry of 40 lakh rupees, a Lancer car and 317 sovereign of gold committed suicide following harassment from in-laws for more dowry. The root cause of such harassments and following cruelties may be found in the expectation of society that 'men can re-marry and receive another dowry elsewhere'. To aggravate the situation, the mindset of the youth today has radically changed so as to expose even their family life to the realm of consumerism. J. Mohan Raj, principal counselor of a family court and a researcher on divorce cases, has pointed out that the average divorce cases that are filed in the state comes to around 70 a day. The situation is indicative of the radical change that has come about in the thinking of the youth. Justice D. Sreedevi, the then chair person of commission for women, is of opinion that the options before the present day generation are numerous and hence the youth today are not prepared to wedge an inch from their stand (Mathru bhumi Daily, 15th July, 2007).

'Suicide' is another important problem that invites social concern in Kerala. As per Economic review, 2010, the suicide rate in Kerala is 25.3 per one lakh which is more than double to the national average of 10.9 per lakh. The state with a population of about 3 percent of the country contributes about 10 percent of all suicides in India. Definitely, we may observe the prominent role of consumerism that contributed to the deterioration of mental health among Keralites. The situation may be looked into from different angles. Consumerism developed in the state may have enhanced the aspiration levels of people far ahead of their capacities. The continuous failure to cope up with the enhanced targets, even after resorting to all foul means, might have made them desperate. Suicide might have worked as a natural outcome of this desperation. Secondly, in order to lead a consumerist way of life, individuals borrowed loans from various credit agencies – both institutional and non-institutional. Prompted by the advertisement and persuasion from the sellers who arranged credit loans, the purchase expanded and the liabilities further aggravated.

TABLE 3: SUICIDE RATE – KERALA AND ALL INDIA

Rate (per 100000)	Year					
		2005	2006	2007	2008	2009
	Kerala	27.7	26.8	26.3	25.0	25.3
	All India	10.3	10.5	10.8	10.8	10.9

Source: economic review, 2010

The ceasing of loan facilities at the time when they are accustomed to consumerist life style may lead them to borrow money from money lenders. The 'amalgamated liability' they had to pay back and the impossibility of getting source to maintain acquired level of living might have worked much to the cases of suicide.

During the last decade, Kerala was shocked by massive suicide among the farmers. A total of 942 such suicide cases were reported during the period 2001-2007 (Assembly reports, Mathrubhumi, 27 March, 2007). The main reason reported was that of non-profitability in farming sector. But consumerism might have played prominent role in such incidences. The reports showed that the houses of many of such farmers were filled with consumer durables and, had made huge liabilities in the form of credit loans. Another element that may be attributed to suicide in the state is that of drug habit. The consumerist environment that prevails in the state gives respect to alcohol as a sign of mark. Out of the pressure of situation, people are attracted towards drinking habits. Gradually, they fall prey to drugs.

The diseases associated with drug addiction and the resultant depression might have led them to resort to suicide. The cause-wise analysis of suicides in the state shows that family problems and illness were the main reason. This was followed by bankruptcy and drug abuse.

TABLE 4: SUICIDES BY SOURCE IN KERALA

Source	Year					
	2003	2004	2005	2006	2007	2008
Bankruptcy/sudden change in eco status	1019	888	831	746	756	539
illness	2738	2821	2741	2874	2823	2739
Dowry disputes	10	15	17	19	22	32
Drug abuse	158	80	63	117	137	235
Family problems	2027	2028	2649	3418	3787	3737
Cause not known	1343	1189	852	612	806	601
Total suicides	9438	9053	9244	9026	8962	8569

Souce: Economic review, various volumes

CONCLUSION

It is found that the phenomenon of consumerism that existed and the situation that it created in the state brings insecurity to the social life of the Keralites. The out doing behavior and its social recognition along with social and mental pressures infused insecurity to social life in Kerala. As a result, the state is considered as the country's most crime-prone state (D. Thiwari, 2012). A search for the roots of many dismal situations in the state may lead us to the unsound and injudicious consumption practices in the state. Its growth and extension to various spheres of family and social life necessitate serious consideration and demands effective policy measures to counter its adverse fall outs. "… The major cost of the consumer society is the sense of generalized insecurity it engenders" (Baudrillard, 2003).

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DETERMINANTS OF DIVIDEND POLICY WITH SPECIAL REFERENCE TO SELECTED HOUSING FINANCE CORPORATIONS IN INDIA

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ABSTRACT

Dividend Policy is one of the most debated issues in finance. While shaping dividend payment a sensible management strikes a balance between shareholder's expectation and firm's long-term interest. Several questions related to dividend decisions remain perplexing because of diverse and conflicting theories and empirical results. This paper attempts to empirically analyze the factors determining the dividend policy of Selected Housing Finance Corporations in India. This study examines the Dividend Behaviour through Lintner's dividend model, Brittain's Cash Flow Model and Btittain's explicit Dividend Model. The study considers top ten Housing Finance Corporations based on the market capitalization for the period of 13 years from 2000-2001 to 2012-2013. It is found from the analysis that previous dividend, earning after tax, depreciation and cashflow are the important factors affecting dividend decision of the selected Housing Finance Corporations.

KEYWORDS
cash flow, depreciation, earnings after tax and lagged dividend.

INTRODUCTION

Housing Finance plays a vital role as an engine of equitable economic growth through the reduction of poverty and prevents slum proliferation in economy. The demand for housing has increased rapidly day by day. Therefore, to meet with the growing housing demand is the aim of the government. To achieve this aim it is required to provide the finance for housing to the people. The liberalization of the financial sector of the economy has also become possible by the housing finance. Home Loan is the funds buyer has to borrow usually from a bank or other financial institutions to purchase a property, generally secured, by a registered mortgage to the bank over the property being purchased. A mortgage loan is a debt owed on a home, the mortgage rate is the interest rate charged to the home owner for the use of the loan.

In India, the government provisions account for a very small portion of housing activities (i.e.) less than 5% of total housing each year. Thus, the private sector seems to be dominant. However, the public polices often ignored the private sector and so its supplies cannot match housing demands. India is considered as the birthplace of the number zero. Home to roughly 1.2 billion people, India is the second most populous country after China and is expected to overtake it by 2030. About one in every sixth person breathing on earth lives in India, and the growth rate of the population is still high. The Housing finance sector in India has no doubt, experienced unprecedented change in its structure from its formulation stage. Indian Housing Finance has far moved from the stage of being a solely government undertaking provided service during the 1970's to a very competitive sector with more than 45 housing finance entities providing housing loans worth ₹ 7,81,000 million to home buyers across India.

STATEMENT OF THE PROBLEM

Dividend policies are one of the most issues in modern corporate finance. There are many researchers who have provided in sights, theoretical as well as empirical, into the dividend policy puzzle. However, the issue as to why firms pay dividends is as yet unresolved. Several rationales for a corporate dividend policy have been proposed in the literature, but there is no unanimity among researchers. Everyone, however, agrees that the issue is important, as dividend payment is one of the most commonly observed phenomena in corporations worldwide. The issue of dividend policy is important for several reasons: - First, many of researchers have found that a firm uses dividend as a mechanism for financial signaling to the outsiders regarding the stability and growth prospects of the firm. Second, dividends play an important role in a firm's capital structure. Yet another set of studies have established the relationship between firm dividend and investment decisions. According to the "residual dividend" theory, a firm will pay dividends only if it does not have profitable investment opportunities, i.e., positive net present value projects. Third on the relationship between dividend policy and the value of the firm, different theories have been advanced. The first theory that considers the dividend decision to be irrelevant, under perfect market situation, the dividend policy of a firm is irrelevant, as does not affect the value of the firm. The second theory that considers the dividend decision to be relevant factor influencing the value of the firm, with this background this study made an attempt to study the dividend behavior of selected Housing Finance Corporations in India.

SCOPE OF THE STUDY

The present study aims at analyzing the dividend behavior of f selected Housing finance corporations in India. The study was undertaken for period of thirteen years from 2000-01 to 2012-13.

OBJECTIVE OF THE STUDY

The Study is under taken with the objective to analyze the factors determining dividend policy of selected HFCs.

METHODOLOGY

The methodology adopted in the present study is as follows.

SOURCES OF DATA
The present study is mainly based on secondary data. It has been collected from PROWESS a database of CMIE and the annual report of RBI.

PERIOD OF STUDY
The study covers period of 13 years from 2000-01 to 2012-13. The accounting year commence from 1st April to 31st March.

SELECTION OF SAMPLE

There are 45 housing finance companies listed under NHB. Based on the market capitalization the top ten corporations have been selected as the sample unit for the present study viz., Housing Development Finance Corporation Limited (HDFC), LIC Housing Finance Limited (LIC), Gruh Finance Limited (GRUH), Dewan Housing Finance Limited (DHFL), Can Fin Homes Ltd (CANFIN), GIC Housing Finance (GIC), India Home Loan (IHL), Sahara India(SHFL), Housing and Urban Development Corporation(HUDCO) and Ind Bank Housing(IBHFL).

DATA ANALYSIS

Different kinds of statistical tools and techniques are used for the analysis of data taken from published reports along with ratio analysis. They are: Mean, Standard Deviation, Co-efficient of Variation, Annual Compound Growth Rate and Multiple Regression technique.

REVIEW OF LITERATURE

Kevin (1992) analyzes the dividend payment behavior of 650 Indian companies during September 1983 to August 1984 and finds that profitability and earnings of the firms are the two foremost factors determining dividends. He concludes that Indian firms strive for achieving a stable dividend rate. However, keeping in view that the time period of his study was only one year; his results cannot be taken as conclusive.

Mahapatra and Sahu (1993) find that cash flows, current earnings and past dividends are prominent factors that have an impact on the dividend decision. Their results are in contrast to Lintner's model.

Bhat and Pandey (1994) find that current year's earnings, pattern of past dividends, expected future earnings, changes in equity base of the firm have an impact on the dividend decision. Taking a different line of research,

Narasimhan and Asha (1997) look at the changes in dividend tax regime proposed in the Indian Union Budget of 1997-98 and analyze the impact of dividend tax on a firm's dividend decision. They conclude that the burden of tax payment fell in the hands of companies rather than their shareholders.

Mohanty (1999) studied more than 200 Indian companies for a period of fifteen years to understand the relationship between bonus-issuing and dividend-paying behaviour of companies. He found that in the Indian context, it is the dividend rate that is an important determinant of dividend policy in comparison to the dividend payout ratio.

Kumar (2006) studied the relationship between corporate governance and dividend payout behaviour of the Indian firms by taking into consideration their financial structure, investment opportunities, dividend history, earnings trend and ownership structure during 1994–2000. He finds a positive association of dividends with earnings and dividend trends but does not find any association between foreign ownership and growth in dividend payout.

Bhayani (2008) has examined the influence of earnings and lagged dividend on dividend policy of companies listed on the BSE. He found that the current year's earnings are the foremost factor affecting the dividend behaviour of a firm and concludes that Indian.

DETERMINANTS OF DIVIDEND POLICY

An attempt has been made in this study to examine the factors determining the dividend policy of selected sample units. This pattern of dividend policy has been examining the profit dividend relationships and the dividend payout ratios of sample units and to analyse the dividend behavior various theoretical model has been used.

The regression models mainly used in the present study are:
1.   Lintner's model
2.   Brittains cash flow model
3.   Brittain's explicit depreciation model

In Lintner's model changes in current year's dividend is sought to be explained by current year's profit after tax and the dividend payments in the previous year:

Brittains cash flow model used in this study in a variant of Lintner's model making use of cash flow, instead of profit after tax, as a measurement of corporate income.

The third model used in this study is Brittain's explicit depreciation model. This model incorporates depreciation as an additional explanatory variable in the Lintnes's model.

Empirical equations according to all these three models are estimated using the time series data (2000-01 to 2012-13) four all the ten selected companies chosen for this study, to ascertain which of these models hold good for the Indian data. The models are:

Lintner's model

$$D_t = a_0 + a_1 + P_t + a_2 D_{t-1} + U_t$$

Brittain's cash flow model

$$D_t = a_0 + a_1 C_t + a_2 D_{t-1} + U_t$$

Brittain's explicit depreciation model

$$D_t = a_0 + a_1 P_t + a_2 D_{t-1} + a_3 A_t + U_t$$

Where in all these equations:

D_t & D_{t-1}	=	Total equity dividend in period 't' and 't-' respectively.
P_t	=	Net profit after tax in period 't'
C_t	=	Cash flow in period 't'
A_t	=	Amount of depreciation in period 't'
U_t	=	Error term

After a detailed consideration of the above three regression models, the study proposes to select one, which provides maximum explanation of dividend behavior in the selected sample companies. This task has been carried out by looking at the value of adjusted R^2, statistical significance of the explanatory variables; expected sign of the regression co-efficient   used in the equations and the Durbin Watson statistics.

SPECIFICATION OF VARIABLES

PROFITS

The rational of profit after tax as a determinant of dividend policy is that it represents the capacity of the company to pay dividend in a particular year. Further, the level of profit is almost invariably the starting point of management consideration. This variable as a key determinant of dividend policy is found in the work of Lintner's (1956), Darling (1957) and others.

CASH FLOW

Brittain (1966) suggest that cash flow (net current profit after tax + depreciation) is more appropriate measure of the company's capacity to pay dividend. He argues that dividend payment is considered a charge prior to depreciation and hence should be related to earning gross of depreciation. This variable has been proved to be a significant determinant of dividend policy in the empirical works of Mahapatra and Sahu (1993) and Mahapatra and Panda (1995).

LAGGED DIVIDEND

The specification of dividend equation by Lintner's (1956) suggested that lagged dividend is the only other explanatory variable dividend policy. The rational of lagged dividend as a determinant of dividend policy is provided by the speed of adjustment mechanism, which states that companies try to achieve a certain desired payout ratio in the long run.

DEPRECIATION

Regulating and accounting practices regarding depreciation might affect dividend policy inversely through its impact on current net profits. This variable is included as an explanatory variable exclusively by Darling (1957), Brittain (1964) and Brittain (1966). They found this variable statistically significant.

REGRESSION RESULTS

Table 1 represents the regression result for determinants of Dividend Policy

TABLE 1: REGRESSION RSULTS OF LINTNER'S DIVIDEND MODEL [Equation - $D_t = a_0 + a_1 P_t + a_2 D_{t-1} + U_t$ (2000-01 to 2012-13)]

Company Name	Constant a_0	Profit a_1	Lagged Dividend a_2	R^2	Adjusted R^2	F-value	DW Statistics
HDFC	4.62 (1.41)	0.39 (1.55)	0.02** (2.85)	98.8	98.6	472.65*	0.75
LIC	3.93 (1.02)	0.02** (2.39)	1.01* (19.59)	98.7	98.4	373.17*	1.22
GRUH	0.20 (0.17)	0.45* (3.70)	0.41 (0.98)	97.3	96.8	183.40*	1.86
DEWAN	5.06* (3.59)	0.13* (6.22)	0.04 (0.16)	98.9	98.6	430.15*	1.35
CAN FIN	2.32 (1.44)	0.04** (2.87)	1.26* (3.84)	73.9	68.6	14.12**	1.15
GIC	0.77 (0.96)	0.17* (5.77)	0.49* (5.05)	97.8	97.4	224.01*	1.23
IBHFL	-13.91 (1.08)	0.24 (1.00)	0.18* (3.62)	83.3	79.9	24.91*	1.47

Note: *Significant at 1% level, **Significant at 5% level, *Significant at 10% level.

RESULT OF LINTNER'S MODEL

The regression results of Lintner's dividend model are shown in Table 1. It discloses that the regression equation (Lintner's dividend model) estimated for all the seven sample companies seem to satisfy all the specifications. This because the Co-efficient of determination adjusted for degree of freedom (Adjusted R^2) is statistically significant in all the selected sample companies as in depicted from their F-values. The value of adjusted R^2 is found to be ranged in between 68.6 to 98.6 in the sample companies. The regressions Co-efficient of the explanatory variables current earnings after tax (P_t) and dividend paid in the previous year (D_{t-1}) have the expected positive signs in all the seven companies. The current earnings were found to be an important determinant of dividend behavior in the case of LIC, GRUH, DEWAN, CANFIN and GIC. The other variable previous year dividend found to be an important variable in determining dividend behavior except GRUH and DEWAN.

Brittains Cash flow model have been presented in the following table.

TABLE 2: REGRESSION RSULTS OF BRITTAINS CASH FLOW MODEL [Equation - $D_t = a_0 + a_1 C_t + a_2 D_{t-1} + U_t$ (2000-01 to 2012-13)]

Company Name	Constant a_0	Cash Flow a_1	Lagged dividend a_2	R^2	Adjusted R^2	F-value	DW Statistics
HDFC	1050.37 (1.49)	-0.516 (1.48)	1.13* (23.58)	98.3	98	323.93*	0.73
LIC	1687.80 (1.31)	-0.83 (1.30)	1.16* (1.12)	98.2	97.9	276.61*	0.82
GRUH	-0.30 (0.25)	0.46* (3.82)	-0.46 (1.11)	97.5	96.9	191.43*	1.89
DEWAN	5.01* (3.36)	0.12* (6.32)	-0.04 (0.18)	98.9	98.7	441.79*	1.35
CAN FIN	-2.25 (1.42)	0.04** (2.95)	1.23* (8.81)	74.5	69.4	14.62**	1.16
GIC	0.71 (0.87)	0.17* (5.71)	0.49** (4.98)	97.8	97.3	220.08*	1.19
IBHFL	-15.16 (1.17)	0.18* (3.63)	0.24 (1.02)	83.6	80.3	25.43*	1.41

Note: *Significant at 1% level, **Significant at 5% level, *Significant at 10% level.

RESULT OF BRITTAIN'S CASH FLOW MODEL

The regression estimates of Britain's cash flow model for all the selected sample units are shown from the above table 2. it is found from the above table that adjusted R^2 (Co-efficient of determination adjusted for degrees of freedom) of the estimated regression equation is found to be statistically significant in the sample units as it is depicted from their F values. The regression co-efficient of both the explanatory variables used in the equation namely cash flow and lagged dividend.

The regression co-efficient of past dividend was not statistically significant. The regression co-efficient of cash flow have the negative sign in the case of HDFC and LIC and positively related with all others cases.

Brittains Explicity Depreciation Model have been presented in the following table.

TABLE 3: REGRESSION RSULTS OF BRITTAINS EXPLICIT DEPRECIATION MODEL [Equation – $D_t=a_0+a_1 P_t+a_2 D_{t-1}+a_3 A_t+U_t$ (2000-01 to 2012-13)]

Company Name	Constant a_0	Profit a_1	Lagged Dividend a_2	Depreciation a_3	R^2	Adjusted R^2	F-value	DW Statistics
HDFC	861.2 (1.09)	0.01*** (2.06)	0.48 (1.57)	-0.16 (0.56)	98.9	98.5	295.46*	0.71
LIC	0.21 (0.04)	3.07 (1.15)	0.02*** (2.14)	0.90* (8.52)	98.8	98.5	257.37*	1.24
GRUH	-1.94 (0.81)	2.05 (1.02)	-0.55 (1.26)	0.46* (3.84)	97.6	96.8	123.04*	1.88
DEWAN	4.12** (2.76)	0.10* (3.67)	-0.04 (0.19)	1.73 (1.42)	99.1	98.7	316.68*	1.43
CAN FIN	1.50 (1.00)	0.02** (2.24)	2.04* (3.67)	0.38 (1.16)	89.5	86.1	25.69*	1.82
GIC	1.09 (1.09)	-0.78 (0.58)	0.17* (5.60)	0.49* (4.91)	97.9	97.2	139.49*	1.36
IBHFL	-36.82*** (1.84)	0.35 (1.47)	0.16* (3.38)	3.82 (1.45)	86.4	81.9	19.12*	1.85

Note: *Significant at 1% level, **Significant at 5% level, *Significant at 10% level

RESULT OF BRITTAIN'S EXPLICIT DEPRECIATION MODEL

The analysis of Brittains Explicit depreciation model is explaining its dividend behavior of all the sample units. Accordingly, implies that dividend payout in Housing finance companies is a functions of profit after tax and the dividend paid in the previous year. This is a variant of Lintner's dividend model. This model incorporates depreciation as an additional explanatory variable in the basic of Lintner's model. An analysis of this model reveals that adjusted R^2 is found statistically significant in all the selected sample companies as it depicted from their F values.

The regression co-efficient of the explanatory variable of the net profit after tax (P_t) and depreciation were not statistically significant in most of the sample companies. The variables of net profit after tax is have the expected positive signs in all the selected sample units. The variable of depreciation is positive signs in all the sample units except HDFC.

CONCLUSION

The study examines the determinants of dividend payout ratio of selected Housing Finance Corporations in india. It is found from the empirical results that Lagged Dividend, Earnings after Tax, Cash Flow and Depreciation are the factors demonstrating significant effect over dividend decisions of the sample firms. Lagged Dividend and Earnings after Tax are positively linked to dividend decision but Cash Flow is showing mixed results. Earnings after Tax positively related with dividend decision imply that HFCs are able to grow dividend payments with increasing earnings and vice versa. Depreciation is explaining positive impact on current dividend as per target payout ratio after charging depreciation from current earnings.

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JOB SATISFACTION AS A FACTOR FOR EMPLOYEE RETENTION: CIVIL ENGINEERS IN CHENNAI

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ABSTRACT
Job satisfaction is in regard to one's feelings or state-of-mind regarding the nature of their work. Job satisfaction can be influenced by a variety of factors, eg, the quality of one's relationship with their supervisor, the quality of the physical environment in which they work, degree of fulfillment in their work, etc. Construction sector is the most dynamic and developing sector. The turnover in the construction sector is very high in recent times compared to past decades. The main reason is job satisfaction. This study attempts to find the satisfiers and dissatisfiers in the construction sector that influences an employee's turnover.

KEYWORDS
job satisfaction, satisfiers, dissatisfiers, construction sector.

INTRODUCTION
Job satisfaction has been investigated in several disciplines such as psychology (Argyle 1989), sociology (Hodson,1985;Kalleberg and Loscocco ,1983), economics (Hamermesh 1977, 2001; Freeman, 1978), and management sciences (Hunt and Saul ,1975). Employers prefer that their employees be satisfied, since employees satisfaction is closely related to their labor market behavior such as productivity, quits and absenteeism. Several findings indicate that job satisfaction is as good predictor of quits as wages (Freeman, 1978; Akerlof et al., 1988; Clark et al. (1998). For this reason, it is important to study the determinants of job satisfaction. Different aspects of job satisfaction are studied in the literature. These include job satisfaction with gender (Clark ,1997), wage growth (Clark, 1999), age (Hunt and Saul (1975), Clark et al., 1996), comparison income and unemployment (Clark and Oswald, 1994,1996) work environment (Idson, 1990), work environment and relations with managers (Gazioglu and Tansel, 2002). Locke (1976) defines the job satisfaction as the individual's subjective valuation of different aspects of their job. This paper analyses four different measures of job satisfaction in construction Sector.

JOB SATISFACTION
Job satisfaction is in regard to one's feelings or state-of-mind regarding the nature of their work. Job satisfaction can be influenced by a variety of factors, eg, the quality of one's relationship with their supervisor, the quality of the physical environment in which they work, degree of fulfillment in their work, etc.

The happier people are within their job, the more satisfied they are said to be. Job satisfaction is not the same as motivation, although it is clearly linked. Job design aims to enhance job satisfaction and performance, methods include job rotation, job enlargement and job enrichment. Other influences on satisfaction include the management style and culture, employee involvement, empowerment and autonomous work groups. Job satisfaction is a very important attribute which is frequently measured by organizations. The most common way of measurement is the use of rating scales where employees report their reactions to their jobs. Questions relate to rate of pay, work responsibilities, variety of tasks, promotional opportunities the work itself and co-workers. Some questioners ask yes or no questions while others ask to rate satisfaction on 1-5 scale. There are many methods for measuring job satisfaction. By far, the most common method for collecting data regarding job satisfaction is the Likert scale (named after Rensis Likert). Other less common methods of for gauging job satisfaction include: Yes/No questions, True/False questions, point systems, checklists, and forced choice answers. This data is typically collected using an Enterprise Feedback Management (EFM) system

Job satisfaction for Civil Engineers has been extensively researched. It is recognised as a significant factor in motivation and professional development are needed for satisfaction.

OBJECTIVES OF THE STUDY
The Objectives of the Study are as Follows:
1. To identify the level of Satisfaction and dissatisfaction among Engineers in Construction sector.
2. To find out causes and reasons for Employee Turnover.
3. To suggest strategies to the organization for Employee Retention.

METHODOLOGY
A descriptive design is used for the Study. Primary and Secondary data were collected. Primary data was collected through the Questionnaire. Rating scale (Likert Scale) was used in the questionnaire. A Non-Probability convenient sampling was used for the Study. Responses were collected from samples of civil Engineers working from major 5 construction sector in Chennai. The Sample size is 125.

DISCUSSIONS
The survey represents opinion of 100 samples. In this study 8 eight factors were analysed for Satisfaction namely Wages & Salary, Job Security, Career Development Job Recognition, Sense of Achievement, Job Characteristics and Respect from Others.

TABLE 1: VARIOUS FACTORS OF JOB SATISFACTION

S.No	Parameter	Satisfaction	Neutral	Dissatisfaction	Total
1	Wages & Salary	34	56	10	100
2	Job Security	70	4	26	100
3	Career Development	45	5	50	100
4	Job Recognition	56	4	40	100
5	Sense of Achievement	61	29	10	100
6	Job Characteristics	43	3	54	100
7	Respect from Others	88	0	12	100
8	Work Relations	54	10	36	100

The study reveals that Engineers are highly satisfied with the parameters of job satisfaction. It is high for   Respect from Others followed by Job Security and sense of achievement. Dissatisfaction is high for Job Characteristics followed by career development and Job Recognition. The study also analysed the attitude of Engineers towards Shifting their Job.

FIGURE 1: WILLINGNESS TO SHIFT THE JOB
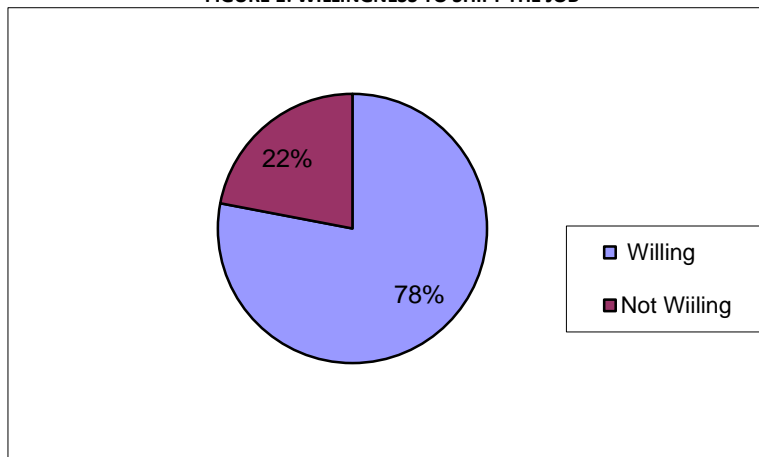
The Figure reveals that 78% of the Engineers are willing to Shift from their present organisation.

TABLE 2: REASON FOR TURN OVER

S.No	Parameter	Satisfaction
1	Wages & Salary	46
2	Job Security	10
3	Career Development	1
4	Job Recognition	0
5	Sense of Achievement	1
6	Job Characteristics	12
7	Respect from Others	0
8	Monotony	13
9	Others	17
	Total	**100**

People shift from organization for higher compensation. They also shift for other reasons like accessibility of their work place, Facilities, 'just for a change', organization Politics etc. The Monontony of the job also makes people to shift from one Organisation to another.

FINDINGS

1.   The study reveals that employees are overall satisfied with their current job.
2.   83% of employees reported that they are determined to accomplish their work goals and confident they can meet their goals.
3.   Employers can build a bridge between employees and senior management by training their line managers regularly and involving them in strategy meetings and activities.
4.   Employees rated opportunities to use their skills and abilities at work as the most important contributor to their job satisfaction, displacing job security for the number one spot.
5.   Career advancement was a higher priority for employees in middle management than for those in non management positions.
6.   It is important for the senior management team to communicate effectively about the organization's business goals, policies and vision.
7.   More than half of employees reported they were satisfied with management's recognition of employee job performance.
8.   Less experienced workers are least likely to believe any claims or offers of job security.

CONCLUSION

This paper provides empirical analysis of the determinants of job satisfaction in Construction Company considering a variety of job related characteristics. The study proves that Engineers are satisfied with their job. It was note-worthy that those in the construction are less satisfied with their pay but more satisfied with their sense of achievement. All in all, the results confirm the robustness of the findings in the literature on job satisfaction both over time and with different measures of job satisfaction. Inspite of satisfaction there is tendency for them to leave the organization. To retain the Engineers for their long run, the Organization must identify the specific needs of the Employees and fulfill it.

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AN ECONOMIC STUDY OF SELECT FISCAL INDICATORS PERTAINING TO KARNATAKA ECONOMY FROM 2000-01 TO 2011-12

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ABSTRACT

The recent fiscal consolidation initiatives of the state of Karnataka have yielded good gains to the state finances as revealed by the broad fiscal indicators. Targets as stipulated in the Fiscal Responsibility Act (FRA) 2002 for the fiscal and revenue deficits have been achieved well within the stipulated time frame and the resultant revenue surpluses have helped in the enhancement of capital outlays. Proportion of interest payments in the revenue expenditure and that of non-development expenditure in the aggregate disbursements also place the State in a better position.
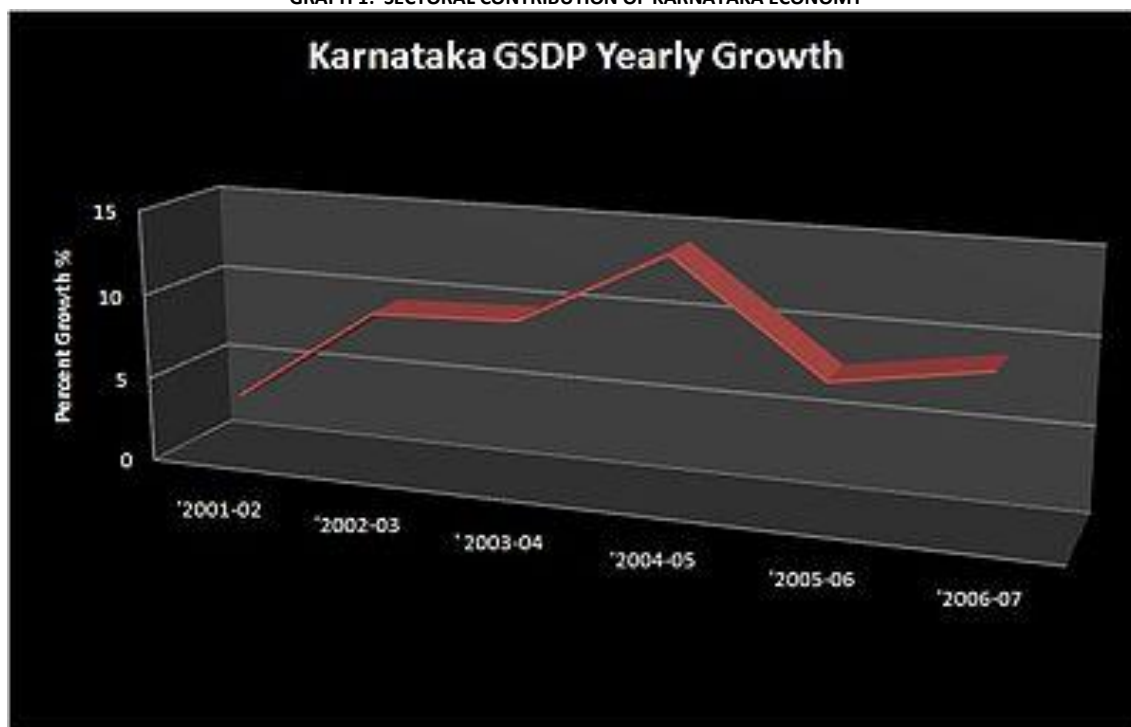
KEYWORDS
net state domestic product, total receipts, total expenditure, total debt, fiscal indicators.

INTRODUCTION

Karnataka is one of the states in India, which experiences high growth rate with the expected **GSDP** (Gross State Domestic Product) growth of 8.2% in the fiscal year 2010–2011. The total expected GSDP of Karnataka in 2010–2011 is about Rs.2719.56 billion. Per capita GSDP during 2008–2009 was US$1034.9. Karnataka recorded the highest growth rates in terms of GDP and per capita GDP in the last decade compared to other states. In 2008–09, the tertiary sector contributed the most to the GSDP amounting to US$31.6 billion (55 percent), followed by the secondary sector, contributing US$17 billion (29 percent), and the primary sector's contribution amounting to US$9.5 billion (16 percent) - with an overall GDP growth of 56.2% and a per capita GDP growth of 43.9% in the last decade.

Karnataka surpassed all other states in India, pushing Karnataka's per capita income in Indian Rupee terms to sixth place. Karnataka received US$2,026.4 million worth of Foreign Direct Investment for fiscal year 2008–09 placing it at third spot among states in India. At the end of 2004, the unemployment rate of Karnataka was 4.57% compared to a national rate of 5.99%. For the fiscal year 2006–07 the inflation rate of Karnataka was 4.4% which was less than the national average.

GRAPH 1: SECTORAL CONTRIBUTION OF KARNATAKA ECONOMY

Source:http://en.wikipedia.org/wiki/Karnataka

GRAPH 2: SECTORAL CONTRIBUTION OF KARNATAKA (2006-07)

Source:http://en.wikipedia.org/wiki/Karnataka
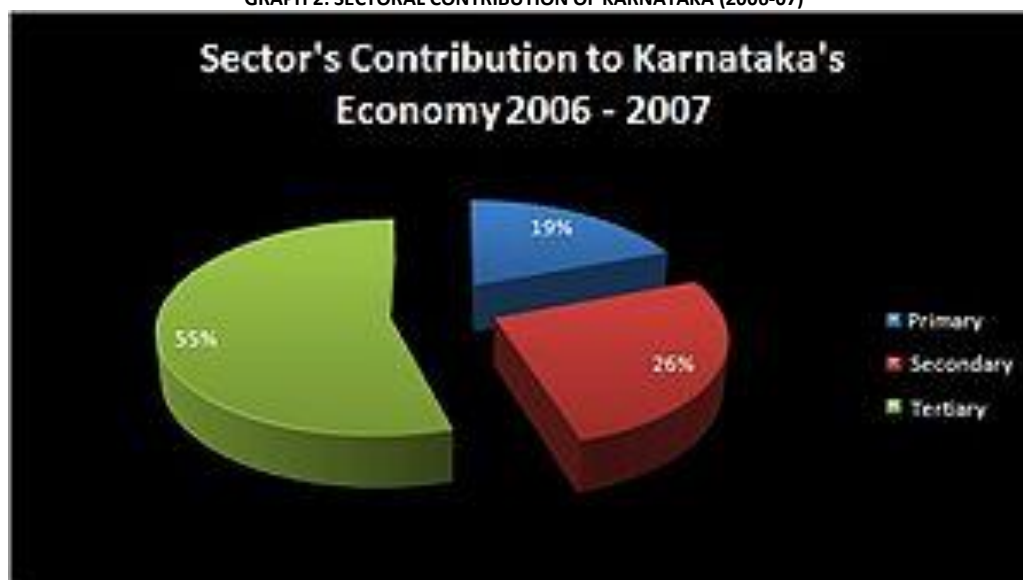
The contribution of primary, secondary and tertiary sectors to Karnataka's GSDP in the year 2006–2007 has been 19.2%, 26.2% and 54.6% respectively.

ECONOMIC GROWTH OF THE KARNATAKA IN POST -REFORM PERIOD IN COMPARISON TO PRE- REFORM PERIOD

Regional disparity continues to remain a serious problem. In the post-reform period, due to deregulation, the degree of control of the central government declined in many sectors. State governments can now take more initiatives for economic development than ever before. Also, the role of private sector is becoming more important as compared to the public sector. In the changed economic scenario, it would be interesting to examine the economic performance at state level.

The post-reform period as compared to pre-reform period provides in the table 1.12 growth rates in Gross State Domestic Product (GSDP) and per capita GSDP for two periods.

TABLE 1: GROWTH RATES OF GSDP AND PER CAPITA GSDP

Growth Rates of Gross State Domestic Product (GSDP) and Per Capita GSDP (%)				
State	G.r. in GSDP (%)		G.r. in per capita GSDP (%)	
	1980-81to 1990-91	1993-94 to 2000-01	1980-81to 1990-91	1993-94 to 2000-01
Karnataka	5.16	7.92	3.20	6.41

Source:http://www.india-seminar.com/2004/537/537%20s.%20mahendra%20dev.htm

Karnataka showed more than 6% growth in the 1990s which has been an improvement.

The reports of the 10th and 11th Finance Commissions provide an index of social and economic infrastructure for major Indian states among which Karnataka ranks 6th position.

Karnataka has been among the top 5 states in India in terms of attracting FDI.

STATE FINANCES

Detailed analysis of government receipts and its components and expenditure and its components for 2010-11 BE in comparison with 2009-10 RE and 2008-09 accounts is presented. The share of tax revenue in the total revenue receipts has increased from 80 percent (2008-09) to 84 percent (2010-11). Sales tax/VAT has been the main source of revenue comprising of 55.65 percent of state's own tax revenue and has experienced a rate of growth of 30.17 percent. During current financial year (2010-11) from April to December, the State's own tax revenue has recorded a growth of 30 percent as compared to the corresponding period of last year.

A large number of new schemes (53) with an allocation less than Rs 10 crore are introduced in 2010-11 budget of the total 66 new schemes announced. Due to continuous focus of new initiatives, the plan expenditure (April-December, 2010-11) has shown a growth of 16 percent compared to the last year during the same period. In 2010-11, the plan expenditure is expected at Rs. 31,050 crore as against Rs.25967 crore in 2009-10. On the other hand, Non-plan expenditure has increased by only 10 percent, signifying an overall improvement in the quality of expenditure.

The size of the State Plan has increased by more than 20 percent per annum in the last 3 years. State's fiscal challenges include sustaining the state's fiscal gains, reversing the low and stagnant non-tax revenue, protecting the capital investments and optimal utilization of central funding support.

REVIEW OF RELATED LITERATURE

AfiaBoadiwaYamoah (**2007**) presented effects of Fiscal Decentralization on Economic Growth and the objective in the study was to construct a measure and determine its effect on the country's economic growth. It also included evaluating Economic Growth in rural and urban countries. The study seeks to add to the literature on decentralization and Economic Growth. The study provides a Provident Economic Growth.

Elizabath Johanna Raubenheimer (**2008**) conducted a study on effects of Estimates in financial statements and the purpose of the study is to establish the effect of estimates in the financial statement. In the study, she has made a comparison between IFRS i.e. International Financial Reporting Standards of 2003 to 2006. IFRS of 2006 is taken to establish the frequency of use of estimates in financial statements. Objectives given were to examine IFRS, to establish if there is any risk that accounting estimates could lead to earnings management or creative accounting and also to analyze financial statement of companies within construction and material sector of JSE to determine the effect of the use of accounting estimates on them.

Mwanaidi Mari Claire (**2001**) made a study on Government Accounting in Rwanda and the main goal observed in this study was to enhance the quality of the financial statements. He has presented two different types of accounting used in the Government sector, namely Fund and Cameral accounting and according to the analysis; the financial statement of Rwanda is recorded using Fund theory.

SCOPE OF THE STUDY

This study lays focus on the performance of Karnataka state economy with special reference to state income and the pattern cum trend of *fiscal indicators*, namely Total Receipts, Total Expenditure and Total Debt.

STATEMENT OF THE PROBLEM

The study compiles those fiscal factors that act as a strength in building the state economy as well as highlighting some of the factors which act as impediments to its growth. The fiscal indicators have been analysed to understand as to which component is contributing more to the state's income.

DATA AND METHODOLOGY

The study is based on secondary data sources and is obtained from the following:

- www.kar.nic.in/finance
- Directorate of Statistics, GOK

The secondary data is analyzed using -

- Trend line
- Pictorials
- Multi Linear Regression

OBJECTIVES OF THE STUDY

⇔ **OBJECTIVE 1:** To Determine the Actual and Trend values of the NSDP of Karnataka and the values forecasted for the years 2015-16 and 2016-2017

TABLE 2: TOTAL NSDP OF KARNATAKA AND THE TREND VALUES FROM 2004-05 TO 2016-17 (In crores)

Year	NSDP (y)	X	X²	XY	Trend Value
2004-05	148729	-5	25	-743645	157391.38
2005-06	164031	-4	16	-656124	169029.34
2006-07	181086	-3	9	-543258	180667.30
2007-08	203810	-2	4	-407620	192305.27
2008-09	218309	-1	1	-218309	203943.23
2009-10	218363	1	1	218363	227219.16
2010-11	240817	2	4	481634	238857.12
2011-12	247051	3	9	741153	250495.09
2012-13	260098	4	16	1040392	262133.05
2013-14	273518	5	25	1367590	273771.01
Total	2155812		110	1280176	
2014-15		6		0	285408.98
2015-16		7		0	297046.94
2016-17		8		0	308684.90

Source: Directorate of Economics and Statistics, GOK

- *Net State Domestic Product* (NSDP) is defined as a measure, in monetary terms, of the volume of all goods and services produced within the boundaries of the State during a given period of time after deducting the wear and tear or depreciation, accounted without duplication.

The above table shows the values of the observed NSDP of Karnataka and the trend values from the year 2004-05 to 2013-14. It can be observed that there has been a constant and steady growth in the state's income except during 2008-10, when there was little stagnation. The trend values have been computed from the year 2004- 05 to 2016-17.

GRAPH 3: TOTAL NSDP OF KARNATAKA AND THE TREND VALUES FROM 2004-05 TO 2016-17
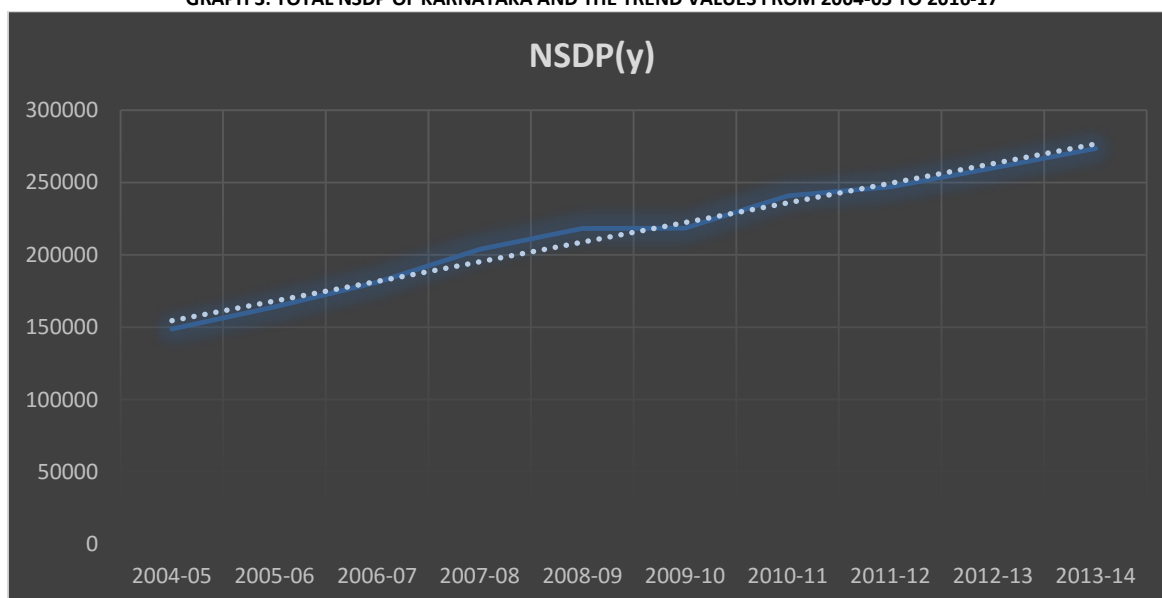
The above graph depicts an increasing trend and shows an increase in the years throughout, except a slight stagnation in the year 2009-10 thereon - has been exhibiting steady rise.

The trend line shows a steep rise and based on the same the forecast values for -

2015-16- 297046.9 crores

2017-17- 308684.9 crores

⇔   **Objective 2: To highlight the trend of three Fiscal Indicators of Karnataka from 2000-01 to 2011-12**

I. To study the components of Total Receipts of Karnataka (in terms of Percentage)

TABLE 3: PERCENTAGE-WISE COMPONENTS OF TOTAL RECEIPTS FROM THE YEAR 2000-01 TO 2011-12

YEAR	Revenue Receipts	Capital Receipts	Public Account	Others	Total (in crores)
2000-01	14822.72 (18.82)	3472.45 (4.41)	60417.41 (76.74)	17.32 (0.021)	78729.9
2001-02	15321.26 (18.13)	5916.94 (7.00)	63216.09 (74.83)	22.73 (0.026)	84477.02
2002-03	16168.75 (19.78)	10454.03 (12.76)	55081.43 (67.41)	4.56 (0.005)	81708.77
2003-04	20759.88 (28.76)	13934.26 (19.30)	37400.29 (51.82)	70.55 (0.09)	72164.98
2004-05	26569.66 (28.61)	10019.07 (10.79)	56203.21 (60.53)	13.42 (0.01)	92845.36
2005-06	30352.04 (23.00)	5787.1 (4.38)	95761.27 (72.56)	61.48 (0.04)	131961.9
2006-07	37586.93 (20.83)	3605.91 (1.99)	139171.47 (77.13)	52.16 (0.28)	180416.4
2007-08	41151.13 (23.99)	2654.53 (1.54)	127429.05 (74.31)	245.15 (1.40)	171479.8
2008-09	43290.68 (23.099)	8829.94 (4.71)	135200.99 (72.14)	89.9 (0.047)	187411.5
2009-10	49155.7 (16.75)	8616.01 (2.93)	235933.9 (80.42)	358 (0.12)	293349.3
2010-11	57784.58 (62.60)	7473.22 (8.09)	27143.64 (29.42)	102.68 (0.11)	92298.76
2011-12	66313.27 (44.55)	17415.52 (11.70)	65009.12 (43.67)	93.47 (0.06)	148831.4

Source: www.kar.nic.in/finance

- *Revenue Receipts* - Government receipts which neither (i) create liabilities nor (ii) reduce assets are called revenue receipts. These are proceeds of taxes, interest and dividend on government investment, cess and other receipts for services rendered by the government. These are current income receipts of the government from all sources. Government revenue is the means for government expenditure. In the same way as production is means for consumption. Revenue receipts are further classified into Tax Revenue and Nontax Revenue.
- *Capital Receipts* - Government receipts which either (i) create liabilities (e.g. borrowing) or (ii) reduce assets (e.g. disinvestment) are called capital receipts. Thus when govt. raises funds either by incurring a liability or by disposing off its assets, it is called a capital receipt.
- *Public Account* - The public accounts are the government's financial statements. They are records of a state's revenues and its outgoings. These accounts are where one would look to analyze a state's fiscal position.

Figures in brackets represents the percentage of the respective component to Total Receipts.

In the Former Period Public Account (60-75%) has fetched the maximum to the Total Receipts followed by Revenue Receipts (18 to 28%) and Capital Receipts (5 to 20%) and lastly others (Less than 1%).

But the latter period has recorded the following trend where in Revenue Receipts has increased its share, followed by Capital Receipts and Public Accounts and lastly others.

GRAPH 4 (A): COMPOSITION OF TOTAL RECEIPTS (IN %) AS ON 2000-2001

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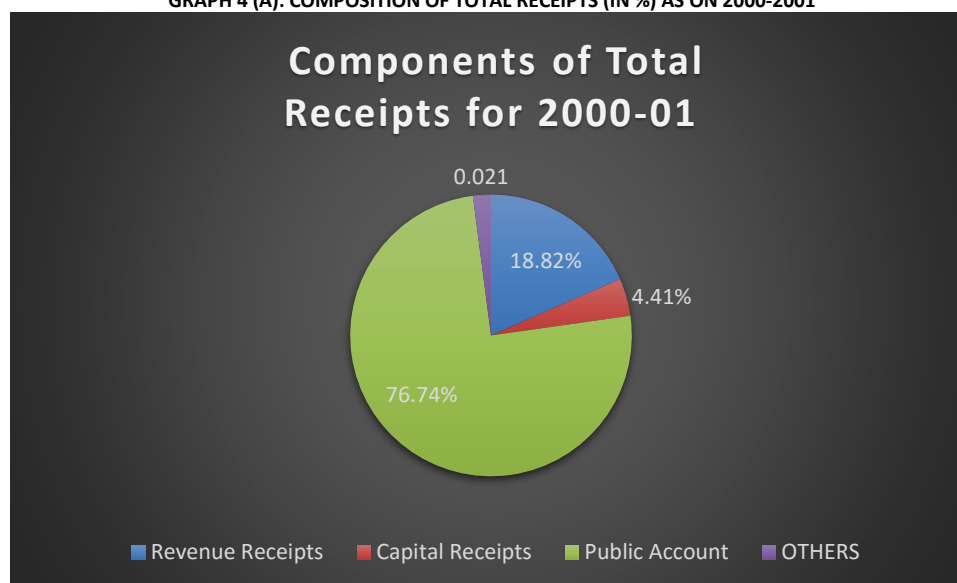
GRAPH 4(B): COMPOSITION OF TOTAL RECEIPTS (IN %) AS ON THE YEAR 2011-12
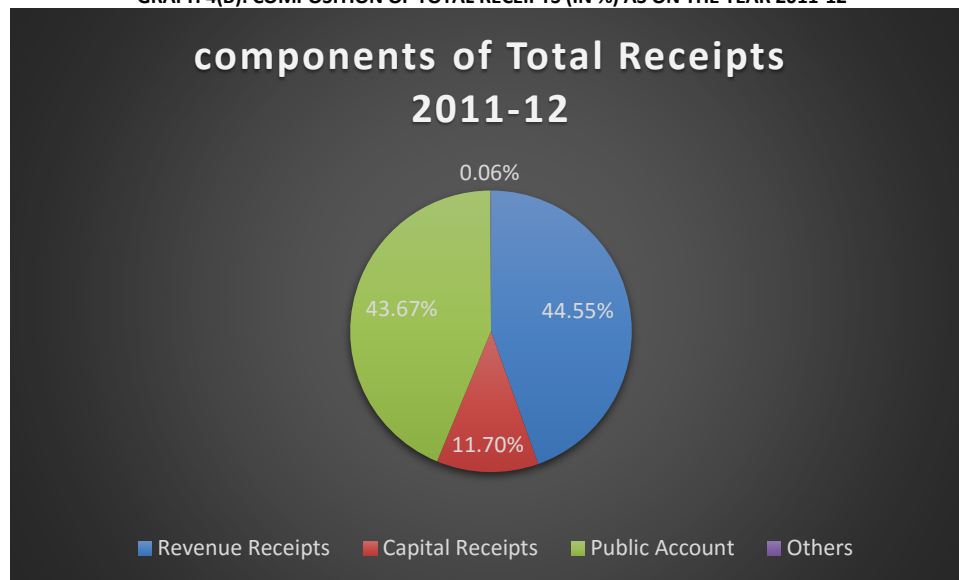
The following can be inferred from the components of Total Receipts
- Public Accounts has decreased from 76.74% to 43.67%
- Capital Receipt has increased from 4.4% to 11.7%

It is incurring a liability by disposing its assets. It's quite low, thus a healthy indicator.
- Revenue Receipts has increased from 18.8% to 44.5%

This item does not create liabilities or asset, thus promising for the state and the same has increased, thus sending positive signals.

II: To highlight the Components of Total Expenditure of Karnataka from 2000-01 to 2011-12

TABLE 4: PERCENTAGE-WISE COMPONENTS OF TOTAL EXPENDITURE OF KARNATAKA

YEAR	Revenue Expenditure	Capital Expenditure	Loan Expenditure	Consolidated Fund Expenditure	Total Expenditure (in crores)
2000-01	16684.95 (42.99)	1946.9 (5.01)	511.3 (1.31)	19663.7 (50.67)	38806.85
2001-02	18605.7 (42.38)	2105.67 (4.79)	514.47 (1.17)	22673.49 (51.64)	43899.33
2002-03	18814.5 (37.22)	2935.9 (5.80)	627.57 (1.24)	28167.3 (55.72)	50545.36
2003-04	21284.72 (35.49)	3029.4 (5.05)	1011.21 (1.68)	34648.39 (57.77)	59973.72
2004-05	24931.86 (37.81)	4673.7 (7.08)	611.42 (0.92)	35709.18 (54.16)	65926.16
2005-06	28040.92 (40.55)	5821.92 (8.42)	299.6 (0.43)	34973.29 (50.58)	69135.73
2006-07	3698.43 (6.49)	8542.57 (15.00)	357.23 (0.62)	44347.59 (77.87)	56945.82
2007-08	37374.77 (39.38)	8648.94 (9.11)	756.74 (0.79)	48109.22 (50.70)	94889.67
2008-09	34681.73 (37.55)	9870.27 (10.68)	731.32 (0.79)	47061.21 (50.96)	92344.53
2009-10	47536.92 (38.45)	12136.68 (9.81)	981.58 (0.79)	62963.51 (50.93)	123618.7
2010-11	56189.23 (39.45)	11987.42 (8.43)	1637.36 (1.15)	72277.01 (50.86)	142091
2011-12	65034.33 (39.13)	13754.44 (8.27)	2067.88 (1.24)	85318.76 (51.34)	166175.4

Source: www.kar.nic.in/finance

Figures in brackets represents percentage contribution of the component to Total Expenditure.

The components of Total Expenditure emphasizes the following facts

Capital Fund Expenditure is the highest with 50-70% of Total Expenditure.

Revenue Expenditure is the next higher item of expenditure by the state Government on an average ranging between 30-70%.

Capital Expenditure has ranged between 10-15%.

And lastly, Loan Expenditure - which is around 1%.

GRAPH 5: COMPONENTS OF TOTAL STATE EXPENDITURE FROM THE YEAR 2000-01 TO 2011-12
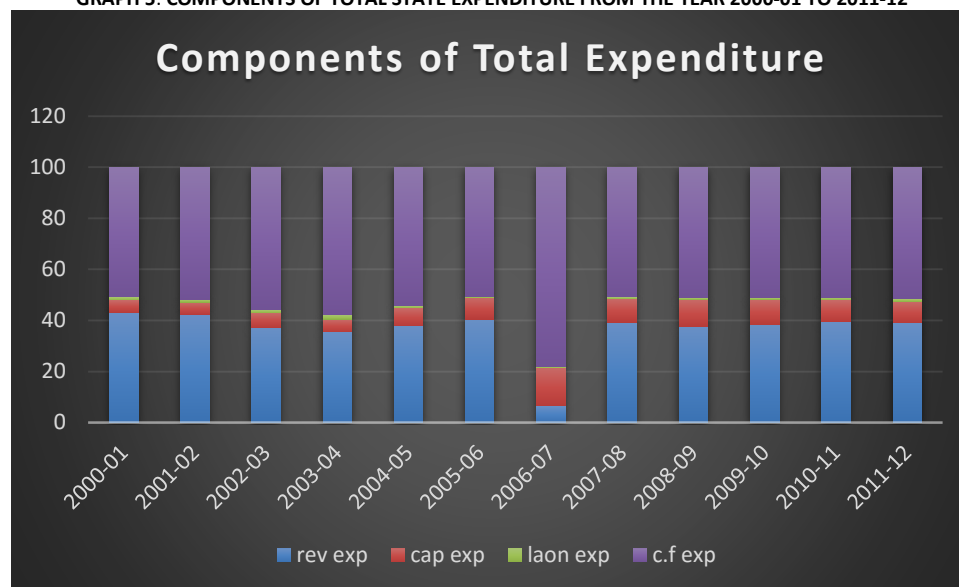
The Consolidated Fund expenditure is the major component of Total Expenditure as the expenditure is towards enhancing economic activities, in order to accelerate the State's income.

The Revenue Expenditure is the second major component- even though it is high it seems prospective as the expenditure is matched with revenue of the current period, thus carrying forward Expenditure items would be minimal.

Capital Expenditure (10-15%) is inevitable for the erection and maintenance of fixed assets by the State.

Loan Expenditure is least which sends positive signals about the State's dependence on debt.

III: To study the composition of Total State Public Debt of Karnataka from 2001-01 to 2011- 12

TABLE 5: COMPOSITION OF STATE PUBLIC DEBTS FROM 2001-01 TO 2011- 12

YEAR	Internal debt	Loans and advances from GOI	Total Debt (in crores)
2000-01	2295.57 (68.09)	1075.65 (31.90)	3371.22
2001-02	3705.36 (62.99)	2176.88 (37.00)	5882.24
2002-03	7981.81 (83.78)	1544.22 (16.21)	9526.03
2003-04	11912.97 (85.89)	1957 (14.10)	13869.97
2004-05	8416.46 (84.39)	1555.76 (15.60)	9972.22
2005-06	4994.9 (88.19)	688.66 (12.15)	5663.56
2006-07	2891.47 (81.42)	659.44 (18.57)	3550.91
2007-08	1550.67 (65.79)	805.99 (34.20)	2356.66
2008-09	7995.98 (93.06)	596.16 (6.93)	8592.12
2009-10	7310.01 (91.47)	680.86 (8.52)	7990.87
2010-11	5605 (78.46)	1538.72 (21.53)	7143.72
2011-12	13615 (88.67)	1738.8 (11.32)	15353.8
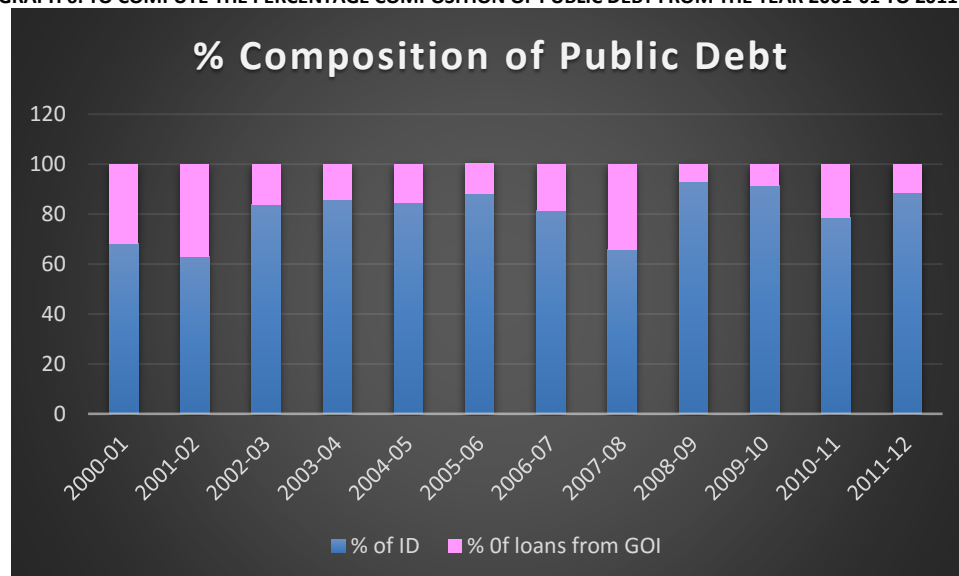
Source: www.kar.nic.in/finance

The Total Debt has been recording an alternative pattern of increase and decrease during the study period.

Most of the years have shown reduction in Total Debt, which is a positive and healthy fiscal indicator of the state's Financial dimension.

Internal Debt is greater than Loans and advances from GOI. In fact, the state seems self-reliant without excessive dependence on the Central Government and is one of the State, which is on an impressive Fiscal consolidation exercise.

GRAPH 6: TO COMPUTE THE PERCENTAGE COMPOSITION OF PUBLIC DEBT FROM THE YEAR 2001-01 TO 2011-12

The Total Debt has recorded equal times of increases and decreases during the study period. And decrease is a very good indicator in spite of the State showing impressive progress.

With regard to composition, the Internal Debt, is a major source for the State Debt's (70 to 90%), meaning the State takes borrowings from State's Fund LIC Funds, Banks, surplus.

⇔   **Objective 3: To trace the pattern of Three Fiscal Indicators of Karnataka (2000-01 to 2011-12)**

GRAPH 7: THREE FISCAL INDICATORS OF KARNATAKA FROM THE YEAR 2000-01 TO 2011-12
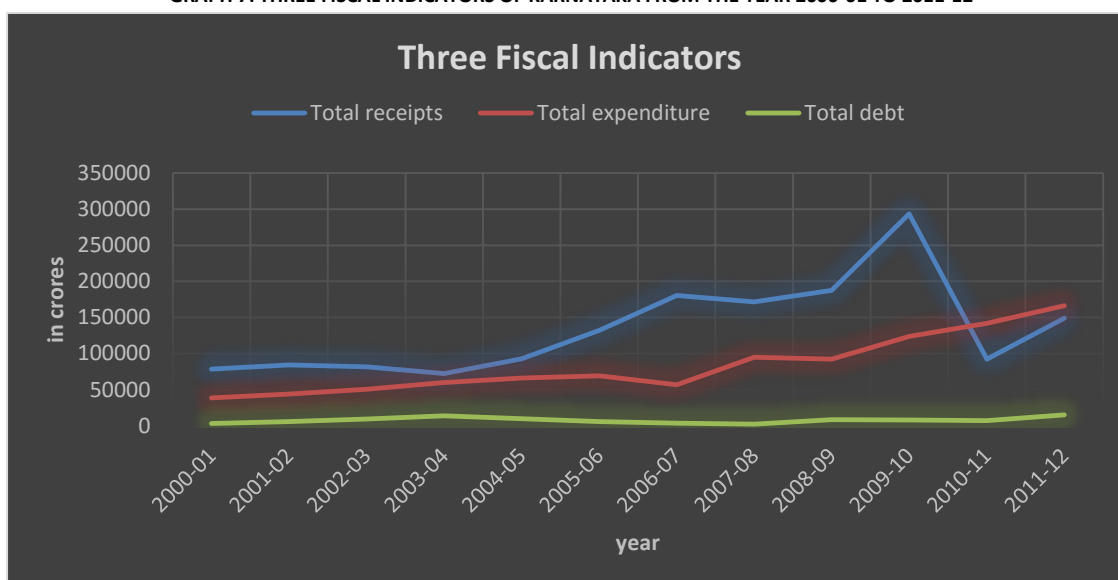
The following can be observed from the 3 fiscal variables pertaining to the State from 2000-01 to 2011-12.

❖   Total Receipts- has been on the rise and the rate of increase has been more post 2006-07 except for downward trend in 2010-11
❖   Total Expenditure – has been gradually rising, but from 2006-07 onwards expenditure is on a steep rise.
❖   Total Debt has been low most of the years in the study period and has witnessed decreases.

Implications

❖   Expenditure has been well controlled within Receipts except for 2010-12.
❖   Due to the above, Debt has been low and graphically shows that it has been low and stable.

⇔   **Objective 4: To determine the interrelationship of the NSDP of Karnataka with its determinants (for the study period 2004-05 to 2011-12.)**

For the above stated purpose, the following variables are tested and related to NSDP of Karnataka – analysed through Multiple Linear Regression using SPSS.

TABLE 6: NSDP, TD, TE, TR OF KARNATAKA 2004-05 TO 2011-12

	Dependent Variable	Independent Variables		
year	NSDP	Total Debt	Total Expenditure	Total Revenue
2004-05	148729	9972	65926	92845
2005-06	164031	5664	69136	131962
2006-07	181086	3551	56946	180416
2007-08	203810	2357	94890	171480
2008-09	218309	8592	92345	187412
2009-10	218363	7991	123619	293349
2010-11	240817	7144	142091	92299
2011-12	247051	15354	166175	148831

Source: www.kar.nic.in; Directorate of Statistics, GOK

NSDP – Dependent variable

Total Receipt – X_1

Total Debt – X_2

Total Expenditure - X_3

Formulation of the Regression model

NSDP= fn [Tr, Td, Ex,]

NSDP= $\alpha + \beta_1 tr + \beta_2 td + \beta_3 Ex + \mu$

Where Y refers to the total NSDP

Tr is the total revenue of Karnataka

Td is total debt

Ex is the total expenditure

HYPOTHESIS FORMULATION

Null Hypothesis (H_o): There is no significant impact on the dependent variable by the independent variables.

$\beta_1 = \beta_2 = \beta_3 = 0$

Alternative Hypothesis (H_1): There is significant impact on the dependent variable by the independent variables.

$\beta_1 \neq \beta_2 \neq \beta_3 \neq 0$

The above model bears the following result –

MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.933[a]	.870	.772	16916.544

Interpretation

The model explains 87% (R_2) variation in the dependent variable (NSDP) by the independent variables (total revenue, total debt, and total expenditure) and the remaining13% variation is due to remaining residual factors (Sectoral contribution to the State Income, FDI inflows, Exports etc).

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7640722537.880	3	2546907512.627	8.900	.030[b]
	Residual	1144677898.120	4	286169474.530		
	Total	8785400436.000	7			

a. Dependent Variable: NSDP

b. Predictors: (Constant), Total_Receipts, Total_Expenditure, Total_Debt

Interpretation

The ANOVA summary table indicates the p-value as .030[b], which is less than 0.05 (α value), hence the model is significant at 5% level of significance. Therefore, H_o is rejected and H_1 is accepted, which states that there is a significant impact of the independent variables on the dependent variable.

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	113658.946	23667.557		4.802	.009		
	Total_Debt	-2.127	2.042	-.243	-1.042	.356	.598	1.671
	Total_Expenditure	.939	.210	1.038	4.467	.011	.603	1.659
	Total_Receipts	.062	.102	.112	.605	.578	.943	1.060

a. Dependent Variable: NSDP

Interpretation

The VIF values pertaining to Total Revenue, Total Debt, Total Expenditure is less than 10 and therefore the model is free from multi colllinearity.

Model Interpretation and Conclusion

Y = 113658.46 – 2.127X1+0.939X2 + 0.062X3

Total Expenditure and Total Receipts have positive impact on NSDP, whereas Total Debt has a negative influence on NSDP when compared to other two variables. Thus it can be concluded that –

- One unit increase in Total Debt will reduce 2.127 units of NSDP.
- One unit increase in Total Expenditure will increase 0.939 units of NSDP
- One unit increase of Total Receipts will increase 0.062 units of NSDP

Therefore:

- Total Expenditure has a greater and positive impact on NSDP
- Total Receipts is the other variable which has a positive impact on NSDP
- Total Debt has a negative impact on NSDP.

SUMMARY OF FINDINGS

The study has been undertaken to have a better understanding of the Fiscal position of the State.

- ❖ Determining the trend Values of Karnataka from the year 2004-2014. It shows a steady growth of State Income, thus depicting progress.
- ❖ Analysing the components of Total Receipts, Total Expenditure and that of Total Debt have the following implications -
- ➢ In total Receipts with Public Account has a major contribution in the earlier period and in the latter period there is an upward trend of the Capital Receipts.
- ➢ Highlighting the components of Total Expenditure - Capital Fund Expenditure is the maximum contributor to the Total Expenditure and then it is followed by Revenue Expenditure. Least out of the components are Consolidated Fund Expenditure and the Loan Expenditure.
- ➢ The composition of the State Public Debt has a fluctuating pattern. Over the years there is a decrease in the Total Debt, which is a healthy indicator. The percentage of loans from GOI is lesser than Internal Debt.
- ❖ Further tracing of the three Fiscal indicators together show a pattern with Total Receipts on a rise (with a slight variation in the year 2010-11). The Total Expenditure has had a gradual and a steady rise. The Total Debt has been low throughout the years and this indicates a positive pattern of the state's Fiscal position.
- ❖ The study on interrelationship of NSDP with its determinants for the study period 2004-05 to 2011-12 shows that Total Expenditure has a greater impact and a positive one when compared to the Total Receipts on NSDP and Total Debt has a negative impact on the State Domestic Product.

RECENT POLICY

- ➢ *Medium term Fiscal Policy (MTFP)- 2012-16*

The main projections of this policy are:
- To balance between revenue receipts and revenue expenditures
- To make use of capital receipts including borrowings for generating productive assets

The State has always maintained a revenue surplus. That meant that all current and consumptive expenditure has been met well within the revenue receipts of the State. As a result, the revenue surplus has been available to meet capital expenditure needs of the State.

➢ *Projections on Fiscal Indicators (State Budget 2015-16)*

The State Budget of Karnataka presented by Chief Minister and Finance Minister Shri. Siddaramaiah has claimed that the state's Gross Domestic Product (GDP) saw a growth of 7 per cent for 2014-15, as against 5 per cent in 2013-14. He has attributed it to the partial recovery in the national economy, particularly in the industrial and service sectors.

Karnataka projected a deficit budget for ensuing fiscal 2015-16, as disbursements are set to exceed revenue receipts.

The budget claims that the industrial sector in the state has registered a growth of 4.4 per cent, while the service sector has seen a growth of 8.9 per cent.

CONCLUSION

The healthy growth of the service sector led by the software industry is 8.9% and the farm sector which is primary sector has plunged from 9.5 to 4.5%. The industry sector growth has marked a growth from 4.2 to 4.4% from the last fiscal. The GSDP is likely to be 7.2% from 7 % which is a growth indicator. The state accounts for 38% of the country's IT exports which is an indication of improved fiscal growth.

The main study which is based on Fiscal indicators of the State shows components of the Total Receipts, Total Expenditure and Total Debt. With the comparison of the three Fiscal Indicators it is learnt that the Total Receipts has a higher trend with a slight dip in the year 2010-11. Total Expenditure has been showing a gradual growth and Total Debt has been low over the years and the same reflects on the State's Fiscal cum Financial Stability.

LIMITATIONS OF THE STUDY

The study is confined to the following limitations:
- The study is confined up to 2012(due to inaccessibility of data for post 2012).
- The data has a lot of other factors that influence the fiscal indicators and the state income, which is not accounted for, in this study.
- Comparative study not undertaken in terms of inter and intra state.

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RURAL MARKETING STRATEGIES OF PEPSICO AND COCA-COLA

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ABSTRACT

The globalisation process completely changed the life style of the Indian rural people. The rural consumers are habituated to drink Multi National Corporation (MNC) products like Pepsico and Coca-cola than traditional soft drinks. In order to analyse the preference of Pepsico and Coca-cola soft drinks in rural areas, 106 retailers were interviewed. Census method was adopted to select the retailers from two villages in Madurai district of Tamil Nadu. By using interview schedule, all 106 retailers were interviewed and data was collected from the field. The study findings showed that the Pepsico soft drinks have higher demand in the rural market than Coca-cola. Nevertheless, the latter one supplied cooler facilities and free services to the rural retailers. Similarly, the sale of Pepsico products gives higher profit margin to the retailers than the sale of Coca-cola soft drinks. Hence, Pepsico has to give higher concentration in the selected rural markets for its sustainability and survival. Diversified taste and attractive bottles also play crucial role in bringing more customers to their particular brand.

KEYWORDS
soft drinks, rural marketing, pepsico, coca-cola and retailers.

INTRODUCTION
India is witnessing a paradigm shift in the consumption of soft drink products. India is an agrarian economy and still now 60 per cent of the GDP is contributed by the agricultural sector. Agriculture is a core of rural economic prosperity along with other sectors like fast moving consumer goods. Since the introduction of liberalisation, privatisation and globalisation in 1991, consumer's behaviour and taste for soft drinks has been changing drastically. Research findings have brought out the fact that for many Multi-National Companies, rural market contributed almost 50 per cent of their total sales revenue.

Companies have realised that if they want to grow rural marketing is the only way to grow. As such, the international companies made a point that they want to have a strong hold in the rural areas. Thus, manufacturing and sale of goods and services in rural areas is called rural marketing. In the present study, the flow of goods and services from urban to rural areas was considered as rural marketing. Very particularly the marketing of manufactured soft drinks-Pepsico and Coca-cola and allied services provided by these companies in rural areas is considered as rural marketing

STATEMENT OF THE PROBLEM
An analysis of NSS data shows that of the total expenditure on manufactured consumer goods, 75 per cent is spent in rural India. This percentage has remained almost unchanged since 1960-61. However, per capita consumption and expenditure on manufactured consumer items are low in rural areas but the market is approximately three times larger. In addition, the consumption of food and non-food items by the rural people, living above poverty line is growing year after year. Although the average annual expenditure by rural people seems to be low but the opportunities that exists for selected products like Pepsico and Coca-cola is growing at a faster rate. Thus, rural marketing plays an important role for not only stimulating production and consumption but it accelerates the pace of economic development. For these reasons, the rural marketing is described as the most important multiplier of rural development by and by for the Indian economic development. The significance of rural marketing has been realised by various national and international companies, exploring to exploit the rural consumers. Now, the marketers of all fast moving consumer goods have a 360^0 view on rural market.

The recent development shows that rural market has thrown a red carpet welcome to corporate sector. Rural economy is witnessing an aggressive infrastructure development namely rural roads, rural communication, rural electrification, rural housing, rural health, rural medicine and rural literacy. Now, almost all villages have been well connected by roads, 90 per cent of the villages are electrified, every thousand population is connected by STD,   41 per cent of the rural houses are pucca, the below poverty line families has declined from 46 per cent to 37 per cent and rural literacy level has improved from 36 per cent to 62 per cent. For many companies, rural market contributed almost 50 per cent of their total sales revenue. Companies have well realised that if they want to grow rural market is the only option and rural market is the only way to grow ahead.

Pepsico and Coca-cola are the world leaders in the supply of soft drinks. In total 26 products were manufactured and supplied to the consumers. They present in more than 200 countries and employ more than four lakhs people in their companies. These soft drinks penetrate into rural market in addition to the existing urban market. By providing tasty soft drinks they have covered the sales in almost all rural India. As a promotional policy, these companies freely supply cooler system or refrigerators to the retailers in order to increase sale volumes. In addition, a new "hub and spoke" model has been put in place to drive the rural expansion plan. The companies felt that there is untapped potential in the rural areas that will fuel quick growth in coming years. Per capita soft drinks consumption in rural areas is only 2.8 liters compared with 7.4 liters nationally. In comparison, urban dwellers in the country's top metros, which form 4.2 percent of the country's population, consumes 49 liters annually. These companies penetrate in rural areas to the share of 40 per cent to the total soft drink sales. This growth rate has been achieved by combination of aggressive marketing strategies and introduction of new innovative products in the market. One important strategy adopted by these companies is introduction of 200ml. packs with variety of taste to target rural customers. The demand for these products had been growing year after year.

MATERIALS AND METHODS
To analyse the impact of two international soft drink products in the Indian rural market, four objectives were formulated, namely,
i)   to analyse the preference of rural retailers in the sale of Pepsico and Coca-cola products in the selected rural markets;
ii)   to study the retailer's satisfaction between Pepsico and Coca-cola services;
iii)   to evaluate the consumers' satisfaction between the Pepsico and Coca-cola products in the selected rural markets and
iv)   to suggest suitable policy measures for sustainability of the selected companies in the Indian rural market.
The present study is an analytical one, based on primary as well as secondary data. The primary data was collected from a sample of 106 retailers. These retailers were selected from two villages in Thanjavur district of Tami Nadu. 46 retailers from Adirampattinam   and 60 retailers from Pattukkottai constituted sample of the study. Thus, Census technique was adopted to select the respondents. All the 106 retailers, selling Pepsi Co and Coca-cola were selected for collecting the primary data. A well-structured and pre-tested interview schedule was administrated by the researcher for collecting the primary data. The investigator personally collected the primary data. The secondary data has been collected from the companies audited statement, journals, books and official website of the selected companies.

ANALYSIS AND INTERPRETATION

TABLE 1: TYPES OF PEPSICO AND COCA-COLA SELLING OUTLET

S.No.	Types of Outlet	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Grocery shop	33 (72)	41(68)	74 (70)
2.	Convenience shop	21 (17)	32 (28)	53 (23)
3.	Eatery shop	16 (11)	7 (4)	23 (7)
	Total	70 (100)	80 (100)	150 (100)

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

Table 1 explains the types of outlets through which the selected two international soft drinks were sold to the rural consumers. Grocery shop (the shop which sells various items, various household consumer goods, retailing of food items and soft drinks), convenience shop (the shop which sells tea and liquor) and eatery shop (the shop which sells food items such as hotels). Most of the soft drinks were sold through grocery shop 70 Per cent followed by convenience shop 23 Per cent and Eatery shop 7 Per cent. The same trend was noticed for the selected villages namely, Adirampattinam and Pattukkottai.

TABLE 2: AGE-WISE CLASSIFICATION OF THE RETAILERS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Less then 40	8 (17)	26 (43)	34 (32)
2.	41-45	9 (21)	-	9 (9)
3.	46-50	13 (28)	15 (25)	28 (26)
4.	51-55	8 (17)	19 (32)	27 (25)
5.	More than 56	8 (17)	-	8 (8)
	Total	46 (100)	60 (100)	106 (100)

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

Table 2 explains age-wise classification of the retailers. It was found from the table that 32 per cent of the retailers are falling in the age group of less than 40 years, which is followed by 46-50 years 26 Per cent and 51-55 years 25 Per cent. Least number of retailers were noticed in the age group of more than 56 years 8 Per cent and in the age group of 41-45 years 9 Per cent. While comparing the selected villages higher number of retailers was found in Alanganallur village in the age group of less than 40 years 43 Per cent. Again 32 per cent of retailers in the same village were falling in the age group of 51-55 years. No significant age difference was found with respect to the retailers selling the soft drinks in Adirampattinam. No retailers were found in the age group of 41-45 and more than 56 years in Pattukkottai.

TABLE 3: EDUCATIONAL STATUS OF THE RETAILERS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Primary level	-	9 (15)	9 (8)
2.	Secondary level	30 (65)	29 (48)	59 (56)
3.	Higher Secondary level	12 (26)	19 (32)	31 (29)
4.	Under graduate	4 (9)	3 (5)	7 (7)
	Total	46 (100)	60 (100)	106 (100)

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

The education detail of the selected retailers is presented in Table 3. Of the 106 respondents, 56 per cent had attained secondary level of education, followed by higher secondary level (29%). Among the selected villages, the retailers in Alanganallur village were less educated than retailers in Nagamalai Pudukottai village.

TABLE 4: SOFT DRINKS SALES PER DAY (200ml. bottle)

S.No.	Particulars	Adirampattinam	Pattukkottai	Total
1.	Pepsico	416 (66)	413 (48)	829 (56)
2.	Coca-cola	216 (34)	447 (52)	663 (44)
	Total	632 (100)	860 (100)	1492 (100)

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

Soft drinks sales (200ml) per day in the selected villages are shown in Table 4. It was found that the sale of Pepsico were found more 56 Per cent than the sale of Coca-cola 44 Per cent with respect to 200ml. soft drink sales. The Adirampattinam retailers were sold more Pepsico 200ml. bottle 66 Per cent than the Pattukkottai retailers who sold higher level of Coca-cola soft drinks 52 Per cent. Of the four sizes (200 ml., 500 ml., 1000 ml. and 2000 ml.), 200 ml. bottles were mostly sold in retailer's outlet. The higher level of sale of PepsiCo in Adirampattinam and Coca-cola in Pattukkottai was due to availability and supply of these soft drinks in the selected villages.

TABLE 5: PROFITABLE SOFT-DRINKS SALE FOR RETAILERS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Patukkottai	Total
1.	Pepsico	34 (74)	21 (35)	55 (52)
2.	Coca-cola	12 (26)	39 (65)	51 (48)
	Total	46 (100)	60 (100)	106 (100)

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

Table 5 presents the profit earned by the retailers in selling Pepsico and Coca-cola soft drinks in the selected villages. 52 per cent of the retailers were earned their profit by selling pepsico products were as 48 per cent of the retailers were earning their profit by selling Coca-cola soft drinks. While comparing the most profitable sale of these products, Adirampattinam retailers were earned more profit by sale of Pepsico 74 Per cent and the Pattukkottai retailers were earned more profit by the sale of Coca-cola 65 Per cent soft drinks. The variation in profit earned by the selected villages was due to the supply of 200 ml. bottles by the selected companies. Thus, Pepsico has supplied their soft drinks regularly to Adirampattinam than Pattukkottai. Similarly, Coca-cola has able to supply their soft drinks regularly to Pattukkottai retailers than Adirampattinam. While discussing with the retailers with respect to deviation in supply of 200ml. bottles, the Pepsico was unable to supply the demand of Pattukkottai, which was capitalised by Coca-cola in that area.

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TABLE 6: TRADE SCHEMES OF PEPSICO AND COCA-COLA SOFT DRINKS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Pepsico Schemes	7 (15)	6 (10)	13 (12)
2.	Coca-cola Schemes	27 (59)	31 (52)	58 (54)
3.	Scheme from both company	4 (4)	6 (10)	10 (9)
4.	Not received any scheme	10 (22)	17 (28)	27 (25)
	Total	**46 (100)**	**60 (100)**	**106 (100)**

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

In order to popularize the soft drinks companies immediately announce different trade schemes. Through this trade schemes the companies display the products and information brochure at the point of purchase. These trade schemes draw the attention of the consumers, increase the sales turn over and enhance the brand name among the consumers. In the study area the Pepsico and Coca-cola companies provide trade schemes in the form of incentives, namely when retailers purchase three grades of 200 ml. soft drinks, five 200 ml. soft drinks are given as free to the retailers during winter seasons.

Table 6 explains Trade schemes of Pepsico and Coca-cola soft drinks in the study area. Among the companies present in the rural market, Coca-cola has provided higher trade schemes support 54 Per cent to the retailers than Pepsico. Nine per cent of the retailers were benefited from both the companies' trade schemes. The same trend was observed in both the villages. 25 per cent of the retailers have not received any trade schemes from the multinational soft drink companies.

TABLE 7: SATISFACTION OF THE RETAILERS ON COMPANIES WEEKLY SUPPLY OF SOFT DRINKS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Satisfaction on Pepsico supply	5 (11)	10 (17)	15 (14)
2.	Satisfaction on Coca-cola supply	11 (24)	40 (66)	51 (48)
3.	Retailers satisfaction due to the supply of both the company products	30 (65)	10 (17)	40 (38)
	Total	**46 (100)**	**60 (100)**	**106 (100)**

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

Retailer's satisfaction with respect to supply of Pepsico and Coca-cola products in the rural area is presented in Table 7. 48 per cent of the respondents satisfied with the supply of Coca-cola. Both companies satisfied 38 per cent of the retailers with the supply of soft drinks. The study found that the Pepsico has least satisfied the retailers. This shows that the Pepsico has to improve their supply chain management strategy in the rural market. Among the selected villages Pattukkottai retailers were highly satisfied with Coca-cola 66 Per cent supply were as Adirampattinam retailers 65 Per cent were satisfied with the supply of both the companies.

TABLE 8: RETAILERS SATISFACTION WITH RESPECT TO SUPPLY OF SOFT DRINKS IN ALL SEASONS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Pepsico	3 (7)	10 (17)	13 (12)
2.	Coca-cola	6 (13)	20 (33)	26 (25)
3.	Retailers satisfaction due to supply of both company products	37 (80)	30 (50)	67 (63)
	Total	**46 (100)**	**60 (100)**	**106 (100)**

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

The retailer's satisfaction with respect to supply of soft drinks in all seasons is presented in Table 8. 63 per cent of the retailers were satisfied with respect to supply of soft drinks in all seasons. Coca-cola exclusively satisfied the retailers to the tune of 25 per cent and Pepsico exclusively satisfied only 12 per cent of the retailers. With respect to the selected areas, Adirampattinam retailers were satisfied more than 80 Per cent Pattukkottai 50 Per cent of this area. Coca-cola 33 Per cent better served in Pattukkottai retailers than Pepsico 17 Per cent.

TABLE 9: COOLER FACILITIES GIVEN BY THE COMPANY TO THE RETAILERS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Pepsico supply	15 (32)	7 (12)	22 (21)
2.	Coca-cola supply	11 (24)	19 (31)	30 (28)
3.	Cooler facility supplied by the both company	4 (9)	3 (5)	7 (7)
3.	Not received any cooler	16 (35)	31 (52)	47 (44)
	Total	**46 (100)**	**60 (100)**	**106 (100)**

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

In order to promote the soft drinks the companies freely supply cooler systems. These cooler facilities enhance the sale volume of the soft drinks in summer seasons. Of the 106 retailers, 44 per cent of them were not received any cooler system from both the companies (Table 9). However, 28 per cent of the retailers were received cooler from Coca-cola company and 21 per cent of the cooler facilities were received by retailers from Pepsico company. The Pepsico has supplied coolers to 32 per cent of retailers at Adirampattinam where as the Coca-cola has supplied the coolers to the retailers by 31 per cent in Pattukkottai. The reasons behind the higher supply of cooler by Coca-cola were to catch or to influence the rural consumers to buy more Coca-cola. Although the demand for Pepsico is higher in rural areas but the company is least bothered about the supply of more coolers in the villages.

TABLE 10: COOLER SERVICES PROVIDED BY COMPANY

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	PepsiCo	5 (11)	4 (6)	9 (9)
2.	Coca-cola	7 (15)	9 (15)	16 (15)
3.	Lack of service from both company	18 (39)	16 (27)	34 (32)
3.	Not received any cooler	16 (35)	31 (52)	47 (44)
	Total	**46 (100)**	**60 (100)**	**106 (100)**

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

The services extended by the companies to the area retailers and their overall satisfaction are shown in Table 10. Among the recipients of the coolers, 32 per cent have told that they lack services from both companies. However, 15 per cent of the retailers were satisfied with respect to Coca-cola services. Only 9 per cent of the retailers were satisfied with the services provided by Pepsico.

TABLE 11: OVER-ALL SATISFACTION OF RETAILERS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	PepsiCo	26 (56)	10 (17)	36 (34)
2.	Coca-cola	10 (22)	40 (66)	50 (47)
3.	Satisfied with respect to both company services	10 (22)	10 (17)	20 (19)
	Total	**46 (100)**	**60 (100)**	**106 (100)**

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

The overall satisfaction of the retailers is shows in Table 11. 47 per cent of the respondents have viewed that they are fully satisfied with the Coca-cola soft drink sale. 34 per cent of the retailers were satisfied with Pepsico products sale in the rural market. Among the selected areas, 66 per cent of the retailers in Pattukkottai were fully satisfied with Coca-cola supply. In the case of Adirampattinam, the Pepsico has satisfied 56 per cent of the retailers.

TABLE 12: TASTE SATISFACTION AND RURAL CONSUMER'S PREFERENCE FOR THE SOFT DRINKS

S.No.	Particulars	No. of Retailers in Adirampattinam	No. of Retailers in Pattukkottai	Total
1.	Pepsico	36 (78)	40 (67)	76 (72)
2.	Coca-cola	10 (22)	20 (33)	30 (28)
	Total	**46 (100)**	**60 (100)**	**106 (100)**

Source: Complied from the primary data

Note: Figures in parentheses indicate percentage to total.

The satisfaction and consumers preference of soft drinks in the rural market is shown in Table 12. The consumers prefer to drink more Pepsico 72 Per cent than Coca-cola 28 Per cent. No major deviation was found within the selected areas with respect to taste satisfaction and rural consumers' preference for the soft drinks.

POLICY IMPLICATIONS

1. To increase the sale volume and to improve the competitive strategy in the rural market the Pepsico has to provide cooler facility services and attractive trade schemes to the retailers. The Pepsico should not neglect the demand for their products in the rural areas and have to develop win-win situation in the rural market. The Pepsico has to capitalise the existing rural consumers' preference by providing continuous supply of Pepsico soft drinks in both the areas.
2. The Coca-cola, although provide cooler and service facilities to the retailers they have to improve taste by introducing new flavours and designs of the bottle. The Coca-cola has to improve the taste to bring new consumers to the products.

CONCLUSION

India lives in villages. Still now 70 per cent of the Indian population depends on their livelihood in the rural areas. Agriculture and allied activities is the core of rural economic prosperity. Due to liberalisation, privatisation and globalisation the rural consumers prefer to consume Fast Moving Consumer Goods (FMCGs) like Pepsico and Coca-cola soft drinks instead of traditional soft drinks. The vastness of the rural market poses both challenges and opportunities for traditional cottage industry soft drink makers as well as MNC's soft drinks manufacturers. Pepsico and Coca-cola have penetrated into the rural market slowly at the same time very steadily. The MNCs are providing variety of products to the consumers and other services. Through this, they can able to attract the retailers to sell their products to higher volume. In the process, they also give attractive services to the rural retailers. Thus, retailer's satisfaction is the backbone of any company to grow. Pepsico and Coca-cola have to satisfy the retailers and have to concentrate to improve their products for sustainable sale in the rural areas.

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WHAT AFFECT SLOGANS?

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ABSTRACT

Slogans have been extensively employed as a component in advertising campaigns. Slogans have positive influence on their brands and may function as carriers of brand equity. The present paper explores the factors affect on the development of advertising slogans. Product involvement, cognitive appraisals, attitudes towards the advertisements and attitudes towards the brands are found to have influence on the advertising effectiveness.

KEYWORDS
slogan, advertising effectiveness, product involvement.

INTRODUCTION

A slogan "is a short phrase used to help establish an image, identity, or position for an organization to increase memorability" (O'Guinn, Allen, and Semenik, 2003, p. 428). Slogans have been extensively employed as a component in advertising campaigns. Slogans may have positive influence on their brands and may function as carriers of brand equity (Dahlen and Rosengren, 2005; Rosengren and Dahlen, 2006). Generally, slogans are believed to be valuable in constructing brand equity because they support the establishment and preservation of a strong brand identity, which are continuously provided throughout advertising campaigns (Reece et al., 1994).

Advertising has long been seen as offering reasons to buy. The mainstream of advertising research has assumed that consumers have an underlying economic rationality (Vakratsas and Ambler, 1999). In general, the advertising industry has favored comparatively simple hierarchical models, also called "persuasive hierarchy" or "hierarchy of effects" models (Vakrateas and Ambler, 1999). However, in academic research, the crucial role of emotion has often been downplayed (Ambler et al., 2000).

Pioneered by Zajonc's (1980) work, the position of emotion in advertising and consumer behaviour literature has changed. Since then, attention has been paid to emotion and it has been regarded as an important mediator between cognitive and behavioural consumer responses to advertising by some researchers (e.g., Moore, 2007). Lately, the significant work on emotion by researchers from the field of neuroscience such as Damasio (1994) and LeDoux (1994) has made considerable progress in the study of emotion. Their influential work on emotions has resulted in the common agreement that emotions are essential factors for rational decision- making and behaviour, and that they are not a valueless by-product (Poels and Dewitte, 2006). Human behaviour is affected by emotions to a greater extent than by reason. Emotion is an infinite resource, and it controls most of our decision-making and rationality (Pawle and Cooper, 2006). Emotions govern cognition and so are accepted as the key in the process of advertising.

NEED/IMPORTANCE OF THIS STUDY

There is very few slogan research to be conducted from the Eastern viewpoint in the advertising literature. This study tested the slogans in Mandarin Chinese which is one of the most widely spoken languages in the world.

REVIEW OF LITERATURE
HYPOTHESES
PRODUCT INVOLVEMENT

Involvement, specifically product involvement, has been proved to be a major determinant of consumer behaviour and advertising response (e.g., Laurent and Kapferer, 1985; Celsi and Olson, 1988; Zaichkowsky, 1985, 1994). When product involvement is high, consumers process advertisements more actively (Warrington and Shim, 2000), devote more time and cognitive effort to advertisements (Celsi and Olson, 1988) and focus more on product-related information in the advertisements (Celsi and Olson, 1988).

Petty and Cacioppo (1981) proposed the Elaboration Likelihood Model (ELM), which recommended two routes to attitude change: central (high involvement information processing) and peripheral (low involvement information processing). In the central route, issues of product and/or brand related information are dominant and highlight the importance of the message to the individual. In the peripheral route, the principal issues are related to the ad or commercial and the individual concentrates on heuristic cues rather than the content of arguments. In addition, the peripheral route depends on less elaborate, less conscious and more emotional types of information processing. If these cues produce an attitude change, this change is likely to be of shorter duration and unpredictable in nature (Hansen, 2005). According to the ELM, consumers' processing information varies with their level of involvement. Therefore, the following hypotheses relate to product involvement:

H1: The level of product involvement has a negative relationship with the preference of consumer's emotional appeals on purchase intention.

FREQUENCY

According to researchers (Leslie et al., 2006), cumulative exposures to alcohol advertising can increase drinking. The more exposures to advertisements increase awareness of the advertising message (Vuokko, 1997) and improve consumers' attitudes recall (Schmidt and Eisend, 2015). Therefore, the following proposition will be examined in relation to exposure.

H2: Advertising exposure have a significant effect on the consumer's advertising slogans' emotional responses on purchase intention.

GENDER

Several studies have revealed that gender differences occur in the information processing styles and emotion involved at the time of judgment in consumption, and in the processing strategy relating memory in the advertising perspectives (Fisher and Dubé, 2005). Gender differences in emotions, personality, and values are significant (Guimond et al., 2007). Numerous studies have found that women are more emotionally sensitive than men (Becht and Vingerhoets, 2002; Chentsova-Dutton and Tsai, 2007). Based on the above, it is rational to assume that gender difference will significantly affect the consumer's emotional responses. Therefore, the following proposition will be examined in relation to gender:

H3: Gender differences have a significant effect on the consumer's advertising slogans' emotional responses on purchase intention.

COGNITIVE APPRAISALS

Scholars (e.g., Bagozzi et al., 1999; Johnson and Stewart, 2005; Watson and Spence, 2007) have indicated that this approach is a promising avenue for studying emotions in consumer behaviour contexts. It is clear that the cognitive appraisal approach can provide a more comprehensive way in explaining the distinctions of emotions, and it is more sophisticated than the other approaches.

Researchers (e.g., De Pelsmacker et al., 1998; Faseur and Geuens, 2006; Martensen et al., 2007) have found that a significant relationship exists between positive emotion and advertising effectiveness. Thus, the positive emotions and their associated appraisals will have a significant effect on advertising effectiveness. Therefore, the following hypotheses relate to cognitive appraisals:

H4: Positive emotions and their associated appraisals have a positive effect on purchase intention.

ATTITUDE TOWARDS THE ADVERTISEMENT / ATTITUDE TOWARDS THE BRAND / PURCHASE INTENTION

Attitudes towards the advertisement (Aad) is a person's favourable or unfavourable assessment of an advertisement (Faseur and Geuens, 2006; Spears and Singh, 2004). Lutz (1985, p130) defined attitudes towards advertisements as a "predisposition to respond in a favourable or unfavourable manner to a particular advertising stimulus during a particular exposure occasion". Brand attitude is defined as the consumer's overall appraisal of a brand (Martensen et al., 2007). Mitchell and Olson (1981, p. 318) defined attitude towards the brand as an "individual's internal evaluation of the brand." Over the past decades, study findings have acknowledged that the consumer's emotional responses towards the brand and/or the advertisement can be a great motivator of consumption behaviour (Erevelles, 1998) and can significantly influence post-exposure attitudes (Park and Thorson, 1990). Past research has shown that emotions affect attitudes towards the advertisement, and attitudes toward the brand (e.g., Morris et al., 2002). Previous work has suggested that an individual's emotional responses have a direct effect on attitudes towards the advertisement (Aad) (e.g., Morris et al., 2002). Researchers found that individual's emotional responses have a direct impact (Morris et al., 2002) on attitudes towards the brand (Ab). Purchase intentions are personal action tendencies regarding the brand (Bagozzi et al., 1979). Research has indicated that a significant positive relationship exits between emotional responses and purchase intention (PI) (e.g., Aaker al., 1986). Therefore, the following propositions will be examined in relation to attitude towards the advertisement (Aad), attitude towards the brand (Ab) and purchase intention:
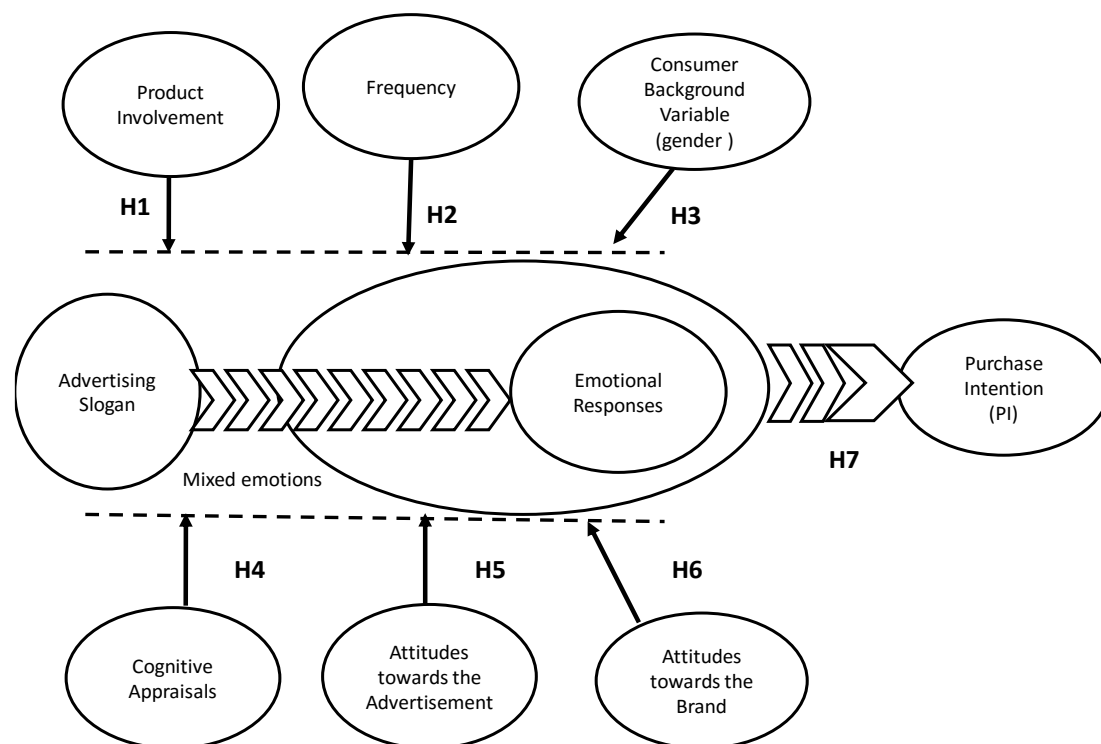
H5: Consumers' attitudes towards the advertisement have a positive relationship with the likelihood of purchase intention (PI).

H6: Consumers' attitudes towards the brand have a positive relationship with the likelihood of purchase intention (PI).

H7: Consumers' emotional responses to the advertising slogan have a positive relationship with the likelihood of purchase intention (PI).

Figure 1 presents the research conceptual model.

FIGURE 1: THE RESEARCH CONCEPTUAL MODEL

RESEARCH METHODOLOGY

Two advertising slogans were chosen: 7-Eleven: Oh! Thanks heaven! 7-Eleven; Family Mart: Family Mart is your home! Because these two slogans are long-established brands that are well-known to Taiwanese consumers. This study investigates the five primary emotions of happiness, anger, sadness, boredom, and neutral (no emotion) (Murray and Arnott, 1993).

It is generally agreed that the use of incentives is effective in improving survey response rates (McConaghy and Beerten, 2003). Past studies, such as Church (1993) for mail surveys and Singer, van Hoowyk, and Maher (2000) for telephone surveys, recommended the use of incentives to increase participation. Groves, Singer and Corning (2000) proposed a theory of survey participation that identified incentives as one of the factors that can encourage participants' cooperation. Furthermore, participants may feel guilty in accepting an incentive without answering truthfully (Burns and Bush, 2000). Thus, the use of incentives can lessen falsehoods. In addition, previous research found that incentives could improve data quality in terms of greater accuracy, better response completion, reducing item non-response, and improving respondents' cooperation (Shettle and Mooney, 1999).

Therefore, it was decided that an incentive of toiletries worth 2 USD would be given to participants after the survey. First of all, as this research was funded by the researcher herself, the value of the incentives was limited. Moreover, this could minimise the drawbacks for which the use of incentives have been criticised, i.e. attracting certain demographic groups and reducing the response bias. It could also be regarded as a token of the appreciation of the researcher for the participants.

A probability sampling method was used in this study; every 10th consumer was approached. In total, 89 questionnaires (45 females and 44 males) were collected from the Feng Chia night market in Taichung, which is the biggest night market in Taiwan. According to the fieldworkers' report, the average response rate of this study was about 20 percent. These figures varied according to the different days of the week, and different time periods. Based on the fieldworkers' and the researcher's observations, the response rate could be as low as 5 to 10 percent in the late shopping period (between 8:30 pm and 9 pm). The fieldworkers reported that they stopped very few people during the weekday late shopping period. This was because most consumers tended to go home; they basically did not have enough time to participate in a survey which might take them 20 minutes to finish. On the contrary, the response rate could be as high as 30 percent in the high shopping period, for instance, on Friday and Saturday nights, as many people did not need to work on the following day and so more people had a much longer time to spend at the night market. Therefore, they were more willing to participate in the research.

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OLS regression was employed in this study. The regression process used was stepwise regression. According to Wright (1997), the stepwise regression method is appropriate for exploratory model building. Thus, it fits in well with the exploratory nature of this study.

RESEARCH INSTRUMENT

Tong et al. (2007) summarised predictions for emotion-appraisal pairs based on previous researchers' findings (e.g., Roseman et al., 1995; Scherer, 1997). Their findings suggest that "pleasantness", "appeal", "desirability", "certainty", "value relevance" and "self agency" appraisals have an expected significant relationship with positive emotion (e.g., happiness). Moreover, Ruth, Brunel, and Otnes (2002) noted that "pleasantness", "certainty", "value relevance" and "other agency" appraisals were significantly related to positive emotions such as love, happiness, pride, gratitude; the "self-agency" appraisal significantly related to positive emotions such as happiness and pride. Hence, it is clear that "pleasantness", "appeal", "desirability", "value relevance", "certainty", "other agency" and "self-agency" are important cognitive appraisals for advertising slogans in general. Thus, the appraisals proposed by Ortony, Clore, and Collins (1988) were more suitable for this study. The Revised Personal Involvement Inventory (RPII) proposed by Zaichkowsky (1994) to measure involvement, and the measure of purchase intention (PI) proposed by Spears and Sigh (2004) were used due to their suitability, reliability, and validity. A five-point Likert scale to measure frequency. A four-item global evaluation attitude towards the advertisement (Aad) measure which includes like/dislike, favourable/unfavourable, positive/negative, bad/good; and a four-item scale (dislike more /like more, more positive/more negative, worse/better, and more favourable/more unfavourable) was used to assess attitudes towards the brand (Ab). They were used for this research to capture general ad attitudes due to their tested reliability and validity (e.g., Holbrook and Batra, 1987; Stafford, 1996, 1998; Yi, 1990). All items were measured on a five-point Likert scale (1=strongly disagree, 5=strongly agree).

RESULTS AND DISCUSSION

For 7-Eleven, three variables appear to significantly influence purchase intention. The three variables are involvement (Beta=0.552, p<0.000), brand attitudes (Beta=0.331, p<0.001), and advertisement attitudes (Beta=0.191, p<0.01). The adjusted R square for the three explanatory variables was 0.682 in the regression model (Table 1). The result is in line with product involvement, has been proved to be a major determinant of consumer behaviour and advertising response (e.g., Celsi and Olson, 1988; Zaichkowsky, 1985, 1994). Several studies showed that a significant positive relationship exists between advertisement attitudes, brand attitudes and purchase intention (PI) (e.g., Spears and Singh, 2004).

For Family Mart, three variables appear to significantly influence purchase intention. The three variables are brand attitudes (Beta=0.661, p<0.000), involvement (Beta=0.251, p<0.000), and cognitive appraisals-self agency (Beta=0.139, p<0.032), The adjusted R square for the three explanatory variables was 0.696 in the regression model (Table 2). Again, the findings are in line with researchers who stated that significant relationship exists between brand attitudes and purchase intention (PI) (e.g., Spears and Singh, 2004). Additionally, researchers (e.g., Celsi and Olson, 1988; Zaichkowsky, 1985, 1994) who claimed that the product involvement is a important determinant factor of consumer behaviour and advertising effectiveness.

TABLE 1: 7-ELEVEN REGRESSION RESULTS

Dependent variable: Purchase intention							
Step	Variables entered	Coefficients		t	Significance	R Square	Adjusted R Square
		Unstandardised (B)	Standardised (Beta)				
	Constant	-0.053		-0.174	0.863		
1.	Mean for involvement	0.569	0.552	7.988	0.000	0.476	0.47
2.	Mean for 7-11 brand attitudes	0.296	0.331	3.425	0.001	0.676	0.669
3.	Mean for 7-11 advertisement attitudes	0.186	0.194	2.112	0.038	0.692	0.682

TABLE 2: FAMILY MART REGRESSION RESULTS

Dependent variable: Purchase intention							
Step	Variables entered	Coefficients		t	Significance	R Square	Adjusted R Square
		Unstandardised (B)	Standardised (Beta)				
	Constant	0.083		0.292	0.771		
1.	Mean for Family Mart brand attitudes	0.606	0.661	10.291	0.000	0.618	0.614
2.	Mean for involvement	0.277	0.251	3.962	0.000	0.69	0.683
3.	Cognitive appraisals - self agency	0.109	0.139	2.18	0.032	0.707	0.696

Cognitive appraisals are believed to be interpretations of situations with respect to the possible impact on one's well-being (Bagozzi al., 1999). Gender does not appear to be significantly influential in two models. Because study one collected data from the night market, these findings support those researchers who declared that in a fresh exposure situation the freshness of the emotional experience will be so overwhelming that 'gender difference' will disappear (Kring and Gordon, 1998; Robinson and Clore, 2002). However, the results are contradictory to those of researchers who claimed that female respondents had stronger emotional responses (e.g., Guimond et al., 2007; Morre, 2007). From the above statement, the findings disclose that the determinants of advertising effectiveness are attitudes towards the advertisements, brand attitudes, cognitive appraisals and involvement. To sum up, for the 7-Eleven model, H1, H5, H6 are supported; for the Family Mart model, H1, H4, H6 are supported. Table 3 presents the results of all the proposed hypotheses.

TABLE 3 HYPOTHESES TEST RESULTS OF THE STUDY

Hypothesis	Description	McDonald's
H1 *product involvement*	The level of product involvement has a negative relationship with the preference of emotional appeals.	Support
H2 *frequency*	Frequency have a significant effect on the consumer's purchase intention (PI).	Not support
H3 *gender*	Gender differences have a significant effect on the consumer's emotional responses to advertising slogans.	Not support
H4 *cognitive appraisals*	Positive emotions and their associated appraisals will have a positive effect on attitudes towards the advertisement.	Partly Support
H5 *Aad*	Consumers' attitudes towards the advertisement (Aad) have a positive relationship with the likelihood of purchase intention.	Partly Support
H6 *Ab*	Consumers' attitudes towards the brand (Ab) have a positive relationship with the likelihood of purchase intention.	Support
H7 *Pi*	Consumers' emotional responses to the advertising slogan have a positive relationship with the likelihood of purchase intention (PI).	Not support

CONCLUSION

Slogans are considered to be useful in building brand equity (Rosengren and Dahlen, 2006). From a study of the relationship between announcements of slogan changes and financial performance, Mathur and Mathur (1995) revealed that changes in brand slogans influenced a firm's profits substantially. This finding indirectly indicates the value connected to slogans by marketers and investors. Studies in which slogans have been found to affect brand evaluations (Boush, 1993; Pryor and Brodie, 1998) and product beliefs (Ennis and Zanna, 1993) are in support of the value of slogans (Rosengren and Dahlen, 2006). Researchers have

discovered several positive outcomes of brand slogans such as brand recall, improving product differentiation, and enhancing product beliefs and brand evaluations. Research has found that slogans with wordplay, ambiguity, high imagery, using jingles, and with moderate syntactic complexity were more memorable and popular. Many studies have been devoted to slogan evaluation and learning, examining the effects of consumer demographics, media exposure, product usage, and slogan wording and modality. The critical role on the development of advertising effectiveness needs to be addressed in the advertising literature. In addition, there is very few slogan research to be conducted from the Eastern viewpoint in the advertising literature. This study tested the slogans in Mandarin Chinese which is one of the most widely spoken languages in the world. The findings of this study can be useful for practitioners who are interested in entering Chinese consumer market. Since understanding of Taiwanese consumers, not only for targeting China but also other Asian markets with great concentrations of ethnic Chinese population (Rajshekhar et al. 2013).

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REVIVAL OF MSME'S IN INDIA: A STEP TOWARDS SUSTAINABLE DEVELOPMENT

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ABSTRACT

MSME play a significant role in Indian manufacturing sector and have become an engine of economic growth in India. They are now moving ahead with their effective, efficient, flexible and innovative entrepreneurial spirit. The sector is generating the highest rates of employment growth and account for a major share of industrial production. It is estimated that MSMEs account for almost 90% of industrial units in India and 40% of value addition in the manufacturing sector. In India, MSMEs have a crucial role to play in the overall growth of industrial economy. In recent years, the MSME sector has consistently registered higher growth rate compared to the overall industrial sector. In India MSMEs contribute nearly 45% to manufacturing and about 40% to the Indian export sector. Their contribution to the Indian GDP is 8% and the sector has registered growth rate of 10.8%. The competitive paradigm is changing continuously due to the process of liberalization and globalization. Therefore, MSME's need to identify and build competitive strength to achieve sustainability.

KEYWORDS

msme, gdp, sustainability, entrepreneur, economic growth and development.
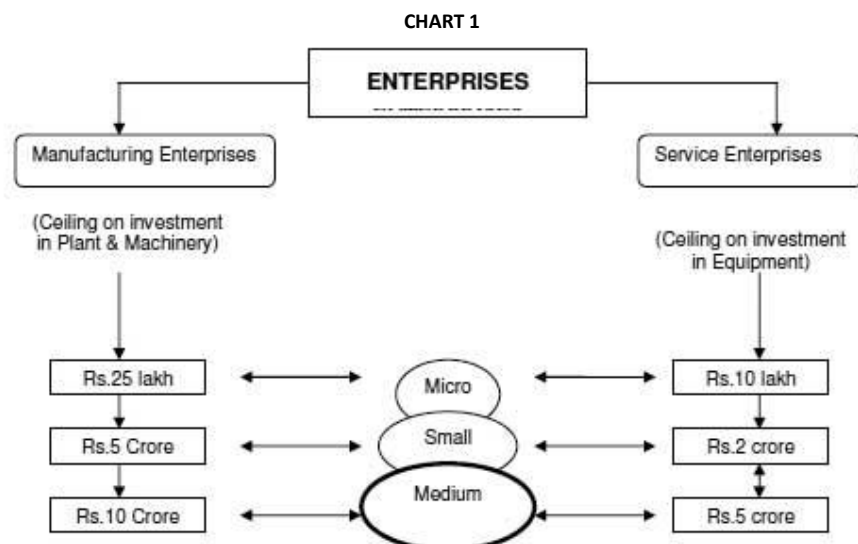
INTRODUCTION

There is common thought among policy makers and business experts that Micro Small and Medium Enterprises (MSMEs) are the key drivers of economic growth. A healthy MSME sector contributes prominently to the economy through creating more employment opportunities, generating higher production volumes, increasing exports and introducing innovation and entrepreneurship skills. MSMEs are the first step towards development in economies towards industrialization.

The Micro, Small and Medium Enterprises sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances. MSMEs are complementary to large industries as ancillary units. They contribute enormously to the socio-economic development of the country. Fast changing global economic scenario has brought up various opportunities and challenges to the MSMEs in India. On one hand many opportunities have opened up for this sector to enhance productivity at national and international level and on the other hand there is an obligation to upgrade their competencies in various fields like marketing, finance, business development, operations, technology etc. Indian MSMEs have moved up the value chain from manufacture of simple goods to manufacture of sophisticated products. In line with the overall growth in Indian economy, SMEs have entered the services sector as well. MSMEs in India are facing a number of problems like underutilization of capacity, technological obsolescence, supply chain inefficiencies, increasing domestic and global competition, fund shortages, change in manufacturing strategies. To survive with such issues and compete with large and global enterprises, MSMEs need to adopt innovative approaches in their working culture.

DEFINITION

MSMED Act 2006: According to **Micro, Small and Medium Enterprises** act the enterprises are broadly classified in terms of activity such as enterprises engaged in the manufacturing/ production and enterprises engaged in services. While the manufacturing enterprises were defined in terms of investments in plant and machinery, the service enterprises are defined in terms of investment in equipment's. The Act has also defined medium scale enterprises for the first time. The enterprises are further classified into Micro, Small and Medium categories. The investment limits of these enterprises are shown below.

CHART 1

Sustainable development is an organizing principle for human life on a finite planet. It shows a desirable future state for human societies in which living conditions and resource-use meet human needs without undermining the sustainability of natural systems and the environment, so that future generations may also have their needs met.

MSME's need to devise strategies to build competitive advantage and utilize opportunities in the present business environment for sustainable development.

OBJECTIVES
1. To analyse the performance of MSMEs
2. To evaluate the employment opportunities created by MSMEs
3. To carry out a SWOT analysis of MSME's in India from a strategic point of view
4. To devise strategies for sustainable development of MSME's

This paper tries to analyze MSME's according to four pillars of SWOT in order to find ways to increase their potential towards growth, job potential, export potential and social progress. If MSME's are developed to their full potential, they can shape the face of Indian economy and help in achieving the developed status. The number of failures and wastage in terms of money, effort, manpower and intellectual worth in MSME's is very high. If this can be converted into success, the contribution of MSME's will increase tenfold.

METHODOLOGY
The strategic tool of SWOT analysis has been used in this paper. The study focuses on MSME's in India only. The paper is conceptual in nature, based on judgement and analysis of the researchers.
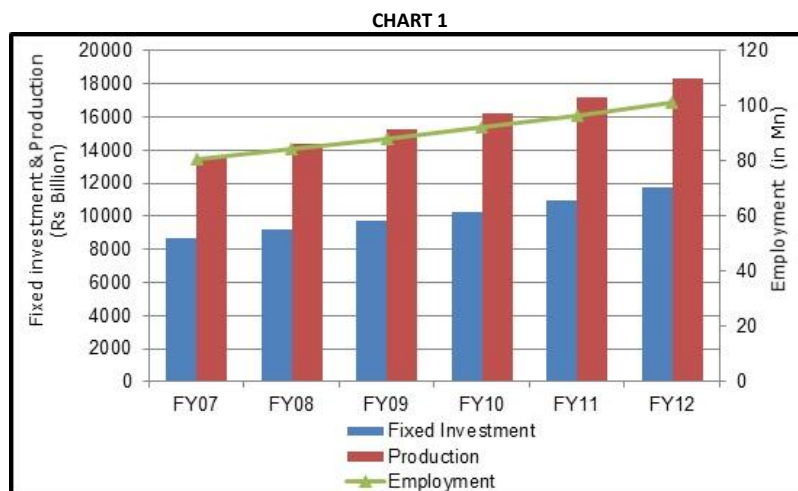
Secondary data has been collected and analysed from various sources such as: books, journals, research papers, World Bank report, MSME Development Act 2006, All India Census of MSME's 2006-2007.

The data collected was then classified and categorized under different heads of Strength, Weakness, Opportunity and Threat. The data was also analysed to identify various SLEPT factors (social, legal, economical, political and technological). Finally, solutions to convert weakness into strength and threat into opportunities were identified and mentioned as suggestions in the paper.

IMPORTANCE OF MSMES IN TERMS OF PRODUCTION, EMPLOYMENT AND INVESTMENT IN THE ECONOMY
The importance of the small business sector is recognized in economies world-wide. Their contribution towards economic growth and development, employment generation and social progress is valued high. Contribution of MSMEs to economic development is highly remarkable comparing to any other sector of the economy. Its role towards Investment, employment generation, export, GDP, industrial production etc in every area is highly significant. MSMEs sectors has registered a very high growth rate. This is mainly due to its various advantages comparing to other sectors. The Indian economy is more close to MSMEs environment in terms of cheap local resources, local talent, high demand etc. Moreover, the socio – economic policies adopted by India since the industries development & regulation Act, 1951 have laid stress more on MSMEs sectors as a vehicle to develop Indian economy. Second five-year plan gave more emphasis on industrial development and to adopt various policies for proper development of this sector. MSMEs contribution towards employment generation is remarkable comparing to any other sectors employment generation capacity.

The graphs below highlight the growing importance of MSME's in terms of production, investment and employment:

CHART 1

The graph shows the overall level of investment, production and employment of MSME's over the years (2007-2012). Continous increase can be seen in all the three parameters across the graph.

FIG. 2
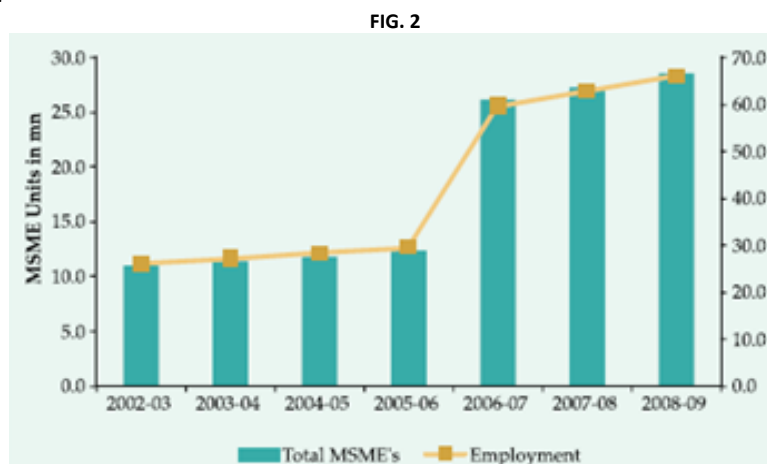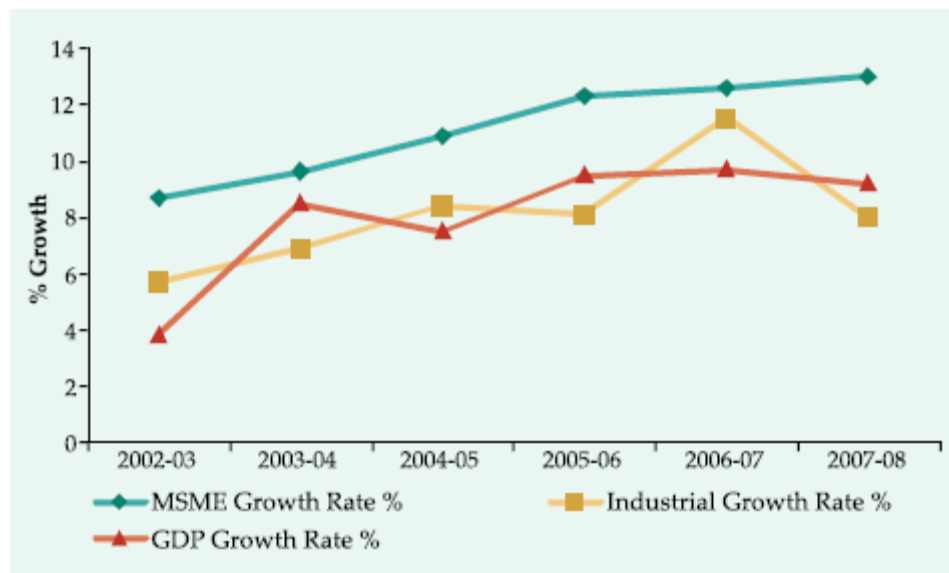
Source: Ministry of Micro, Small and Medium Enterprises, GoI

*Until 2005-06, data refers to the micro and small scale industries only. Data related to MSMEs was collected/compiled starting 2006-07 and hence includes both the industry and service sectors.

CONTRIBUTION OF MSMES IN THE GROSS DOMESTIC PRODUCT (GDP)

MSME sector has been contributing considerably to the Gross Domestic Product of India. The fact can be seen from the following graph:

FIG. 2
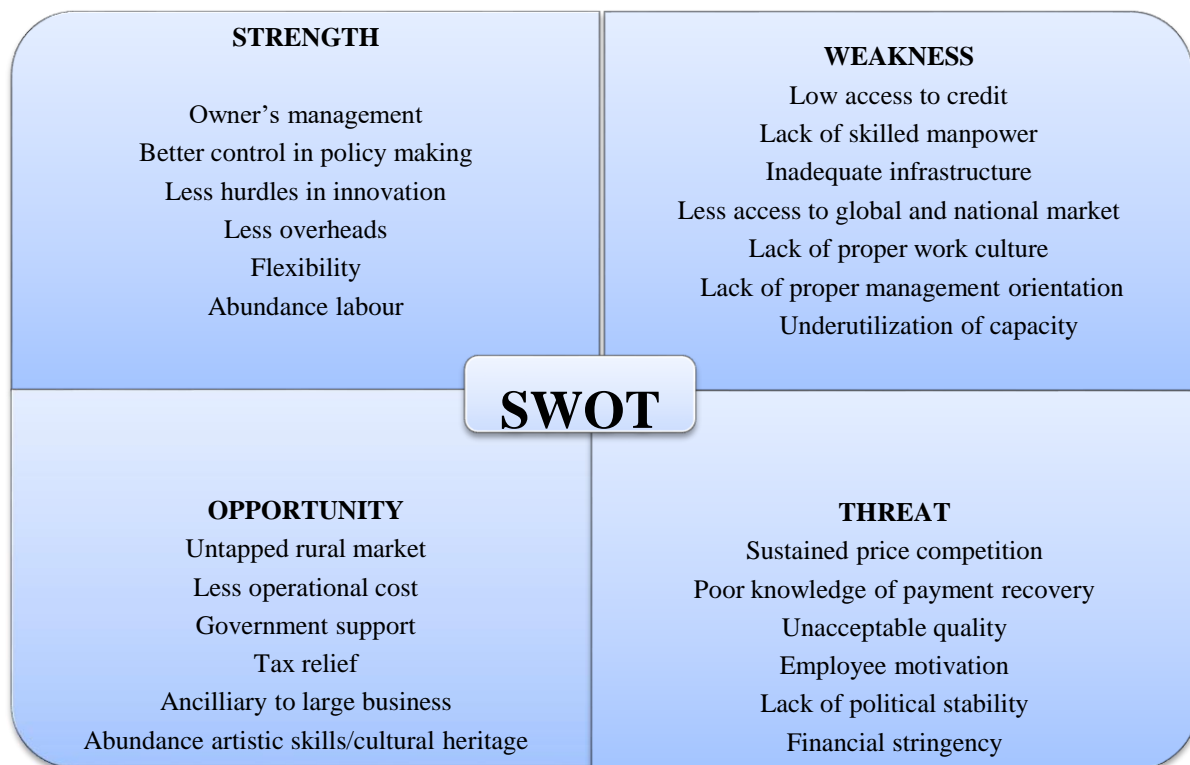
Source: Indiastat, D&B research

SWOT ANALYSIS

SWOT is the combination of four major terms as Strength, Opportunity, Weakness and Threats. Strength refers to inherent abilities to complete and grow strong. Weaknesses are the inherent deficiencies that cripple one's growth and survival. Strength and weakness are mostly internal. Opportunities are the good chances and openings available for growth. These are environmental & external. Threats are extremely wielded challenges, which might suppress inherent Strength, accelerate weakness. These are again posed due to the external environment.

The MSME's in India reflect the following SWOT:

FIG. 3

STRENGTHS

1. **Flexibility:** Indian MSME's are better to adopt to the changing conditions of business environment. craftsmen skills and ability help to produce a wide variety of products. the units range from the entire spectrum of modern industry to shoes, agarbatti, pickles, ceramics, garments etc. The quick response to the changing environment is a special advantage of MSME's.
2. **Owner's management and better policy implementation**: the enterprise is mainly managed by one or more entrepreneurs in proprietary concern or jointly as partners. the units are mainly traditional, located in rural and semi urban areas. Since the management and control is with the owner, there is better management and less delays in policy implementation.
3. **Abundant labour**: Indian MSME's are labour intensive and generate large employment. this helps in projecting the informal sector skills.
4. **Less overheads**: MSME's have comparatively less overheads than the large industrial setups. they have less cost associated with the infrastructure and assembly plant.

WEAKNESS

1. **Lack of skilled manpower**: Indian MSME's are unable to contribute much from the labour as expected due to inefficient labour. level of education is low and therefore they are not able to cope up with the challenges of modern production system.
2. **Low access to credit**: MSME's are not able to generate large amount of resources due to poor financial image. the also lack systematic way to approach to the capital market. they depend upon only a few sources of funds.
3. **Inadequate infrastructure**: Indian MSME's are also facing problem due to inferior machinery and equipments. only selected units have well developed capital machinery. many firms still use second hand equipment's.
4. **Little R&D**: one of the biggest weakness is obsolete technology. The units lack latest technology. R&D efforts is a costly affair and there are not enough funds to finance such programmes.
5. **Less access to market**: small scale industries of India do not have proper access to domestic and global market. they are unable to spend money on marketing activities. lack of standardization, poor quality, proper finishing is some of the hindrances.
6. **Lack of proper work culture**: Indian MSME's lack proper working environment. Since the units are mainly labour intensive, there is lack of proper development programmes and motivational tools.

OPPORTUNITIES

1. **Less operational cost**: the low operational cost can be used as a tool or opportunity to face competition. price competition can help in getting an upper edge over the competing players in the market.
2. **Government support and tax relief**: Government support and impetus to this sector in terms of easy credit availability, tax relief, additional grants, funds can be used to develop skill, entrepreneurship, technology and infrastructure
3. **Ancillary to large business:** SSI are ancillary and a support to large business firms. They bridge the gap between the agriculture and industrial sector. they contribute significantly to the manufacturing output which leads to diversification of industrial sector too.
4. **Abundance art and skills**: Artistic skills and cultural heritage can be explored used to improve the performance of Indian MSME's and to promote exports of the country. Innovations can be done in the products offered. Indian MSME'S are a boast of ancient heritage

THREAT

1. **Competition**: there are many competing players in the market. Sustained price competition is required. There is a threat from private firms producing better quality and standardised products.
2. **Employee motivation**: Lack of motivation, development and welfare programmes for the employees and workers can be a resulting factor in the downfall of quality and the total productivity.
3. **Poor knowledge of payment recovery**: It is a common practice to avail credit from seller. Indian MSME's lack the skills of bargaining and payment recovery. this creates the problem of working capital and has also resulted in sick units.
4. **Lack of political stability**: government support is a key element in the growth of Indian MSME's.there are many schemes and support programmes of government in favour of MSME's but still political stability is always a threat in a country like India.

RECOMMENDATIONS/STRATEGIES

1. Building awareness is essential about adopting latest and better technology to produce better quality goods and to fight global competition.
2. Indian MSME's should also try to incorporate the knowledge on legal aspects to have global presence
3. Support in terms of market development, export promotion, loan disbursement is required for sustainability.
4. Private public partnership (PPP) can be one solution to join hands and cobine specific qualitites of both resulting in speedy work and better performance.
5. Tax system must promote and must be consistent with the national market.
6. There must be initiatives to support and build infrastructure and instrumental set-up.
7. The increasing role of banks and financial institutions is required to enhance credit availability to MSME's.
8. There must be simplification of labour laws in particular to MSME sector.
9. The MSME's must focus to improve competitive advantage and increase competive skills.
10. Efforts must be made to create awareness and commercialise local and global knowledge.
11. R&D efforts to be increased to foster inclusive innovation.
12. Improving quality standards and testing and quality services.

CONCLUSION

The micro, small, medium enterprises are an important segment of the Indian economy. they contribute towards the development of the economy in terms of production, employment, investment, social benefits, GDP etc. Although many SME's have closed due to bankruptcy and many are restructuring every year. The challenges are mainly related with the SLEPT factors (social, legal, economic, political, technological). Coupled with these issues, globalization has also increased the level of competition. Hence, Indian MSME's require to emphasize on adoption of better technologies and equipment along with human skills to produce world quality goods. Overall contribution of the sector has showed a positive response. the future growth can be made in up growing areas like in food processing, biotech and pharma sector. If the government support continues and the MSME's thrive to perform better, the success can be tenfold.

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ECONOMIES OF SCALE: AN EVIDENCE FROM CROSS SECTIONAL ANALYSIS OF FIRMS IN INDIAN TEXTILE INDUSTRY

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ABSTRACT

Economy of scale is a theory which provides a way of understanding the relationship between size of a firm and its profits. It asserts that the efficiency of a firm increases as there is an increase in its size, resulting in cost saving and increased profits. The present study aims at the analysis of internal economies of scale derived by the firms in the textile industry in India. As textile industry is one of the large scale industries characterized by substantial degree of operating leverage, the study of economies of scale provides valuable insights in understanding the efficiency in functioning of the firms in the industry. The sample of the study is 172 firms across nine different sub-sectors of the industry. Data on Net sales, Net profit and Net profit ratio for the financial year ending 31st march, 2013, are used as basis for cross-sectional analysis of economies of scale in the textile industry. The study unveils that the textile industry in India is not experiencing considerable economies of scale in its business operations. However, firms in general and processing sub-sectors are receiving moderate level of economies of scale in their business operations. The study also discloses that there is no significant difference in profitability of the firms across different sub-sectors of the textile industry.

KEYWORDS

correlation analysis, economies of scale and Indian textile industry.

JEL CLASSIFICATION

D00, D24, D51.

1. INTRODUCTION

Economies of scale is one of the important theories in managerial economics, which proposes the functional relationship between scale of operations of a firm and its returns. The theory postulates in the initial stage of increase in scale of operation, increase in profits will be more than increase in sales. In the succeeding stage, increase in sales and increase in profits will be on the same level and in the final stage, increase in sales will be more than the increase in profits. Economies of scale can be observed in long-term horizons of operations of the firm, as it is possible to increase the level of operation of a firm only in the long run. Economies of scale is based on an assumption that all the factors of production, except technology are variable.

Theory of economies of scale helps an entrepreneur in understanding his/her firm's present phase in economies of scale. In order to prevent a firm from entering itself into diminishing returns stage, the firm has to upgrade its technology so that they will revert to increasing returns state. Compare to firms in technologically developed countries, firms in developing or underdeveloped countries will enter into diminishing returns stage sooner or later. So understanding the practical implications of law of returns to scale is quite essential for the firms in developing countries like India.

Even today, many industries in India are lagging behind in upgrading themselves with the latest innovations in production process. It is possible for a firm to acquire advanced technology through joint ventures or strategic alliances with the firms which are possessing advanced technology in production process. Foreign Direct Investment in the form of technology transfers should be encouraged by the policymakers of the developing nations.

1.1 INTERNAL AND EXTERNAL ECONOMIES OF SCALE

Economies of scale can broadly be divided into two types i.e. internal economies of scale and external economies of scale. Internal economies will appear commonly in the form of technical economies, purchasing economies, administrative economies, financial economies and risk bearing economies. Technical economies manifest unleashing of hidden potentials in the existing technology due to its maximum utilization. Investment in technology is a sunk cost, so increase in production does not require additional cost on technology. As the level of operations increases, a firm can procure its inputs for production at relatively lower rate due to lower costs of purchasing, which is referred as purchasing economies. A firm which elevates its level of operations can utilize skill, knowledge and experience of the employees to its maximum extent. In most of the organized sectors labor cost is a fixed cost and so increase in production may not result in proportionate increase in labor cost.

As the level of operations of a firm heightened, it can also derive savings in the form of administrative economies, because a growing firm can utilize managerial skill and talent to its maximum possible extent. A large scale firm can also get benefits in raising long term capital through different sources of financing. A large capitalization firm can issue shares in the market at comparatively higher amount of premium and in the same way it can raise debt capital at cheaper rate of interest due to its credit worthiness in the market. Large firms can edge their business risk effectively by using various risk management techniques like taking position in forward or future contracts, buying call or put option and entering into forward agreements in the forms of currency or interest rate swaps to hedge currency risk or interest rate risk as the case may be.

Unlike internal economies of scale, External Economies of Scale are augmented due to expansion of industry as a whole, when an industry expands by virtue of favorable conditions prevailing in the economy. Expansion of industry in a particular geographical area will bring some advantages, which are called economies of concentration. As industry expands, the ancillary industries which are dependent on primary industries will also experience better prospects. Government also encourages growing industries by providing various infrastructure facilities like power, transportation, banking etc. Industries which are in growth stage will achieve surplus production in home country, which can be exported outside India which eventually improves foreign exchange reserves of the home country. So the policy makers should also give priority to growing industries in their foreign trade policies. Understanding the insights into the potential economies of scale is conducive for effective formation and implementation of various export promotion policies like special economic zones, export oriented units etc. which provides many tax incentives to the exporting firms. Expansion of industry implies that number of firms in the industry is also increasing. To protect the common interest of all the

firms in the industry, they can form as a group in the name of trade associations. Trade associations play a vital role in negotiating with policy makers, to frame the policies favorable for the growth of the firms in the industry. As an industry expands, there will be a greater scope for establishing research institutions collectively by the firms in the industry, to bring innovations in the production process. Growing industries also provide scope for specialization in their business process. Vertical integration of firms can also be witnessed in growing industries which can facilitate effective control on the distribution channels of the firms.

1.2. FIRMS STRATEGIC INTEREST TO LIMIT THE SCALE OF OPERATIONS IN DYNAMIC BUSINESS ENVIRONMENT

Increased competitiveness in the business is transforming firm's outlook towards enhancing their level of operations. As a firm increases its scale of operations, it as to raise its investments in long term assets. Possessing long term assets will increase the operating leverage of the firm and makes the cost structure of the firm more rigid. Firms having higher amount of fixed cost will find it difficult to adjust their level of operations to the change in demand in the market. In the present open market economic system, it is essential for a firm to have flexible cost structure so that it can adjust itself effectively to the changing business conditions. The recent experience of corporate financial management reveals the fact that firms instead of raising their investment in fixed assets, inclined to adopt alternative ways of acquiring the assets. In order to maintain lower level of operating leverage many of the firms in the recent past, prefer to acquire assets on operating lease in a periods of good market demand. Outsourcing a part of production process is also a strategy used by firms to avoid the problems with excess investments in fixed assets.

2. TEXTILE INDUSTRY PROFILE

In India, textile industry occupies the second largest employment provider to the people after the agriculture sector. The contribution of Indian textile industry is 14% to the industrial production, 4% to the GDP and 11% to the country's export earnings [1]. Textile Industry has the capacity to produce a variety of products suitable for different market segments, both within and outside the country. Textile industry include the sub sectors like organized Cotton/Man-Made Fiber Textiles Mill industry, the Man-Made Fiber/Filament Yarn Industry, the Wool and woolen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports. In the global market, exports of clothing, as per the WTO data, in the year 2010 India ranked as the sixth largest exporter across the world [2]. India is also enjoying the significant lead in terms of labor cost per hour over the developed countries like US and newly industrialized economies like Hongkong, Taiwan, South Korea and China. In twelfth five years plan period, the planning commission approved for allocation of Rs. 11,952.80 crore under the Technology Up-gradation Scheme (TUFS) [3]. This is mainly to encourage investments in the sector, especially in the area of modernization, spinning and processing capabilities along with these entering in to new markets and products. After the agriculture sector, handlooms weaving placed one of the largest economic activities for providing direct and indirect employment to more than 43 lakhs weavers and allied workers [4]. The contribution from the handloom weaving is nearly 15% of the cloth production in the country and also contributes 95% of export over the world[5]. In the 10th five-year plan, the Scheme for Integrated Textile Parks (SITP) was introduced for providing the world class infrastructure facilities in setting up textile units. Technical textile industry has the current market size of Rs. 57,000 crores and the growth rate has increased from 11% to almost 20% in 12th five year plan [6]. Textile industry is providing health insurance scheme for the benefit of handloom weavers and their families.

3. LITERATURE REVIEW

G.S. Gupta (1975)[7] conducted a study on economies of scale in Indian Cement Industry by using time series and cross sectional data. The study has observed that the cement companies have not reached their optimum size. The study has suggested that significant economies of scale exist only in case of labor cost. The inter-regional comparison of the economies of scale in cement industry unearths the fact that expansion of the industry is beneficial to the states other than Bihar and Madras and contraction of the industry is advantageous only in Madras from the view point of cost economies.

John Arndt et.al., (1975)[8] have examined the economies of scale in grocery retailing by small size grocery stores and supermarkets in Norway. 10% of the grocery stores and general stores in the selected trade regions of Norway have been selected for analysis. The study brings to light an interesting finding that the economies of scale melt down as grocery stores become supermarkets by the substantial increase in their scale of operations. The results of the analysis are contrary to the classic theory on economies of scale. Such polarized findings of the study can be attributable to the inefficient management of the large scale business operations by the supermarkets. Because the supermarkets in Norway are still in nascent stage.

Warapatr Todhanakasem et.al., (1986)[9] the study focused on economies of scale and organizational efficiency in commercial banks. The overall results of the study, indicates that there are larger economies of scale for branch banks than unit banks. Branch form of organization should be encouraged by regulators instead of unit form of organizations. The study suggests that affiliated banks should be encouraged by their holding banks. The study also concludes that in banking industry, there is an overinvestment in the facilities which are not utilized to its optimum extent and it results in increased operating leverage.

David A. Latzko et.al., (1998)[10] conducted a study on economies of scale in mutual fund administration by using a cross sectional sample of 2610 mutual funds and controlling for 22 different investment objectives. In this study, the elasticity of fund cost with respect to fund assets is significantly less than one for all categories of size of the fund. The study brings to light that the average cost curve of select mutual funds is downward sloping. So it can be concluded that mutual funds are yielding economies of scale.

Jayan Jose Thomas (2003)[11] examined regional disparities and technological developments in production process in different regions in India. The study points out that regional disparity strongly exists in India. Due to imbalances in industrial development among different regions in India, all the regions in India are not in a position to get economies of scale on the similar level.

4. IMPORTANCE OF THE STUDY

Managerial economics provides foundation for managerial decision making. Application of theories of managerial economics like theory of demand and supply, theory of production function, market structures, Economies of scale provides valuable insights into the nature of problems faced by a firm in its decision making. Understanding the theoretical and empirical relevance of theory of economies of scale sheds light on the advantages and disadvantages a firm may experience in the course of expansion of its level of business operations. Textile industry is one of the industries which is a backbone to the Indian economy. The Textile industry is a heavy industry which consists of large amount of operating leverage in its cost structure because of the employment of sophisticated plant and machinery in operating activities. It is an imperative need of the industry to make the production on large scale in order to make the optimum utilization of the existing production facilities. In the light of cost structure of the industry characterized by large amount of operative leverage, analysis of economies of scale of the industry provides valuable insights into the competitiveness of the firms in the industry in the present scenario.

5. OBJECTIVES

The study aims at the analysis of economies of scale existing in the textile industry in India. The economies of scale are examined across different sub-sectors of the industry. The study also covers the analysis of profitability of the firms in textile industry.

6. HYPOTHESIS

Null Hypothesis (H₀): Economies of scale are not existing in the sub-sectors of Indian Textile Industry and textile industry as a whole.
Alternative Hypothesis (Hₐ): Economies of scale are existing in the sub-sectors of Indian Textile Industry and textile industry as a whole.

7. METHODOLOGY

7.1. DATA SOURCES

The data relating to the two key variables i.e., Net Sales and Net Profit, used for the analysis of economics of scale has been garnered from the annual reports of the select companies. Apart from this, additional information relating to economies of scale and operating conditions of Indian textile industry has been acquired from various journals, magazines and text books related to the research area.

7.2. PERIOD OF THE STUDY

The empirical analysis made in the present study is based on the cross-sectional data relating to net sales and net profit of 173 companies for the year ending march,2013.

7.3. SAMPLING FRAME WORK

SAMPLE DESIGN

Textile Industry	Available companies	Companies Selected
Textiles- General	25	20
Textiles- Hosiery/Knitwear	20	20
Textiles- Manmade	22	20
Textiles- Readymade Apparels	24	20
Textiles-composite mill & Cotton Blended	14	12
Textiles-Processing	23	21
Textiles-spinning-cotton blended	61	22
Textiles-spinning-Synthetic Blended	19	18
Textiles-Weaving & Wollen/worsted	25	20
Textile-machinery	**7**	**0**
Textile-synthetic/silk	6	0
Textile-terry towels	2	0
Textile-denim	4	0
Total Companies	**252**	**173**

The above table charts out the sample design of the study. The total number of companies listed on stock market in the India, as per the available data, is 252. In each sub-sector, some companies are avoided due to non-availability of data. The last four categories i.e, textile-machinery, textile synthetic/silk, textile-terry towels and textile-denim are also excluded due to the presence of a very few firm in those sub-sectors.

7.4. STATISTICAL TOOLS APPLIED IN THE STUDY

Descriptive statistics like mean, standard deviation, coefficient of variation, kurtosis, skewness have been calculated for the net sales, net profit and net profit ratio of selected firms in textile industry. Rank Correlation, Pearson Correlation, and Kendall's tau-b correlation. Kruskal-Wallis Test has been applied to analyze the difference in Net profit ratio across the select sub-sectors of the textile industry

8. RESULTS & DISCUSSION

8.1. DESCRIPTIVE STATISTICS FOR SIZE AND RETURNS FORM THE ENTIRE SAMPLES

As shown in Table 1, the mean value of net sales is Rs.667.13 crores, with a standard deviation of Rs.1811.51 crores. The mean value of net profit is Rs.9.31 crores, with a standard deviation of Rs. 98.2 crores. Net profit has very high coefficient of variation compared to that of net sales which indicates the presence of large amount of variance in net profit ratio. Net sales and net profit have a positive skewness, which represents the large number of low values in the distribution. Kurtosis of net sales and net profit is more than 3, which indicates that the values in the distribution near to their mean value. The mean value of net profit ratio is 39.38%, with a standard deviation of 710.75%. From the selected textile industry, the tenth percentile and ninetieth percentile value of net sales is 4.86 and 1493.02 respectively. In tenth and ninetieth percentile, the net profit is -33.38 and 51.30 respectively.

8.2. CORRELATION AMONG THE NET SALES AND NET PROFIT FROM THE TEXTILE INDUSTRY

As delineated in table 2, Pearson's correlation reports strong association between net sale and net profit, whereas spearman's rank correlation and Kendall's tau-b reveals moderation correlation between the two variables. Comparatively correlation coefficient under Kendall's tau-b is very low.

8.3. DESCRIPTIVE STATISTICS OF NET SALES, NET PROFIT AND NET PROFIT RATIO FOR SUB-SECTORS IN TEXTILE INDUSTRY

As presented in table 3, the coefficient of variation among the various subsectors in textile industries, the net sales in weaving & woolen/worsted is maximum at 274% and minimum at 91% in spinning cotton blended textile industry and for the rest of the subsectors the coefficients of variation in net sales are fluctuating. Maximum Coefficient of variation of net profit in spinning cotton blended industry is 972.7. The minimum coefficient of net profit in composite mill& cotton blended is -2894.7, which shows negative coefficient of variation in net profit. Compare to the other textile sub sector few industries have negative coefficient of variation in net profit. The maximum coefficient of variation in net profit ratio is 601.74 in hosiery/knit textile industry; the minimum coefficient of variation in net profit ratio is -7875.48 in spinning cotton blended industry. Net sales of all the subsectors in textile industries have positive skewness, which represents the large number of low values in the distribution. Net profit of hosiery, composite mill & cotton blended, processing, spinning cotton blended and spinning synthetic blended have negative skewness, which represents the large number of high values in the distribution. Reaming textile industries net profit has positive skewness which represents the large number of low values in the distribution. All the sub-sectors except, spinning synthetic blended sales and composite mill& cotton blended, the kurtosis of the distributions of net sales, net profit and net profit-to-sales ratio, is more than three which brings to light the leptokurtic distribution of the data series.

Hosiery/Knitwear industry records the lowest amount of net sales and spinning cotton blended industry reports the highest amount, of net sales in the first quartile of the distribution of net sales of all firms in the concerned sub-groups. In third quartile, the lowest amount of net sales is reported by processing industry and manmade textile industry has shown the highest amount of net sales. Manmade textile industry records the lowest amount of net profit and spinning cotton blended industry reports the highest amount of net profit in the first quarter of the distribution of net profit of all firms in the concerned sub-groups. In third quartile, the lowest amount of net profit is reported by processing industry and general textile industry has shown the highest amount of net profit. Hosiery and Knitwear industry records lowest amount of net profit ratio and spinning synthetic blended industry reports highest amount of net profit ratio in the first quarter of the distribution of net profit ratio of all firms in the concerned sub-groups. In third quartile, lowest amount of net profit ratio are reported by processing industry and composite mill. Cotton blended textile industry has shown the highest amount of net profit ratio.

8.4. CORRELATION BETWEEN NET SALES AND NET PROFIT

Table 4 Pearson correlation between net sales and net profit in general textile industry, manmade, processing & weaving woolen textile industry is strong. There is a moderate correlation between net sale and net profit across the readymade apparels, spinning synthetic textile industry. There is a weak correlation between hosiery, composite mill & cotton blended and spinning cotton blended textile industry. Kendal correlation between net sales and net profit is strong in the spinning cotton blended textile industry. There is a moderate correlation between net sales and net profit in General, readymade apparels and processing textile industries. There is a weak correlation between net sales and net profit in hosiery, manmade, composite mill & cotton blended, spinning synthetic blended and weaving & woolen industries. Spearman's rank correlation between net sales and net profit is moderate among the general, manmade, readymade apparels, processing and spinning synthetic blended industries. There is a weak rank correlation between net sales and net profit among the industries like hosiery, composite mill & cotton blended, spinning cotton blended and weaving woolen industries. From the observation of all correlation between net sales and net profit there is a weak correlation in the hosiery, composite mill & cotton blended and spinning cotton blended industries.

8.5. ANALYSIS OF VARIANCE (ANOVA) ON NET PROFIT RATIO ACROSS THE SUB-SECTORS OF TEXTILE INDUSTRY

Analysis of variance in net profit ratio of the firms within the sub-sectors and across the sub-sectors, has be made by applying Univariate version of Analysis of Variance (ANOVA) model. ANOVA model requires the homogeneity of variance within each group of sample and so, homogeneity of variance of net profit ratio in each sub-sector of textile industry has been analyzed by using Levene's test of Homogeneity. Table 5 shows the results of Levene's test of Homogeneity of Variance. The results of the test reveals that variance in net profit ratio of the firms across the sub-sectors is not equal(p<0.01). As one of the prerequisite of

ANOVA model is violated by the sample data, instead of using ANOVA, Kruskal-Wallis test is applied to examine the variance of net profit ratio of the firms across the sub-sectors of the textile industry. The results of the analysis are presented in table 6. Kruskal Wallis test, being a non-parametric test, is fairly robust to the violation of the assumption of homogeneity of variance of the populations. The results of Kruskal-Wallis test disclose that the distribution of net profit ratio is the same across the sub-sectors of the textile industry.

9. FINAL FINDINGS

The study points out that firms in 10th percentile exhibits losses which manifests that out of the total sample of the firms, 10% of the firms are in losses. The skewness of the distribution of the both net sales and net profit is positive which highlights the presence of large number of low values in the distribution. Positive value of skewness of the distribution of net sales is more than that of net profit. It signifies that firms having lower value of net sales are more than the firms having lower value of net profit. It unearths an interesting finding that some firms in the industry are able to record higher level of net profits inspite of generating lower level of net sales. It can be attributable to the operating efficiency of those firms.

The correlation between net sales and net profit across the select firms in the textile industry, has been performed by using three different facets of correlation tests i.e., Pearson's correlation, spearman's correlation and Kendall's tau-b correlation. As the relationship between net sales and net profit is nonlinear in nature, Kendall's tau-b is a legitimate measure of correlation to assess the economies of scale experienced by the firms. Kendall's tau-b demonstrates comparatively lower level of correlation between net sales and net profit. It signifies that the presence of economies of scale cannot be affirmed based on the results of the analysis. Sub-sector wise analysis of correlation between net sales and net profit unfolds that General, readymade apparels, manmade textiles, textile processing industry and spinning-synthetic blended industry only are showing significant correlation. But, the correlation in all the sub-sectors is not strong. However, General groups of the firms are showing comparatively higher level of correlation.

10. ACKNOWLEDGEMENT

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APPENDIX

TABLE 1: DESCRIPTIVE STATISTICS FOR OVERALL SAMPLE

Variable	N	Range	10th percentile	90th percentile	Mean	Std. Deviation	Coefficient of Variance	Skewness	Kurtosis
net sales(in crores)	173	19917.70	4.86	1493.02	667.1262	1811.51253	271.54	7.972	77.854
net profit(in crores)	173	1328.78	-33.38	51.30	9.3117	98.19546	1054.54	4.504	46.727
Net Profit Ratio	173	11725.24	-13.88	10.72	39.3801	710.74948	1804.84	10.784	140.52
Valid N (list wise)	173								

Source: Authors' Calculations

TABLE 2: CORRELATION FOR OVERALL SAMPLE

	Pearson Correlation	Kendall's tau-b correlation	Spearman's Rank correlation
Correlation between Net sales& Net profit	0.762	0.327	0.427
'p' value	<0.001	<0.001	<0.001
N	173	173	173

Source: Authors' Calculations

TABLE 3: DESCRIPTIVE STATISTICS FOR SUB-SECTORS IN TEXTILE INDUSTRY

Sub sectors in Textile Industry	Variable	N	Range	Quartiles Q1	Quartiles Q3	Mean	Std. Deviation	Coefficient of Variance	Skewness	Kurtosis
General	Net Sales	20	3194.00	16.77	700.23	613.297	987.385	160.1	2.018	3.213
	Net Profit	20	304.06	-0.23	27.32	18.5065	59.356	320.73	.915	3.731
	Net Profit Ratio	20	126.45	-1.37	5.91	-2.7598	27.257	-987.64	-2.517	7.186
Hosiery/ Knitwear	Net Sales	20	1960.97	3.92	502.84	286.7655	501.330	174.82	2.411	6.141
	Net Profit	20	396.66	-0.53	2.88	-15.2210	80.461	-528.62	-3.112	11.424
	Net Profit Ratio	20	873.37	-8.79	7.56	27.7942	167.250	601.74	4.113	18.071
Manmade	Net Sales	20	9752.41	54.22	1231.80	1204.322	2335.475	193.92	3.002	9.808
	Net Profit	20	565.01	-6.93	21.89	31.9160	115.0931	360.61	2.515	7.570
	Net Profit Ratio	20	8871.93	-1.66	4.34	439.9648	1978.424	449.68	4.472	19.999
Ready made Apparels	Net Sales	20	1492.97	13.43	442.21	285.0810	402.680	141.25	1.911	3.394
	Net Profit	20	224.41	-0.76	11.05	8.8595	44.793	505.59	.134	3.745
	Net Profit Ratio	20	2892.97	-6.17	6.75	-144.633	644.009	-445.27	-4.468	19.975
composite mill & Cotton Blended	Net Sales	12	1267.68	43.93	356.05	310.7700	369.584	118.93	1.948	3.745
	Net Profit	12	124.93	-1.66	11.46	-1.0658	30.852	-2894.7	-2.092	6.353
	Net Profit Ratio	12	148.30	-0.76	19.17	24.7963	52.813	212.99	1.993	2.504
Processing	Net Sales	21	1742.60	25.98	324.45	243.3257	409.153	168.15	2.842	9.059
	Net Profit	21	432.74	0.11	2.61	-16.0162	90.230	-563.37	-4.536	20.708
	Net Profit Ratio	21	45.44	0.40	3.68	1.5958	7.730	484.4	-.780	7.305
spinning-cotton blended	Net Sales	22	3022.03	397.76	767.96	701.2686	637.828	90.95	3.648	15.033
	Net Profit	22	211.05	4.42	24.18	4.5736	44.488	972.7	-2.929	9.646
	Net Profit Ratio	22	59.42	0.69	5.32	-0.1550	12.207	-7875.48	-3.890	16.634
spinning-Synthetic Blended	Net Sales	18	2900.62	148.75	582.38	610.5867	845.929	138.54	1.965	3.056
	Net Profit	18	207.56	0.82	19.96	6.4661	42.910	663.62	-2.381	8.264
	Net Profit Ratio	18	132.31	1.10	7.58	4.7012	25.793	548.65	1.961	8.433
Weaving & Wollen/ worsted	Net Sales	20	19914.67	50.09	1041.31	1618.299	4435.161	274.06	4.083	17.414
	Net Profit	20	1032.80	-0.03	4.45	43.0910	214.033	496.7	3.981	16.882
	Net Profit Ratio	20	54.35	-0.09	5.28	-0.3425	11.015	-3216.06	-3.178	12.066

Source: Authors' Calculations

TABLE 4: CORRELATIONS FOR SUB-SECTORS IN TEXTILE INDUSTRY

			General	Hosiery/ Knitwear	Man made	Readymade Apparels	composite mill & Cotton Blended	Processing	spinning-cotton blended	spinning-Synthetic Blended	Weaving & Wollen/ worsted
Correlation between Net Sales &Net Profit	r_p	Statistic	0.788	-0.173	0.864	0.362	-0.593	0.811	0.272	0.459	0.939
		'p' value	<0.001	0.465	<0.001	0.117	0.042	<0.001	0.221	0.055	<0.001
	r_s	Statistic	0.606	0.224	0.463	0.508	-0.245	0.548	0.101	0.554	0.129
		'p' value	0.005	0.342	0.40	0.22	0.443	0.010	0.654	0.017	0.587
	r_k	Statistic	0.516	0.221	0.326	0.417	-0.212	0.463	0.091	0.373	0.116
		'p' value	<0.001	0.173	0.044	0.010	0.337	0.003	0.554	0.031	0.475

Source: Authors' Calculations

TABLE 5: TEST OF HOMOGENEITY OF VARIANCES

Levene's Statistic	df1	df2	Sig.
3.709	8	164	0.001

Source: Authors' Calculations

TABLE 6: KRUSKAL-WALLIS TEST

Particulars	Test Statistic
Chi-Squares	3.987
Degree of freedom	8
'p' value	0.858

Source: Authors' Calculations

INCLUSIVE GROWTH AND THE INFORMAL SECTOR: A STUDY OF THE FEMALE DOMESTIC WORKERS IN SOUTH 24 PARGANAS, WEST BENGAL

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ABSTRACT

The inclusive growth agenda can reduce poverty, improve quality of life and ensure that all segments of the society benefits from the globalisation led economic growth of the country. Inclusive is a very broad concept and covers economic, social and cultural aspects of development. Generally, "Inclusive Growth" is synonymous with "Equitable Development" with benefits accruing to every section of society. In the rural areas of West Bengal, however, sluggish agricultural growth and limited development of the rural non-farm sector raises rural poverty, unemployment and underemployment. Further, lack of employment opportunities in the rural areas lead to either no work or increase the number of marginal and casual workers in the labour force. This drives large number of people to the cities for work and livelihood. Under such circumstances even illiterate and unskilled women are forced to move out in search of survival. The hypothesis is that women work to make up the difference between subsistence requirements and the total earnings of the family. This study provides an understanding on the availability of job opportunities for such women in the urban informal sector, especially in the domestic labour market and how far the remittances received by a domestic labour provides sustenance to her distressed family. Further the paper would discuss about the benefits of the recent social security schemes directed towards female domestic workers as a part of the inclusive growth agenda.

KEYWORDS
domestic workers, inclusive growth, informal sector, millennium development goals.

1. INTRODUCTION
Over the last few years, the world economy has seen an unprecedented economic growth, particularly in the developing countries. Globalization has influenced the world in several spheres such as economic, financial, industrial, technological, political, cultural, ethical etc. Globalisation is often perceived as having positive impacts on living standards, although the gains are not automatic, and can even be negative for some segments if they are left out from the growth process. In the last two decades, India has emerged as an important factor in the globalisation process with growth emerging around 7% during 1993-94 to 2009-10. Yet India continues to have the largest number of poor in the word (approximately 300 million). Analysing the evolution of the drivers behind that process and its impacts on poor people's lives is crucial to a better understanding of the overall economy as well as of living standards of the poor people.

2. REVIEW OF LITERATURE
At the micro-level, diversification of income sources and occupations are important tools for understanding the complexities of people's livelihoods and their strategies. Time devoted to, as well as the income share derived from such activities are substantial parts of the lives of rural households. There are a handful of studies that focus on the role of women workers in development process, as also, diversification of income sources and occupations that are important tools for understanding the complexities of people's livelihoods and their strategies. Literatures are available on the feminisation and increasing demand for domestic workers.

Nirmala Bannerjee (1978) brought forward some aspects of role of women workers in India's development since independence. She highlighted the changing economic and social role of poor women in India and showed domestic service as a market where wages are determined by what the customer can afford to pay. It was further explained that in most cases poor women work to make up the difference between subsistence requirements and the total earnings of the family. Given the size of the family there is an absolute minimum below which life becomes impossible. This gives the women some kind of a target real income to work for.

Bridget Anderson (2001) explores the experiences of migrant domestic workers in Europe and mentions that ageing population, nuclear families and the increasing number of women entering the paid workforce outside home are reasons for high and rising demand for domestic workers.

Ananya Roy (2007) highlights that the inability of agriculture to provide adequate income throughout the year is one of the root cause for the city ward movements of rural residents, working mainly in the city's informal sector or in informal jobs in the formal sector.

Deepita Chakravarty and Ishita Chakravarty (2010) explains how the domestic labour market, a traditionally male domain, became segregated both by gender and age in post partition West Bengal.

Paul et.al (2011) covered themes like nature of services, work profile of the domestic workers, health awareness etc. and argued why it is important to create a comprehensive social security system for domestic workers in India.

Kamala Kanta Mohapatra (2012) aimed at understanding the degree of vulnerability of the women workers in informal sector in India. Given their vulnerable status, income generation alone may not improve the socio-economic status of women attached to the informal sector.

K John (2013) enumerates the push and pull factors that drive and attract a rural woman to opt for domestic work and highlights the vulnerabilities of such workers.

M Madumathi (2013) conceptualises domestic services as major informal sector activity which assumes importance due to transformations in class relations and the development of new life style combined with unprecedented mobility of labour.

Ajoy Sharma (2014) studies the issue of commuting choice of workers across rural-urban boundary through the lenses of changing urban scenario and relocation of activities in rural and urban areas in the Indian context.

3. OBJECTIVES OF THE STUDY
In light of the growth and expansion of the Suburban areas surrounding the major cities of West Bengal, this study is carried out to identify the employment option for the illiterate and unskilled women workers who are forced to move out in search of survival. The study would also focus on some fundamental issues in the changing life style of this rural people and the gap that persists in the gamut of employment with inclusive growth.

4. RESEARCH METHODOLOGY
Primary data has been collected from the field survey of 100 respondents. Secondary data were collected from different sources like the census of India and Planning Commission. The questionnaire was framed in such a pattern which enabled us to get diversified responses to all the questions

5. MACRO-ECONOMIC PERFORMANCE IN INDIA
India has vast diversity in the areas of language, religion, culture and social norm. Since the inception of India as an independent country, population explosion has been projected as prime concern of the state. A very important historical characteristic that severely influenced the development of India was "British Colonial Legacy". Soon after independence, Indian leaders were thinking of strategies of economic development the country should follow. The top priority of the Indian

Government was to have rapid growth in stagnant economy. India decided to follow a socialistic pattern of society, which meant growth with social justice, self-reliance and poverty alleviation. India laid stress on rapid industrialization and planned for a shift from its historic agrarian-based economy to a mixed economy with sectoral balance. The fall-out was creation of heavy industries and larger role of public sector. In the process, the Government neglected rural economy and rural population which is almost 2/3 of the total population. In 1991 India introduced economic reforms. Globalization, industrialization, liberalization and privatization led to tremendous economic growth (Nagaraj, 2008) as shown in Table-1.

TABLE- 1: MACROECONOMIC PERFORMANCE IN POST 1991 YEARS

Year	Real GDP Growth	Unemployment (in Millions)
1991-92	0.96	36.30
1994-95	7.3	36.74
2001-02	5.4	33.53
2004-05	7.0	34.30
2009-10	8.6	28.10
2011-12	6.7	-

Source: Planning Commission, Government of India

India entered the new millennium with a strong and robust financial outlook (Bhaduri, 2007). Analysis on data connected to post-liberalization performance for more than a decade in India show that the real GDP growth has increased from 0.96 in 1991-92 to 6.7 in the year 2011-12. Unemployment has reduced to a large extent in these years.

But the story of growth in the post liberalization era carries the characteristic feature of urban centric saturation. Exclusion has been identified as the primary reason for unequal distribution of the benefits of growth. Though unemployment rates show a decreasing trend the quality of employment is very low. The prevalent situation in the form of social, spatial and regional disparities has been aggravated due to unplanned approach.

6. EMPLOYMENT PROBLEM IN INDIA

Globalisation opens up new opportunities but the ability to accept them depends on a number of factors. In India there is the prevalence of mass poverty and unemployment.

TABLE-2: NUMBER OF POOR (in million)

Year	Number (in million)
1973-74	321
1983	323
1993-94	320
2004-05	302

Source: Planning Commission

Though there has been a reduction in the number of poor people in India, still more than 300 million are below the poverty line. To get positive effects of globalisation these marginalised or left out section of population should be included in the growth process. Inclusive globalization would lead to poverty reduction, decrease in underemployment and unemployment problem, creation of global knowledge systems and global value chains, and would ensure that marginalized communities have access to essential services *(Sen, 2000)*. Inclusion thus implies that the quality of life should change.

It is worth examining the employment structure of the economy which shows that though there has been a decrease in employment in the agricultural sector, employment in the secondary and tertiary sectors has increased over the years.

TABLE-3: EMPLOYMENT IN DIFFERENT SECTORS (in percentage)

Sector	1960-61	2004-05
Agriculture	75.9	56.4
Industry	10.6	18.2
Tertiary	13.5	25.4
Total	100	100

Source: Planning Commission, Government of India

Though employment has increased over the years but the quality is low. The demographic pressures as manifested in excess supply of labour in relation to demand for productive employment opportunities are responsible for absorption of labour in low productivity activities. There are 458 million workers in India in 2004-2005. Out of this 423 million workers are informal/unorganised workers (92%). Thus the quality of employment is a major problem.

7. DOMESTIC WORK IN INDIA

According to Domestic Work Link (Vol-12, No-1, 2003), female domestic workers occupy the largest segment of unorganized female workers in India. International Labour Organization (ILO) broadly defines a domestic worker as 'someone who carries out household work in private households in return for wages'. In comparison, India's Commission of Justice Development and Peace defined domestic workers as 'an individual employed to do household chores on a temporary, permanent, part-time or full-time basis'. The commission further states that this unorganized sector of the society produces materials for consumption in the households, but those commodities are not for profit or sale.
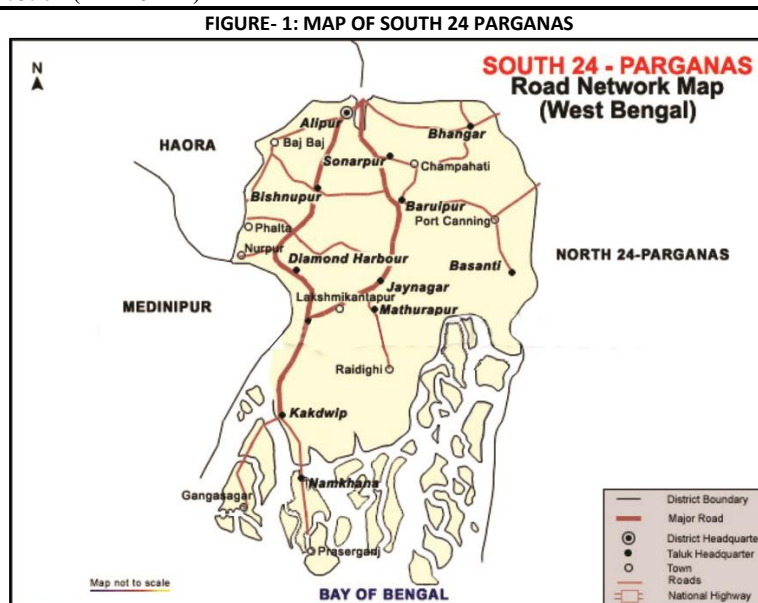
In India, as also in other countries there is a high and rising demand for domestic work. Poor women find it convenient to be employed as domestic labour in the surrounding residential areas. Since it is convenient for them to shoulder their own double burden if work is in the close vicinity, and it also permits them a few hours at home in between shifts.

Though the sector occupies a central role in women's employment, there is no uniformity in the level of wages, hours of work, number of working days, nature of payment and other conditions of work.

According to the 1989 Shramshakti report there were at that time 16.8 lakh female domestic workers in the country. But domestic work is not recognised as informal or unorganised work (Kundu, 2008).

8. ABOUT SOUTH 24 PARGANAS

The South 24-Parganas district is located between 22°30′45″ to 20°29′ North latitude and between 89°4′56″ and 88°3′45″ East longitudes. South 24 Parganas district is an important district of West Bengal State with its district Head Quarters in Alipore. It is the largest district of West Bengal State by area and second largest by population. On one side it has the urban fringe of Kolkata and on the other, the remote riverine villages in the Sundarbans. The areas like Sonarpur, Baruipur, Joynagar, Diamond Harbour and Canning are adjacent to Kolkata city and have a locational advantage (Fig-1). The choice of the places is prompted by the inter-linkage between the growth and expansion of the city and daily commuting from those areas of south 24 Parganas, the major source of manual labour clustered in the urban informal labour market. And in the process the percentage of rural population to total population in the district dropped from 86.70 in 1991 to 84.27 in 2001.

FIGURE- 1: MAP OF SOUTH 24 PARGANAS

9. ORIGIN OF THE PROBLEM

In the rural areas of West Bengal, sluggish agricultural growth and limited development of the rural non-farm sector raises rural poverty, unemployment and underemployment. Lack of employment opportunities in the rural areas lead to either no work or increase the number of marginal and casual workers in the labour force. Given the size of the family there is an absolute minimum below which life becomes impossible. Thus the target real income drives large number of people to the cities for work and livelihood. Under such circumstances even illiterate and unskilled women are forced to move out in search of survival. Women work to make up the difference between subsistence requirements and the total earnings of the family.

The growth and expansion of Suburban areas surrounding the major cities of West Bengal is creating informal job opportunities for the poor. Thus the employment option for the huge number of illiterate and unskilled workers (who are at times commuters) is to work as vegetable or fruit vendors, hawkers, domestic servants and as helpers in the construction sectors. It is interesting to note that domestic work has evolved as a feminine occupation, where large numbers of woman from rural areas are usually competitors for such jobs.

10. DOMESTIC WORKERS IN SOUTH 24 PARGANAS

It is worth taking a note of the fact that women's share in domestic service in urban West Bengal has moved up by about 30 percent during 1971 to 1991 (from 41.99 to 71.22). In these 20 years, an improvement in the percentage share of girl children among the women domestics in the urban areas of the state can also be noticed. Girl children constituted 14 percent of the total women domestics in the year 1991 (Table- 4).

TABLE 4: PERCENTAGE OF WOMEN AMONG DOMESTICS AND PERCENTAGE OF GIRL CHILDREN AMONG WOMEN DOMESTICS IN URBAN WEST BENGAL

Years	Percentage of women in total Domestics	Percentage of girl children (5-14 years) in total women domestics
1971	41.99	12.97
1991	71.22	14.00

Source: Census of India

Ananya Roy, in her survey conducted in 1997 found a large number of women domestics commuting daily from their rural homes (in South 24 Parganas) which were connected to Kolkata by regular trains (Roy, 2008). In fact, as early as the late 1980s those local trains which carried every morning hundred of maid from the villages of south 24 Parganas to Kolkata were described as 'jhee specials' by the city elites. This is a common sight even in 2015 except that the distance travelled might have shortened for some with the extension and overlapping of the suburban and the rural areas. These workers work with families or individuals and perform a wide range of household tasks such as cleaning, cooking, washing and care of children and the elderly. Domestic workers may comprise of different categories- they may be residential workers (Live-in domestics) who stay with the employers and are allowed leave as per requirement. Among the daily commuters there are some who work as part-time with a single family and there are others who perform heterogeneous work in different households to increase their earning. Preliminary survey (Table-5) among 100 domestic workers around Narendrapur- Sonarpur areas reveal that there are many who work in different houses, moving from one to the other, perform one or more tasks in each household. They may clean in one house, chop vegetables in another and wash clothes in the third, while some others may perform only one task, such as cooking. They number of times they visit these households depend on the requirements of the families. Another form of part-time live-out work is in terms of piece-rate. It is often applied to washing clothes or mopping the floor and wages are calculated on the basis of family size or the number of rooms respectively. The domestic service providers are at times an indispensable part of an urban nuclear family. They are the ones who release urban women from household work to participate in productive work in the formal/organised sector. An interesting trend is observed in recent years among the domestic workers of different metropolis, and suburban Kolkata is not an exception. They hire labour for domestic work and childcare and are released for household work only when their maids come for work. The wage rate they provide is at par with the prevailing rates. A domestic worker who earns ₹ 2000 per month hires someone to look after her child (say) at a rate of ₹ 700 per month. The amount she saves is used up to pay the rent for her house or buy necessary goods or for her child's education. Social networks play a vital role in this process. Support is extended to the commuting or migrant family by the kith and kin or even by people from the same place. There are instances where these workers are the main bread-earners, either in the absence of adult males in the family or in the case of irregular earning of the male members.

Domestic service requires engagement in long hours of repetitive work with no social security, no chances of skill formation and involves considerable risk and hazard. Many studies have reported that there are no standard norms that decide working conditions for domestic workers. Specified working hours does not exist for many domestic workers. They can work from 5 to 12 hours a day while live in domestic workers are on call 24 hours each day (Neetha, 2004). The wages of these workers are differentiated by the broad division of work which ranges from 200- 2000 rupees per month. Cooking is the best paid occupation. Wages also vary according to the area of residence. They demand more wages for the same work when performed in the residential complexes then when it is carried on in the local areas ('para'). This difference in wage creates a gap of at least ₹ 200-300 and sometimes even more between the places of work. The wage is also tied to the hours that are spent at this task daily, which vary with frequency of visits in a day, the size of the house, and the number of house hold members. The fragmentation of the domestic labour market by the area of residence and the class of the employer within one town/city is noticeable. In sum, the wage structure and service packages are complex and variable, making it problematic to arrive at a uniform wage rate for domestic work even for a specific locality (Neetha, 2004).

TABLE 5: WAGE RATE OF DOMESTIC WORKERS AS PER THE CATEGORY OF WORK IN 24 PARGANAS SOUTH

Category of work	Wage Rate
Live-In Domestic (Adult)	₹ 3500-5000
Live-In Domestic (Child)	₹ 1500
Cooking	₹ 2000-2500 (Two times)
	₹ 1200-1500 (Once a day)
Part-Time Work	₹ 800- 1500
Work at Piece- Rate	₹ 300-400 per work

Source: Primary Survey

However, the remittances they create are critical source of sustenance for the receiving households. They use it for consumption, investment in child education, health care, improvement in household food and security, water and sanitation.

An important manifestation of these female 'working poor' creating remittances is that they are performing a great deal of work of low productivity. Thus the dualism of the economy (formal/informal sectors) that leads to a large number of workers being absorbed in marginal jobs of very low productivity outside the 'formal sector' also comes within the scope of 'employment problem'.

11. SOLUTION TO THE PROBLEM

The solution to such problems are general and cannot only be applied to the domestic workers in particular. To fill the gaps that hinder inclusive growth and poverty reduction it is necessary to increase economic growth by improving its structure and quality and making appropriate changes to national development strategies.

The very basis of poverty reduction is the goal of human development. Human development is about much more than the rise or fall of incomes and economic growth; it addresses the multidimensional aspects of poverty and goes beyond mere increases in income. It is about creating an environment in which people can develop their full potential and lead productive, creative lives in accord with their needs and interests. The state must see that every section of population is benefited with the opening up of the economy by ensuring basic health, education and credit to the marginalised group, to have access to the resources needed for a decent standard of living and to be able to participate in the life of the community. Without these, many choices are simply not available, and many opportunities in life remain inaccessible.

The 12th five-year plan (2012-2017) lists some strategy challenges directed to the poor, which continue the focus on inclusive growth. The Millennium Development Goals (*UN Millennium Development Goals, 2010)* put emphasis on abolishing hunger and generating employment. Active State Intervention is necessary to achieve this.

The objectives of an inclusive growth agenda is to reduce poverty, improve quality of life and ensure to the extent possible, that all segments of the society benefits from the economic growth of the country. A number of macro and micro level interventions have shown to be conducive to promoting inclusive growth. But all this are general commitments and does not apply to a particular category of workers.

The Government of India has been paying a lot of attention to social security as part of its inclusive growth agenda. Recently, it introduced a law in parliament to provide social security to unorganised labour. The law proposes a minimum salary of ₹ 9,000 per month for the skilled full-time household helps, along with a host of benefits including social security cover and mandatory leaves. Besides, the policy provides that the domestic workers be given a right to pursue education, a safe working environment and a grievance redressal mechanism. It also has a provision for mandatory contribution from the employer towards social security of the domestic worker. The employer will have to pay his contribution over and above the salary, like to be pegged at 10% of salary. The law also looks at providing benefits like pension to those domestic helps registered under the scheme for 15 years. Workers and employers will also have rights to form groups and engage with each other for collective bargaining.

The aim of the policy is to empower the domestic workers by making this large workforce a services industry in due course of time. Such social schemes deserve strong support and would go a long way in making inclusive growth a reality.

12. CONCLUSION

We have to wake up to the benefits of globalisation. There exists a positive association between a state's initial literacy rates and inclusive growth outcomes. Therefore, raising the quality of the labour force through better access to education can help unlock a virtuous cycle of higher potential growth. Needless to say, the presence of appropriate labour market policies and continued structural reforms are critical to enable education to enhance and broaden economic growth. On the other hand, we have to get out of the grip of corporate led industrialisation by making agriculture and rural economy the centre of economic dynamism and on the other there should be timely policy response by the governments, in order to promote a pro-poor, more inclusive process of globalization. A start can be made by extending an ambitious time bound employment programme. The state must use its freedom and responsibility to identify, formulate and execute local employment generating productive projects. This would help us to put forward at least the first step towards genuine process of development.

13. LIMITATIONS OF THE STUDY

The study has got some limitations which are summarized as follows:

The research work does not consider detailed analysis. It would have been better if all the districts were covered individually for this study. Further lack of information on the policy prescriptions about different categories of worker decelerated in streamlining the research work in a more focussed manner.

It is a self-financed research work and in some places the area of research work has been restricted due to lack of financial assistance.

The time of study is very limited.

14. SCOPE FOR FURTHER STUDY

There are huge scopes of further study in this topic. The entire district could have been covered and the primary data collection could have been satisfactory through the use of descriptive statistics on more structured data for detail analysis.

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THE ECONOMIC REASONS OF RURAL TO URBAN LABOUR MIGRATION: A STUDY ON MURSHIDABAD DISTRICT OF WEST BENGAL

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ABSTRACT

Migration, as defined in various literatures is the relocation of residence from the place of origin to place of destination due to certain issues. These issues can be identified as demand for human capital in the place of destination, lack of earning to sustain the livelihood in the place of origin, dependency on agricultural earning, which itself depends on monsoon etc. This movement can arise due to regional imbalances in development between origin and destination. The main causes of this imbalance can be considered as socio, economic and political factors. But the impact of economic factor seems to be more as compared to other factors.

KEYWORDS
migration, economic factor, rural area, urban area.

INTRODUCTION

Migration, as defined in various literatures is the relocation of residence from the place of origin to place of destination due to certain issues. These issues can be identified as demand for human capital in the place of destination, lack of earning to sustain the livelihood in the place of origin, dependency on agricultural earning, which itself depends on monsoon etc. This movement can arise due to regional imbalances in development between origin and destination. The main causes of this imbalance can be considered as socio, economic and political factors. But the impact of economic factor seems to be more as compared to other factors. The movement poses some problems in the rural as well as urban areas. The rapid shift of workable population from rural to urban areas will lead to deteriorating economic condition in the rural areas, leading to chronic poverty and food insecurity. This is because most of the rural young population opted for migration thus leaving old age people to participate in the agricultural and allied activities.

THE ECONOMIC REASONS FOR MIGRATION

Migration can be seen as a part of normal livelihood process, where poor people move from one place to other to meet the basic survival needs. Many people move to those places where work can be found and thus the movement becomes voluntary. But voluntary movement is not the normal case all the time. Sometimes people forced to move from place of origin because of the political factors. Initially the movement remains temporary, but that may become permanent in nature if the situation does not improve.

Economic factor is one of the important determinants of rural – urban migration. It is considered as both push as well as pull factor of migration. It is push factor in the sense that people tend to move from under developed rural sector to well developed urban sector, because of lack of economic opportunities as well as access to resources which they can use for more productive purposes. On the other hand, it is a pull factor in the sense that since the urban sector is better developed as compared to rural counterpart, chances of getting employment, access to resources are high. The other aspect can be directly linked to the higher dependency on agriculture. Due to seasonal nature and high uncertainty in agricultural production, income of those individuals (mostly marginal labours and land less labourers, who do not own any land) related to agricultural productivity, is also uncertain. This uncertainty in income forced them to think for some alternative source of earnings, at least during lean period so that they can earn sufficient amount of money for their survival needs.

The first comprehensive analysis on rural – urban migration, we can get in Lewis model (1954). The Lewis phenomenon of rural – urban migration was dominated by the fact that, there is a surplus labour market in the rural sector. It also highlights the fact that to take the opportunity in the urban areas, an individual should posses some human capital which will become essential to take a migration decision. This is because employers in the industrial sector expects a minimum level of educational qualification to fit for the job and these educated people can involve themselves more in job search activities in the urban sector. Further in the Lewis Model of rural – urban migration, we found that Lewis has identified two different sector – agricultural sector, characterized by little capital, large labour force and fixed supply of land, and industrial sector, termed as modern sector where capital could be accumulated and labour can be absorbed as and when required. Due to economic improvement it is the industrial sector rather than agricultural sector will develop rapidly. This will bring more capital accumulation and hence demand for labour will increase. This extra demand for labour can be met with the help of surplus labour force in the rural sector. Thus the basic understanding of the Lewis model, point out that, due to development differential between industrial sector and traditional sector, there will be a difference in terms of wage. This expected wage differential will attract underemployed or unemployed rural youth from rural areas to urban areas. So, it is implicit in the model that because of this wage difference rural – urban migration happens. It ignores the influence of social, cultural and political dimensions of rural – urban migration. In their study Dubey, Jones & Sen (2004), highlighted that the key prediction of Lewis model that rural – urban migration happens areas where there is a surplus labour, is true. Moreover, this kind of migration is mostly caste selective. According to them this caste system operates as a 'surrogate network' for employers in the city. This is because urban employers try to depend on their existing labour force to get extra labour from rural counterpart as these labours provide reference of those prospective labourers who belongs to the same caste in their locality. Yamauchi & Tanabe (2003), on the other hand argued on the same line that probability of getting suitable job in the urban area depends on vast network of people belongs to the same origin. But this may affect negatively to prospective migrants if they compete for the same job in the urban sector.

However, in some research it was pointed out that the poor people are so poor that they do not possess the minimum amount of funds necessary to make the move from village to the city. The model developed by Aroca, Hewings & Sonis (2002), pointed out that rural – urban migration becomes inefficient if migrants do not have access of borrowing funds or own funds. They categorize the prospective migrants into three different classes. First group represent those workers who migrate as and when they decided to do so, because they are able to finance the moving cost. Second group represent those workers who first save and arrange the moving cost and then take a decision to migrate. The third group, is not able to migrate (although they are willing to do so), because they are not in a position to arrange the moving cost. On the same line Kabir & Seeley (2008), in their empirical work covering rural areas of Murshidabad in West Bengal and Gaibandha in North – Western Bangladesh, found that people belongs to extremely poor category are unable to move. In their study they divided total sample (444 respondents) into four different classes, viz. rich class, middle class, poor class and extreme poor class to find out the status of migration. The below mentioned table is an extract from their study:

TABLE 1: MIGRATION STATUS

Wealth Category	Migration Status			
	Presently Migrating	Previously Migrating	Never Migrating	Total
Rich Class	1	1	14	16
Middle Class	7	14	52	73
Poor Class	136	68	91	295
Extremely Poor Class	9	5	46	60

Source: Social Protection by & for temporary work migrants & their households in North West Bangladesh, Development Research Center on Migration, Globalization & Poverty University of Sussex, January, 2008, Page No. 35

The table clearly gives an indication that people belongs to extremely poor category are not able to move because they are not in a position to finance the moving cost.

It is quite obvious that poor people who do not have land of their own and belongs to the lower social class are unable to move. Simultaneously their agricultural income during lean period is also deteriorating which makes them more vulnerable in the rural set up, thus exclude them from social amenities.

Exclusion means denial or not providing basic facilities to poor segment of the society although they are entitled for that under normal circumstances. Prof. Amartya Sen pointed out two important dimensions of social exclusion, viz. "Unfavorable Exclusion" and "Unfavorable Inclusion". In the first case, some people intentionally left out from the basic services. Whereas in the second case, people do include in the social and economical activities but terms and conditions are not favorable, often treat them unequally in terms of wage, working hours, living conditions etc. This group of people although included growth process but this inclusion is not sufficient enough to maintain the standard of living in a specific society.[1] So, when an individual migrate to its nearest urban location for better opportunities, they also face the same situation. They migrated to place of destination with the expectation that, this choice will increase their standard of living. But they, often, misjudge the cost of living in the urban location and most of the time they landed up in urban informal sector jobs. This situation can be termed as "Unfavorable Inclusion" which is explained above.

The Harris – Todaro's Model also explains the reason behind rural – urban migration. The model highlights on the fact that, rural – urban migration happens because of the difference in wage between urban and rural and the probability of finding a job in the urban sector. But the probability of getting a job in the urban sector depends on rate of job creation in the urban areas and this again depends on the industrial growth of that area. This also leads to the conclusion that more unemployment may be created as more job opportunities increase the level of migration.

But the H – T Model is not a full proof model as some of its limitations can't be matched with the real life situation. The assumption that the migrants have full information about the nature of jobs that they are expected to get and the potential migrants are risk neutral, is not practical (Sridhar, Reddy, Srinath). The ground reality is that most of the migrants are risk averse, since they try to maximize their gain from migration in the form of higher wages and better standard of living, which they are not getting in the rural areas. If this is not going to happen after migration, then entire decision will become a poverty trap for them.

RESEARCH OBJECTIVE
The present study would like to identify the major economic factors which force the people to migrate from the study district.

RESEARCH METHODOLOGY
SAMPLE RESPONDENTS
The sample respondents are the migrants who are migrating from the study district for economic reasons only.
SAMPLING TECHNIQUE
For the present study judgmental sampling technique is applied. Since, the research is being conducted on migrants who are migrating for economic reasons only, other factors are excluded. Thus, to get the appropriate response it has been decided to go for this type of sampling technique.
SAMPLE SIZE
For the present study it has been decided to collect approximately 300 sample respondents and the questionnaires are distributed with the help of surveyors to get the desired result. But ultimately 145 respondents are received in correct form and the same has been included in the final study.
VARIABLE IDENTIFICATION
Identification of variables is very important as it will provide meaningful conclusion to the research. In this study 12 variables have been identified with the help of review of literatures.
QUESTIONNAIRE
Questionnaire is an important instrument to conduct a primary study and for this purpose adequate care has been taken to make the questionnaire full proof. The questionnaire has been divided into two parts. Section A of the questionnaire deals with the basic demographic variables related to migrants and section B of the questionnaire deals with the main research variables as identified through review of literatures. For the second part of the questionnaire a 5 point likert scale has been incorporated to know the response of the respondents.
PILOT STUDY
Pilot study of the questionnaire has been conducted to know the reliability of the variables included with the help of Cronbach's Alpha and the result is shown below:

TABLE 2: RELIABILITY TEST RESULT

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.823	.835	12

Normally it is assumed that if the value of alpha is more than 0.70, then the questionnaire is reliable. In this study the above result shows that the alpha value is 0.823 which clearly indicates that the present questionnaire is reliable and can be used for final research.
ANALYSIS
The study has been conducted based on 145 respondents. The respondents are asked to give their responses against each of the 12 variables identified through literature review. The 5 point likert scale has been used to know the degree of agreement to disagreement. The weight of the scale is described below:
5 = Strongly Agree
4 – Agree
3 = Neutral
2 = Disagree
1 = Strongly Disagree
A simple rank order table has been prepared to know which factor influences most in terms of decision to migrate from rural areas to urban areas. The response is shown in the table below where total score has been calculated by multiplying the respective weights with the number of responses and the result has been added to get the ranking.

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[1] Human Poverty and Socially Disadvantaged Groups in India, Sukhadeo Thorat, Discussion Paper Series -18, UNDP, India

TABLE 3: ECONOMIC FACTORS AFFECTING RURAL TO URBAN LABOUR MIGRATION DECISION

Sl. No.	Variables	5	4	3	2	1	Total Score	Ranking
1	Variable 1: Lack of finance from government controlled banks does not give you adequate opportunities for nonfarm activities, which compels you to migrate	76	59	1	4	5	632	4
2	Variable 2: Number of dependent family member is very high, which require extra source of income	67	74	0	3	1	638	3
3	Variable 3: You are migrating to locate better market for farm products	2	5	12	47	79	239	12
4	Variable 4: Remittances send by you help family members to increase asset base	34	89	3	12	7	566	6
5	Variable 5: Migration gives you better job opportunity and better income	81	56	0	3	5	640	2
6	Variable 6: Remittances send by you help family members to overcome credit constraint	67	42	4	21	11	568	5
7	Variable 7: It reduces the risk of income loss during the lean period of agriculture	103	34	1	4	3	665	1
8	Variable 8: Strict repayment mechanism of micro credit institutions forces you not to take loans from them, but to migrate to earn sufficiently for your family	5	6	16	78	40	293	8
9	Variable 9: Remittances send by you is used to avail better healthcare facilities which motivates you to migrate	4	6	12	87	36	290	9
10	Variable 10: Increased income from migration helps you to pay school fees of your children/ siblings	2	7	5	71	60	255	11
11	Variable 11: You have less land to earn sufficiently for your family, this compels you to migrate	32	84	15	9	5	564	7
12	Variable 12: You would like to get training which you can implement to start your own business & migration gives that training opportunity in urban location	4	5	2	88	46	268	10

The table shows that out of the 12 factors some of the factors like variable 1, variable 2, variable 4, variable 5, variable 6, variable 7 and variable 11 are strongly favoured by the respondents. Respondents are either strongly agreeing or agreeing against each of these 7 variables. For rest of the variables the respondents are either disagreeing or strongly disagreeing with the statement. So, it can be concluded that these 7 variables are the main economic reasons behind rural urban labour migration from the study district. The ranking column will give more in depth study of the response. It can be observed that out of the 7 variables as identified by the respondents as the major reasons for migration, variable 7 has got the highest ranking. This indicates that people are moving from the study district mainly because of income loss during the lean period of agriculture.

CONCLUSION & RECOMMENDATIONS

Most of the developing countries like India faces rural to urban migration situation, but it is largely undecided by the policymakers, whether it develops the economy or it detrimental for the growth of the economy (Mendola, May 2005). Migration often termed as risk diversification strategy, on the other hand it often considers as a means of foregone skills, yield and income for those, who migrate to other destination from the place of origin (Mendola, May, 2005). Rapid migration creates the problem of urbanization. This process of movements of general population from a less develops areas to urban areas in search of better prospects and improved standard of living, is termed as migration. It is generally, believed that urban sectors provide jobs, good education and health care facilities and other services more efficiently and effectively as compared to non urban areas. Migration which is a global phenomenon, normally considered as a survival strategy of poor people when they have lack of income generating opportunities in their own place.

The study has raised some important dimensions which the policy makers should be taken into considerations. It can be seen that despite several measures like skill development and financial inclusion, certain portion of the rural poor are still out of the reach of these government provided services and thus depending on agriculture alone to maintain the livelihood. Even there also development has not been witnessed. A uniform developmental approach in agriculture sector is still missing. The point to be noted that only implementing various programmes will not be effective until and unless the same is not been monitored properly. A policy needs to develop in this regard otherwise this problem of migration will surely affect both the rural economy and the urban economy as well.

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EMPLOYMENT ELASTICITY OF INDIA: A STUDY OF PRE AND POST-REFORM PERIODS

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ABSTRACT

The objective of this paper is to estimate the growth rates of GDP, public and private sector employment and analyse the impact of GDP growth on employment growth or the employment elasticity during the period 1970-71 to 2009-10. This period is classified into two periods viz. pre-reform (1970-71 to 1989-90) and post-reform (1990-91 to 2009-10) periods. This paper observed from the growth rate analysis that the GDP growth rate has increased from pre-reform period to post-reform period. The public sector employment growth rate has witnessed a declining trend while the private sector employment growth rate has registered an increasing trend. Further, from the regression analysis, it is examined that the employment elasticity is positive in the pre and post-reforms periods. But the post-reform employment elasticity is very insignificant when compared to pre-reform employment elasticity accounted by one per cent increase in GDP.

KEYWORDS
GDP, employment elasticity, growth rate, regression.

JEL CODE
E24, O50.

INTRODUCTION

Economic growth in India has generally failed to strike a desirable balance between growth of productivity and employment. During the first thirty years after embarking on the planned path of economic development, the economy, in any case, grew at a relatively low rate averaging about 3.5 per cent per annum. Major part of it was contributed by employment, which grew at about 2 per cent per annum, productivity contributing the remaining 1.5 per cent. Economic growth has been at a high rate in post-1980, and specially in post-1990 period. But it has been characterized by the other kind of imbalance: most of it has been derived from rise in productivity and only a little from increase in employment. During 1980's, of the 5.5 per cent annual growth in GDP, 2 per cent was accounted for by growth of employment, and 3.5 per cent by growth of productivity. In the 6 per cent growth achieved during 1990's, contribution of employment was only 1.8 per cent with that of productivity rising to 4.2 per cent. And during the first decade of this century, in the 7.5 per cent growth rate the respective contributions of employment and productivity have been 1.5 and 6 per cent. Thus though the relatively high growth has not actually been 'jobless', its employment content has been low and has sharply declined over the decades since 1980. (Papola, 2013)[2] In this background the present paper examined employment elasticity of India during pre and post-reform periods respectively.

REVIEW OF LITERATURE

Seyfried (2005)[3] examined the relationship between economic growth, as measured by both real GDP and the output gap, and employment in the ten largest states in US from 1990 to 2003. The author estimated employment intensity which ranges from 0.31 to 0.61 in specific states with an estimate of 0.47 for the US as a whole. Also, the author observed that though economic growth has some immediate impact on employment, its effects continue for several quarters in most of the states considered.

Herman (2011)[4] empirically investigated the effect of economic growth on employment in EU countries, between 2000 and 2010. The author found the existence of a low employment elasticity of economic growth in EU, but this has significant differences from one country to another. This fact highlights that one of the main problems of the European countries (especially those in the Eastern and Central EU) is their small capacity to generate employment under the conditions of the existence of an economic growth process. Taking into consideration that only the process of economic growth, which generates new jobs, is the one that assures the conditions for economic and human development it is highly important to act in order to increase the employment intensity of economic growth.

Leshoro (2014)[5] examined the employment elasticity of growth for Botswana using data over the period 1980 to 2011. The error correction mechanism (ECM), which is the short-run dynamic of the effect of changes in total and sectoral GDP on employment, gives the speed of adjustment to equilibrium given a shock in the long-run equation. The employment elasticity of growth of total GDP was found to be negatively related to employment growth, but the sectoral employment elasticity of growth was positive and quite low. The author recommended policies that encourage labour-intensive job creation rather than labour-replacing job creation, as well as employment subsidy, especially in the major sectors considered.

Misra and Suresh (2014)[6] observed that the aggregate employment elasticity estimates for India have declined over the decades and vary from 0.18 (arc elasticity) to 0.20 (point elasticity) during the post reform period. Sector-wise, while agriculture has witnessed negative elasticity, services including construction have generally been employment intensive. The authors concluded that employment intensive growth is crucial for India to meet the demographic dividend challenge.

Basu and Das (2015)[7] analysed the phenomenon of jobless growth in India and the US through the lens of employment elasticity. Analytical results are derived for decompositions of both the level and change of aggregate employment elasticity in terms of sectoral elasticities, relative growth and employment shares. In India, the agricultural sector was the key determinant of both the level and change of aggregate elasticity till the early 2000s. In USA services is the most important determinant of the level of, but manufacturing remains an important driver of changes in, aggregate employment elasticity.

OBJECTIVES

The paper objectives are:
1. To estimate the growth rates of GDP, public sector and private sector employment growth rates during pre and post-reform periods and
2. To elasticity of employment during pre and post-reform periods.

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DATA SOURCES AND METHODOLOGY

The data for this paper is obtained from RBI website from 1971-72 to 2009-10 for GDP, organized employment in public and private sectors.

To estimate growth rates, Compound Annual Growth Rate technique is employed. The annual compound rate of growth has been worked out applying the log-linear model for a variable say 'Y' with respect to time (t). The form of the log-linear model is:

ln Y = a + bt

where 'b' is said to represent instantaneous rate of growth. To derive the compound growth rate, the antilog of 'b' has taken, subtract 1 from it, and multiply the difference by 100. (Shetty, 2003)[8]

To compute the elasticity of employment, estimate a log linear regression equation between employment and GDP that generates the point elasticity of employment. The conventional form of the equation is

ln L = α + β ln Y

where variables *L* and *Y* denote employment and GDP, respectively, and ln stands for the natural logarithm of the relevant variable. Here, the regression coefficient serves as the employment elasticity. (Misra and Suresh, 2014)[9]

The total study period is divided into two periods, pre-reform period and post-reform period. In Section-I growth rates of GDP, public sector and private sector employments are calculated. In Section-II the impact of GDP on employment is examined through regression technique.

ANALYSIS

SECTION-I

GROWTH RATE ANALYSIS

The growth rates are calculated for GDP, employment of public sector and private sector. Further, the pre-reform and post-reform periods are again sub-divided into two periods viz., 1970s and 1980s in pre-reform period and 1990s and 2000s in post-reform period. The growth rates are presented in Table-1.

PRE-REFORM PERIOD

In 1970s, GDP growth rate has registered at 3.56 per cent while public sector and private sector employment growth rates are registered as 3.67 and 0.80 per cents respectively. In 1980s GDP growth rate has increased to 5.13 per cent from the previous decade but the employment growth rates of both public and private sectors are declined to 2.02 and 0.10 per cent respectively. The overall growth rates for the pre-reform period for GDP, public and private sector employments are 4.19, 2.74 and 0.60 per cents respectively. Except insignificance of 1980s private sector employment growth rate, all the other growth rates are statistically significant at one per cent level.

POST-REFORM PERIOD

In 1990s, the growth rate of GDP has noticed as 6.18 per cent while the public and private sector employment growth rates are recorded as 0.10 and 1.61 per cents respectively. In 2000s, the GDP growth rate has increased to 7.79 per cent while the public and private sector growth rates are also noticed an increasing trend and recorded as 0.80 and 2.84 per cents respectively. The overall post-reform period growth rates of GDP, public sector and private sectors are 6.61, 0.50 and 1.31 per cents respectively. All the growth rates are statistically significant at one per cent level except the public sector employment growth rate in 1990s, which is insignificant.

From the above growth rate analysis, it is observed that the GDP growth rate has increased from pre-reform period to post-reform period. The public sector employment growth rate has witnessed a declining trend while the private sector employment growth rate has registered an increasing trend.

TABLE-1: GROWTH RATE REGRESSION RESULTS OF GDP, ORGANIZED PUBLIC AND PRIVATE SECTORS EMPLOYMENT

PERIOD	YEAR	VARIABLE	α	t (α)	p	β	t (β)	p	R2	CAGR
PRE-REFORM PERIOD	1970s	GDP	8.612	508.532	.000	0.035	12.673	.000*	0.953	3.56
		Pub emp	2.391	175.653	.000	0.036	16.613	.000*	0.972	3.67
		Pvt emp	1.892	152.203	.000	0.008	3.913	.004*	0.657	0.80
	1980s	GDP	8.300	732.345	.000	0.050	25.661	.000*	0.988	5.13
		Pub emp	2.751	244.135	.000	0.020	10.877	.000*	0.937	2.02
		Pvt emp	2.000	296.575	.000	0.001	0.812	.440	0.076	0.10
	1970-1990	GDP	8.574	578.590	.000	0.041	33.136	.000*	0.984	4.19
		Pub emp	2.441	170.623	.000	0.027	22.692	.000*	0.966	2.74
		Pvt emp	1.903	218.844	.000	0.006	8.772	.000*	0.810	0.60
POST-REFORM PERIOD	1990s	GDP	9.411	733.873	.000	0.060	28.810	.000*	0.990	6.18
		Pub emp	2.956	659.757	.000	0.001	1.913	.092	0.314	0.10
		Pvt emp	2.022	155.896	.000	0.016	7.716	.000*	0.882	1.61
	2000s	GDP	9.952	645.262	.000	0.075	30.327	.000*	0.991	7.79
		Pub emp	2.945	388.756	.000	-0.008	-6.299	.000*	0.832	-0.80
		Pvt emp	2.052	60.055	.000	0.028	5.144	.001*	0.768	2.84
	1990-2010	GDP	9.381	606.159	.000	0.064	49.484	.000*	0.993	6.61
		Pub emp	2.989	358.316	.000	-0.005	-7.721	.000*	0.768	-0.50
		Pvt emp	2.025	83.824	.000	0.013	6.325	.000*	0.690	1.31

Source: Author's calculation using the data from RBI website.

Note: *indicates significant at 1% level.

SECTION-II

REGRESSION ANALYSIS

To analyse the impact of growth of GDP on employment growth or employment elasticity regression analysis is carried out for the pre-reform as well as post-reform period and also for the sub-periods. To arrive at overall employment here both public sector and private sector employments are combined. The regression results are presented in Table-2.

During 1970s, employment elasticity is positive as the regression coefficient of GDP turns out to be positive and significant at one per cent level. The magnitude of employment growth is 0.72 per cent. During 1980s also positive employment elasticity has noticed and significant at one per cent level. But the magnitude of increasing employment for one per cent increase in GDP growth has declined to 0.27. In the pre-reform period the regression coefficient of GDP is positive and significant at one per cent level. The magnitude of employment elasticity is 0.48 per cent.

During 1990s, the regression coefficient is positive and significant at one per cent level. In this period employment elasticity is estimated as 0.09 per cent. During 2000s also the positive employment elasticity continues but at a slower pace as the value of the regression coefficient is (0.06) lesser when compared to the previous period. The regression coefficient is statistically insignificant. In the post-reform period even though the regression coefficient indicates the positive employment elasticity but in terms of magnitude it is not considerable (0.01). The regression coefficient is statistically not significant.

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[8]Shetty, S.L. (2003): "Growth of SDP and Structural Changes in State Economics – Interstate Comparisons", *Economic and Political Weekly*, 38 (49), 5189-5200.
[9]Sangita Misra and Anoop K Suresh (2014): *op. cit.*

From the above regression analysis, it is examined that the employment elasticity is positive in the pre and post-reforms periods. But the post-reform employment elasticity is very insignificant when compared to pre-reform employment elasticity accounted by one per cent increase in GDP.

TABLE 2: REGRESSION RESULTS OF GDP ON EMPLOYMENT

Regression Equation: ln Emp (Y) = α + β ln GDP (X)								
PERIOD	**YEAR**	**α**	**t (α)**	**p**	**β**	**t (β)**	**p**	**R2**
PRE-REFORM PERIOD	1970s	-3.379	-4.948	.001	0.726	9.357	.000*	0.916
PRE-REFORM PERIOD	1980s	0.692	2.818	0.023	0.274	10.268	.000*	0.929
PRE-REFORM PERIOD	1970-1990	-1.221	-4.137	.001	0.481	14.688	.000*	0.923
POST-REFORM PERIOD	1990s	2.392	15.054	.000	0.095	5.830	.000*	0.809
POST-REFORM PERIOD	2000s	2.611	7.697	.000	0.067	2.056	.074	0.346
POST-REFORM PERIOD	1990-2010	3.212	22.718	.000	0.010	0.720	.481	0.028

Source: Author's calculation using the data from RBI website.

CONCLUSION

This paper observed from the growth rate analysis that the GDP growth rate has increased from pre-reform period to post-reform period. The public sector employment growth rate has witnessed a declining trend while the private sector employment growth rate has registered an increasing trend. Further, from the regression analysis, it is examined that the employment elasticity is positive in the pre and post-reforms periods. But the post-reform employment elasticity is very insignificant when compared to pre-reform employment elasticity accounted by one per cent increase in GDP.

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GROUND WATER: POTENTIAL AND CONSTRAINTS

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ABSTRACT

Groundwater problems emerging in many parts of the world reduce drought- buffer supplies, threaten environmental values, and increase risks for many of the world's poorest people. Programs to improve public understanding and basic scientific information regarding the resource base and to encourage the evolution of groundwater management systems are essential. Furthermore, because many countries will need years to develop systems for managing groundwater, policies should encourage users to adapt to water scarcity conditions rather than attempt to solve water problems per se.

KEYWORDS

tube-well, aquifers, water extraction water dynamics, ground water management.

INTRODUCTION

NATURE AND SCOPE OF GROUNDWATER PROBLEMS

The Green Revolution, which led to dramatic increases in food production, especially in Asia, has also been called the "tube-well revolution" because part of what drove it was ground-water development on an unprecedented scale. The number of mechanized wells in India grew from a few thousand at the time of independence in 1947 to tens of millions today. As a buffer against drought and precipitation variability, ground-water plays a critical role in food and livelihood security. Increased access to groundwater has reduced risks substantially, enabling many farmers to move out of poverty. All such benefits, however, may have come at a high cost.

MATERIALS AND METHODS

Groundwater-level declines of 1-3 meters per year are commonly reported for monitored wells in arid and semi-arid regions. In extreme situations, shallow aquifers are almost depleted. Even in humid regions such as Bangladesh, water-level fluctuations may be increasing, and water is scarce during the dry season. Furthermore, scarcity and quality concerns are linked. Groundwater pumping often mobilizes water that is saline or contains natural contaminants such as arsenic or fluoride. When combined with increasing pollutant loads from agriculture, industry, and municipal sewage, this pumping can irreversibly contaminate aquifers.

The threats to groundwater resources are clear, but their extent is far less so. Worldwide, most groundwater monitoring networks are relatively new and collect a limited array of data on water levels and basic water quality parameters. Detailed data on water quality and pollutants are rarely available except in relation to specific local concerns. Data are also often unavailable on critical components of the water balance-such as groundwater extraction, evapo-transpiration from native vegetation, and deep inflows to aquifers. Furthermore, data on water-level changes can be misleading. Aquifers can take tens to hundreds of years to equilibrate when disturbed. As a result, short-term water- level declines do not necessarily indicate overdraft.

Nonetheless, water-level changes and fluctuations are the most important factors influencing access to ground-water for the environment and for human uses. For small farmers along the Ganges, the deep saturated basin beneath their fields is irrelevant. What they care about is whether or not water is available within the tens -of-meters range from which they can afford to pump. When levels decline below or fluctuate outside that range, farmers lose access to irrigation and households may lose access to drinking water. Fluctuations are equally important from an environmental perspective. Stream flows and wetlands often depend on high groundwater levels. Even modest seasonal declines can affect surface water bodies severely. Water quality is also affected when changing levels mobilize low-quality water or cause water logging and associated salinization problems. From the perspective of current usage, this dynamic-the interaction between groundwater levels. underground flow patterns, surface water bodies, and the economics of ground water access-is far more important than the overall balance between extraction and recharge within an aquifer. Moreover, this dynamic is highly variable, heavily dependent on local conditions, and often missed in the data sets collected by groundwater departments.

RESULTS AND DISCUSSION

OPTIONS FOR MANAGING GROUNDWATER

The lack of information and understanding regarding groundwater dynamics presents a major challenge for those developing effective management systems. The challenge is as much social as technical. Without both data and a shared under-standing of the problems, the social consensus needed to implement decisions is difficult to generate-and groundwater management decisions are often difficult.

Standard approaches to reducing groundwater overdraft, for example, often require metering of all wells, establishment of formal water rights, and regulatory and economic mechanisms to bring extraction down to sustainable levels. The situation is more complex in locations such as India with tens of millions of wells and conditions that vary greatly even at local levels. Even where management is most advanced, it is socially and politically difficult to reduce groundwater extraction to sustainable levels. Wells are generally private and highly dispersed. Inventorying them and monitoring extraction are problematic. Furthermore, reducing use to sustainable levels in arid regions often requires substantial reductions in extraction, which can have tremendous economic and social impact. As a result, governments are not inclined to force reductions.

Groundwater experts often propose community management of groundwater as an alternative to state regulation. Although global experience in this area is limited, experience with resources other than water indicates that several factors are critical to the success of community management-for example, clear boundaries on the resource and its user group, the ability to control free riders, and information on the use and condition of the resource. Such factors are difficult to establish in the case of groundwater.

Successful groundwater management has been achieved through intermediate-level institutions such as the quasi-governmental groundwater districts in the western United States and somewhat similar organizations in parts of France.

Organizations of this type hold much promise. Their development, however, often takes decades, and to be effective they require data, technical capacity, and some degree of supporting social consensus.

Markets are also central to any framework for ground-water management. Water markets in the western United States are based on water rights systems that attempt to quantify the volume sustainably available in aquifers and allocate it among users. Transactions involve contracts and often the formal transfer of the water right as well as the water itself. In developing countries formal water rights are rarely involved. Instead, informal transactions occur between well owners and adjacent farmers for irrigation or tanker companies that deliver the water to urban customers.

Two points merit attention. First, because formal rights are not involved, prices reflect short-term pumping capacity, not the longer-term sustainability of extraction rates. Second, even with rights systems, markets indicate the value individual users gain from extracting groundwater but not the economic, environmental, and sustainable use values that accrue when groundwater is left in place.

Aside from groundwater market prices, energy is the primary variable cost affecting groundwater extraction. In countries such as India, energy subsidies were used to encourage groundwater development during the Green Revolution. Now, despite water-level declines and huge effects on state budgets, those subsidies have proved politically difficult to eliminate. As a result, agriculture now officially consumes more than 50 percent of total power production in some Indian states. Appropriately structured energy prices can provide users with a major incentive to use groundwater more efficiently. Still, given the high yields associated with groundwater and the numerous factors affecting the economics of agriculture, energy prices alone cannot be expected to reduce groundwater extraction to sustainable levels.

CONCLUSION
ACTION IN THE SHORT AND LONG TERM
How can emerging threats to the groundwater resource base be addressed? Most groundwater experts advocate the development of comprehensive integrated management systems. While important, such efforts require long-term data on aquifer conditions along with well-established institutional capacities that are unavailable in many regions. Therefore, integrated management initiatives rarely generate results over the short term. Alternative approaches in particular those that encourage populations to adapt to conditions of water scarcity and to reduce pressure on the resource base are essential. Existing coping strategies such as the migration of populations out of agriculture and into urban areas along with the development of non-agricultural economic systems-represent a starting point for reducing pressure on areas where overdraft levels are high. Although they do not ensure sustainability of the resource base, such strategies can provide essential breathing space for the longer-term development of management institutions.

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CUSTOMER RELATIONSHIP MANAGEMENT (CRM): A STUDY OF J&K BANK AND HDFC BANK

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ABSTRACT

The augmented competition between the market players against the backdrop of globalization and free trade is throwing business enterprises in boundless challenges to acquire leads over competitors, via competitive advantage, in pursuit of retaining market share and customer base. The competitive advantage contends to acquire USP (unique selling proposition) dominance for company products & services and henceforth attracting customers. But to retain customers is where the rugged war between the competitors begins. Companies are spending major portion of their revenues in R&D. The only payoff it gets through advanced R&D is the USP it can offer to lure customers. However, the most difficult part for the company is to retain the customers because customer retention has the enormous potential for achieving success and growth for organizations. And for customer retention companies need to focus on CRM. CRM enables business organizations to know their customers better, to better serve their needs, and build sustainable relationships with them by offering a more responsive and customized products and services to each customer, which in turn increases profitability, revenue, growth, customer satisfaction and customer loyalty.

KEYWORDS
business strategy, customer loyalty, customer relationship management (CRM), customer retention.

INTRODUCTION

RM can be understood as a business philosophy, a business strategy, a business process, or a technological tool. As a business philosophy "CRM is a relationship orientation, customer retention and superior customer value created through process management" (L. Ryals and S. Knox, 2001). As a business strategy "CRM is a customer-focused business strategy that aims to increase customer satisfaction and customer loyalty by offering a more responsive and customized services to each customer" (A. Croteau and P. Li, 2003). CRM as a business process was defined as "a macro-level (i.e., highly aggregated) process that subsumes numerous sub-processes, such as prospect identification and customer knowledge creation" (R. K. Srivastava, T. A. Shervani, and L. Fahey, 1999). As a technology, "CRM is an enabling technology for organizations to foster closer relationships with their customers" (M. Hsieh, 2009). CRM is a powerful tool by which organizations build customer-oriented culture by which a business strategy is created for acquiring, enhancing and retaining customers for achieving mutual benefits for both the customers and the organization. The initiative of CRM enables an organization to satisfy, retain and win customers who have unprecedented choices, desires, and knowledge by providing quality products and services to them than your competitors. CRM is a business strategy that seeks to understand a company's customers and to better serve their needs. CRM is mainly implemented in an organization to focus on customer retention, relationship development, managing and nurturing the interaction with the customers. CRM initiative has the enormous potential of providing strategic leverage to the business over others in the form of increased customer satisfaction, customer retention, customer loyalty, reduced customer churn rates. CRM when implemented successfully plays a central role in an organization by building long term business relationships with customers and ultimately the organization will reap the rewards in the form of long term sustainability, long run profitability and long term organizational success.

REVIEW OF LITERATURE

A CRM business strategy leverages marketing, operations, sales, customer service, human resources, R&D and finance, as well as information technology and the Internet to maximize profitability of customer interactions. For customers, CRM offers customization, simplicity, and convenience for completing transactions, regardless of the channel used for interaction (Gulati and Garino, 2000). CRM initiatives have resulted in increased competitiveness for many companies as witnessed by higher revenues and lower operational costs. Managing customer relationships effectively and efficiently boosts customer satisfaction and retention rates (Reichheld, 1996a, b; Jackson, 1994; Levine,1993). CRM refers to the activities performed by the organization concerning the management of the customer relationship and these activities are grouped according to a longitudinal view of the relationship (J.-M. Moutot and G. Bascoul, 2008). Customer relationship management has been defined as "a business approach that integrates people, processes, and technology to maximize relationships with customers" Goldenberg (2008, p.3). Moreover, it has been stated that customer relationship management "characterizes a management philosophy that is a complete orientation of the company toward existing and potential customer relationships" (Raab et al, 2008, p.6). Mueller (2010) characterizes customer relationship management aspect of the business as a highly dynamic, and convincingly argues that businesses have to adopt a proactive approach in devising relevant programs and initiatives in order to remain competitive in their industries.

We draw upon the literature as on customer relationship marketing as, CRM is a comprehensive business strategy that seeks to build close co-operative relationships with customers thereby creating superior value for both the customer as well as for the organization. CRM is seeking customer retention by enabling improved relationship management, ensuring information availability at all customer touch points so as to boost the quality of interactions. CRM helps to individualize and personalize relationships with existing key customers of an organization because retaining key customers is more profitable than acquiring new customers.

OBJECTIVE OF THE STUDY
The objective of the study was to know the level of satisfaction of the customers of the two banks (HDFC Bank & J&K Bank) vis a vis the CRM.

RESEARCH METHODOLOGY
The research began with examining the secondary data followed by the collection of primary data. Primary data was collected from the customers of HDFC and J&K Bank. Primary data comprised of interviews and questionnaires. The questionnaire was designed and developed on the basis of the objective of the study.

The respondents were selected on the basis of Simple Random Sampling Method (SRSM). However only, 230 responses were received, which included 110 respondents from HDFC Bank & 120 from J&K Bank. Probability sampling procedure using simple random sampling was adopted to get the responses from the respondents of these financial institutions. Five point Likert-scale (5=Strongly Agree, 4=Agree, 3=Neither Agree nor Disagree, 2=Disagree, 1=Strongly Disagree) was used to assess the satisfaction level of the customers of these two banks vis a vis the CRM.

TABLE 1: PERCEPTION OF CUSTOMERS TOWARDS HDFC/J&K BANK

SN.1	Are you satisfied with the range of products and services offered by the HDFC Bank?									
	Strongly Agree		Agree		Neither Agree nor Disagree		Disagree		Strongly Disagree	
	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank
	16%	19%	57%	61%	13%	10%	10%	6%	4%	4%
SN.2	Are you satisfied with the customization prevalent at the bank according to your needs?									
	Strongly Agree		Agree		Neither Agree nor Disagree		Disagree		Strongly Disagree	
	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank
	12%	10%	51%	46%	19%	27%	11%	8%	7%	9%
SN.3	Are you satisfied for choosing HDFC/J&K Bank as your as your preferred bank?									
	Strongly Agree		Agree		Neither Agree nor Disagree		Disagree		Strongly Disagree	
	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank
	21%	32%	59%	51%	9%	8%	8%	9%	3%	0%
SN.4	Are you satisfied with the turnaround time for your queries and complaints?									
	Strongly Agree		Agree		Neither Agree nor Disagree		Disagree		Strongly Disagree	
	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank
	2%	6%	32%	35%	13%	11%	43%	39%	10%	9%
SN.5	Are you satisfied with the courtesy/friendliness of the bank staff?									
	Strongly Agree		Agree		Neither Agree nor Disagree		Disagree		Strongly Disagree	
	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank
	43%	26%	41%	31%	4%	20%	11%	15%	1%	8%
SN.6	Has the bank provided you dedicated resources in the form of Relationship managers and Personal Bankers?									
	Strongly Agree		Agree		Neither Agree nor Disagree		Disagree		Strongly Disagree	
	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank
	46%	21%	38%	58%	9%	11%	5%	6%	2%	4%
SN.7	Personalized attention and single point contact by the bank helps to to make things easy and smooth.									
	Strongly Agree		Agree		Neither Agree nor Disagree		Disagree		Strongly Disagree	
	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank	HDFC Bank	J&K Bank
	76%	71%	15%	22%	9%	5%	0%	2%	0%	0%

CONCLUSION

Majority of the customers from both the banks are quite satisfied with the range of products and services provided by their respective banks as shown in SN1. This satisfaction can be used as a weapon to increase the market share of the bank. The variety of products/services offered certainly provides edge to the bank. However, higher product/service price and less number of branches and ATM's potentially add to the dissatisfaction of the customers. SN2 reveals that a higher number of customers are satisfied with the customization prevalent in their respective banks. Customers often attribute their satisfactory relation with the bank to the products/services that are tailored as per their needs and requirements. The dissatisfied group mainly comprises of customers falling in the lower income category that complaint that price charged by these banks is more, such customers do not find any customization present in the bank. From SN3 it is clear that majority of customers consider the availability of multiple facilities and attitude of bank employees as the prime reasons for choosing their respective bank as their preferred bank. An overwhelming majority of customers of these banks are of the opinion that bank employees are very friendly, refined and knowledgeable; the positive attitude of employees can help the bank to retain as well as increase the market share of the bank. As shown in SN4 Majority of the customers are not very satisfied with the turnaround time for their queries and complaints. This is because not all the queries are resolved or handled at the branch level but also at the central level as well and the revert time for these complaints takes time ranging from a few days to a week or two, causing inconvenience to the customers. These banks must therefore try to reduce their turnaround time for queries and complaints of the customers. Most of the customers believe that the staff of these banks is friendly, knowledgeable, courteous and refined as shown in SN5. These Banks should try to maintain this as it will help them to further improve their relationship with the customers and in turn help them in customer retention. Satisfied customers may also help the bank in attracting new customers by positive word of mouth and thereby enhancing market share. SN6 shows that the majority of the customers of these Banks believe that they have dedicated resources in the form of RM'S and PB'S. Therefore, these banks should try to maintain this as it is ultimately beneficial to them. Majority of the customers as shown in SN7 agree that personalized attention and single point contact in the form of personalized bankers and relationship managers is the most important factor in making banking smoothly. Hence, these banks should maintain personalized contact with its customers.

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SOCIAL RESPONSIBILITY: A CASE STUDY OF VISHAL MEGA MART SOCIAL RESPONSIBILITY

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ABSTRACT

Now a day's companies and financial institution is not only focusing on accelerating the growth of economy but also they are contributing to society by making lively environment as well as sustainable social development. Basically, the term social responsibility means obligations of the business persons towards upliftment of the society. According to Joseph w. McGuire "The idea of social responsibility supposes that the corporation has not only economic and legal obligations but also certain responsibilities to society which extend beyond these obligations". Business is the most important organ of the society so it must try to strengthen the business. In the present Era a business cannot survive for a long time by pursuing only the economic objectives, now the business must perform their social responsibility toward different groups. Social responsibility is the obligation of businessmen towards the society. Businessmen should recognize and understand the aspirations of society in which they carry on their business. This Paper highlighted that whether "VISHAL MEGA MART" situated in Tinsukia (Assam) perform their social responsibility or not towards consumer and society.

KEYWORDS

social responsibility, customers, society, community, goods and services.

INTRODUCTION

ocial is a term which includes the different groups of the society like Consumers, Employees, Government, Community, Suppliers etc. And the term responsibility means obligations towards all the interested groups like Consumers, Employees, Government, Community and Suppliers etc. According to Howard R. Bowen "Social Responsibility refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action, which are desirable in terms of the objectives and values of our society."

Business is no longer a mere economic institution but it is also a social institution and businessmen are the trustees of different social groups. Although business is an economic activity so it must have primary and basic aim of earning profit and creation of wealth but at secondary level it must try to assume its social responsibilities so that it can earn goodwill and survive in market for a long time. Any organization, which successfully operates in socio-economic environment, needs self-regulation to maintain control over its standards. Self -Regulation is a process whereby an organization is asked, or volunteers, to monitor its own adherence to legal, ethical, or safety standards.

NEED FOR THE STUDY

The era of the social enterprises is upon us. More so than ever before, the most successful, respected, and desirable businesses exist to do much more than make money; they exist to use the power of business to solve social and environmental problems. Socially responsible businesses not only provide sustainable business models, but also have improved marketing, employee recruitment, employee satisfaction, legal treatment, customer loyalty, brand perception, and richer partnerships. So an attempt is made to evaluate that *"VISHAL MEGA MART"* is socially responsible or not.

OBJECTIVES

1. To study the different social responsibility
2. To know that *"VISHAL MEGA MART"* fulfill their responsibility
3. To suggest the factors that makes the *"VISHAL MEGA MART"* socially responsible.

DATA COLLECTION

PRIMARY SOURCES

Responses collected with the help of the schedule administered to the customers of *"VISHAL MEGA MART"* are the main primary source of data for this research work.

SECONDARY SOURCES

The secondary sources of data are collected from the several structured interviews, and unstructured interviews which have also been conducted with experts on the subject and also a number of persons who are connected in one way or other, either directly to the customers of *"VISHAL MEGA MART"*.

SAMPLE FRAME

The sample size was put 80 chosen from various groups. Stratified random sampling system has been followed to select the customers of *"VISHAL MEGA MART"*.

TOOLS FOR DATA COLLECTION

A questionnaire with a set of questions was constructed and administered to the sample of the customers of *"VISHAL MEGA MART"* and society.

TOOL FOR ANALYSIS

The interview schedule method is used for gathering data which are relevant for the study conducted of the customers of *"VISHAL MEGA MART"* and society. The data collected through the schedules from primary sources have been processed and the results are analyzed using the percentiles.

ANALYSIS

SOCIAL RESPONSIBILTY TOWARDS CUSTOMERS

Question no. 1: Do you think that they provide safe items to you?		
Opinion	No.of people	%
Highly satisfied	46	38.3
Satisfied	52	43.3
Dissatisfied	20	16.7
Highly dissatisifed	2	1.7
Total	120	100.0

38.3% persons are highly satisfied; 43.3%persons are satisfied with the opinion that 'VISHAL MEGA MART' provides safe items to them but 16.7% persons are dissatisfied while 1.7% persons are highly dissatisfied.

Question no. 2: Do you satisfy the price they offer to you?		
Opinion	No.of people	%
Highly satisfied	16	13.3
Satisfied	47	39.2
Dissatisfied	40	33.3
Highly dissatisifed	17	14.2
Total	120	100.0

13.3% persons are highly satisfied; 39.2% persons are satisfied with the price of goods which is offered by 'VISHAL MEGA MART' but 33.3% persons are dissatisfied while 14.2% are highly dissatisfied.

Question no. 3: Do you feel satisfy with the regular supply of goods & services?		
Opinion	No.of people	%
Highly satisfied	22	18.3
Satisfied	50	41.7
Dissatisfied	38	31.7
Highly dissatisifed	10	8.3
Total	120	100.0

18.3% persons are highly satisfied, 41.7% are satisfied with the regular supply of goods and services but 31.7% persons are dissatisfied with this while 8.3% are highly dissatisfied.

Question no. 4: Do you satisfied with the attitude when you asked them regarding the use of the product?		
Opinion	No.of people	%
Highly satisfied	29	24.2
Satisfied	30	25.0
Dissatisfied	46	38.3
Highly dissatisifed	15	12.5
Total	120	100.0

24.2% persons are highly satisfied, 25% are satisfied with the attitude of the seller when customer asked them regarding the use of product but 38.3% person are dissatisfied with this while 12.5% persons are highly dissatisfied.

Question no. 5: Do you satisfied with their treatment for handling your complaints and grievances?		
Opinion	No.of people	%
Highly satisfied	29	24.2
Satisfied	32	26.7
Dissatisfied	33	27.5
Highly dissatisifed	26	21.7
Total	120	100.0

24.2% persons are highly satisfied; 26.7% are satisfied with the treatment for handling customer complaints and grievances but 27.5% are dissatisfied while 21.7% are highly dissatisfied.

Question no. 6: Opinion regarding seller's method of selling product.		
Opinion	No.of people	%
Highly satisfied	25	20.8
Satisfied	37	30.8
Dissatisfied	39	32.5
Highly dissatisfied	19	15.8
Total	120	100.0

20.8% persons are highly satisfied; 30.8% persons are satisfied with seller's method of selling product but 32.5% are dissatisfied while 15.8% are highly dissatisfied.

Question no. 7: Seller provides the product as per your need and requirement.		
Opinion	No.of people	%
Highly satisfied	33	27.5
Satisfied	46	38.3
Dissatisfied	30	25.0
Highly dissatisifed	11	9.2
Total	120	100.0

27.5% persons are highly satisfied, 38.3% are satisfied with the statement that seller provide the goods as per their need and requirement but 25% are dissatisfied while 9.2% are highly dissatisfied.

Question no. 8: They offer new goods for sale to you.		
Opinion	No.of people	%
Highly satisfied	24	20.0
Satisfied	38	31.7
Dissatisfied	44	36.7
Highly dissatisifed	14	11.7
Total	120	100.0

20% of the persons are highly satisfied 31.7% are satisfied with the op0inion that the seller offers new goods for sale to consumer and society but 36.7% are dissatisfied with this statement while 11.7% are highly dissatisfied.

SOCIAL RESPONSIBILTY TOWARDS COMMUNITY

Question no. 9: Do you feel that they try to protect the environment from pollution?		
Opinion	No.of people	%
Highly satisfied	35	29.2
Satisfied	23	19.2
Dissatisfied	39	32.5
Highly dissatisifed	23	19.2
Total	**120**	**100.0**

29.2% persons are highly dissatisfied, 19.2% are satisfied that they feel that the seller tries to protect the environment from pollution but 32.5% are dissatisfied while 19.2% are highly dissatisfied.

Question no. 10: Provide more employment opportunity.		
Opinion	No.of people	%
Highly satisfied	16	13.3
Satisfied	41	34.2
Dissatisfied	38	31.7
Highly dissatisifed	25	20.8
Total	**120**	**100.0**

13.3% persons are highly satisfied, 34.2% are satisfied with the opinion that the organization provide more employment opportunity but 31.7% persons are dissatisfied with this while 20.8% are highly dissatisfied.

Question no. 11: They promote national integration.		
Opinion	No.of people	%
Highly satisfied	21	17.5
Satisfied	36	30.0
Dissatisfied	32	26.7
Highly dissatisifed	31	25.8
Total	**120**	**100.0**

17.5% person are highly satisfied, 30% are satisfied with the opinion that organization promote national integration but 26.7% person are dissatisfied while 25.8% are highly dissatisfied.

Question no. 12: They provide basic amenities like drinking water facility, washroom facilities etc		
Opinion	No.of people	%
Highly satisfied	13	10.8
Satisfied	27	22.5
Dissatisfied	44	36.7
Highly dissatisifed	36	30.0
Total	**120**	**100.0**

10.8% persons are highly satisfied, 22.5% persons are satisfied with the basic amenities facilities like drinking water facility, washroom facilities but 36.7% persons are dissatisfied while 30% persons are highly dissatisfied.

Question no. 13: Opinion regarding help to the weaker section of the societies.		
Opinion	No.of people	%
Highly satisfied	21	17.5
Satisfied	24	20.0
Dissatisfied	38	31.7
Highly dissatisifed	37	30.8
Total	**120**	**100.0**

17.5% persons are highly satisfied; 20% persons are satisfied with the opinion regarding help to the weaker section of the society but 31.7% persons are dissatisfied while 30.8% persons are highly dissatisfied.

Question no. 14: Are they preserve social and cultural values?		
Opinion	No.of people	%
Highly satisfied	23	19.2
Satisfied	40	33.3
Dissatisfied	42	35.0
Highly dissatisifed	15	12.5
Total	**120**	**100.0**

19.2% persons are highly satisfied, 33% persons are satisfied with the opinion regarding that they preserve social and cultural values but 35% persons are dissatisfied while 12.5% persons are highly dissatisfied.

Question no. 15: They sold quality product to some rich people or officers only.		
Opinion	No.of people	%
Highly satisfied	19	15.8
Satisfied	28	23.3
Dissatisfied	22	18.3
Highly dissatisifed	51	42.5
Total	**120**	**100.0**

15.8% persons are highly satisfied; 23.3% persons are satisfied with the opinion regarding that they sold quality product to some rich people or officer only but 18.3% persons are dissatisfied while 42.5% persons are highly dissatisfied.

Question no. 16: They abide the rules and regulations and laws of the government.		
Opinion	No.of people	%
Highly satisfied	25	20.8
Satisfied	41	34.2
Dissatisfied	41	34.2
Highly dissatisifed	13	10.8
Total	**120**	**100.0**

20.8% persons are highly satisfied, 34.2% persons are satisfied with the opinion regarding that they abide the rules and regulations and laws of the government but 34.2% persons are dissatisfied while 10.8% persons are highly dissatisfied.

Question no. 17: They try to help in solving social problems.		
Opinion	No.of people	%
Highly satisfied	15	12.5
Satisfied	28	23.3
Dissatisfied	39	32.5
Highly dissatisifed	38	31.7
Total	**120**	**100.0**

12.5% persons are highly satisfied; 23.3% persons are satisfied with the opinion regarding that they try to help in solving social problems but 32.5% persons are dissatisfied while 31.7% persons are highly dissatisfied.

Question no. 18: They co-operate in planning , investigating and administrative activities of the government.		
Opinion	No.of people	%
Highly satisfied	21	17.5
Satisfied	32	26.7
Dissatisfied	38	31.7
Highly dissatisifed	29	24.2
Total	**120**	**100.0**

17.5% persons are highly satisfied, 26.7% persons are satisfied with the opinion regarding that they co-operate in planning investigating and administrative activities of the government but 31.7% persons are dissatisfied while 24.2% persons are highly dissatisfied.

Question no. 19: They try to sale the goods which you want.		
Opinion	No.of people	%
Highly satisfied	28	23.3
Satisfied	38	31.7
Dissatisfied	39	32.5
Highly dissatisifed	15	12.5
Total	**120**	**100.0**

23.3% persons are highly satisfied; 31.7% persons are satisfied with the opinion regarding that they try to sale the goods which they want to sold but 32.5% persons are dissatisfied while 12.5% persons are highly dissatisfied.

Question no. 20: They increase employment facility.		
Opinion	No.of people	%
Highly satisfied	16	13.3
Satisfied	24	20.0
Dissatisfied	59	49.2
Highly dissatisifed	21	17.5
Total	**120**	**100.0**

13.3% persons are highly satisfied; 20% persons are satisfied with the opinion regarding that they increase the employment facility but 49.2% persons are dissatisfied while 17.5% persons are highly dissatisfied.

FINDINGS

In case of social responsibility towards customer 81.6% customers of the VISHAL MEGA MART are satisfied with the safety of items, 52.5% are satisfied with the price which VISHAL MEGA MART offer for the commodities, 60% are satisfied with the regular supply of the goods, 49% are satisfied with the attitude of seller, 51% are satisfied with the complaint and grievances system of the VISHAL MEGA MART, 52% are satisfied with the method of selling 66% are satisfied with the view that goods are sold to them as per their need and requirement, 52% are satisfied that new goods are offer to them for sale.

In case of social responsibility towards community only 48% persons are satisfied with the statement that VISHAL MEGA MART protect environment from pollution, only 47.5 % are satisfied with the employment opportunity which VISHAL MEGA MART offers, only 47.5% persons are satisfied with the opinion that VISHAL MEGA MART promote national integration, only 33% persons are satisfied with the washroom and water facility in the VISHAL MEGA MART, only 37.5% persons are satisfied with the statement that VISHAL MEGA MART provide some help to the weaker section of the society, 52.5% are satisfied with the statement that VISHAL MEGA MART try to preserve the cultural and social values, 55% persons are satisfied with the statement that VISHAL MEGA MART abide the rules and regulation of the government, 36% persons are satisfied with the statement that VISHAL MEGA MART tries to help in solving social problems, 44% persons are satisfied with the statement that they help in planning investigating and administrative activities of government, 54% persons believe that they sold that product to the society which they want to sale and only 33% persons are satisfied with the statement that VISHAL MEGA MART increases employment opportunity.

CONCLUSION

As per the result analysis of the above table and diagrams it can be concluded that VISHAL MEGA MART positively fulfill their social responsibility but there is a chances for further improvements.

In case of social responsibility towards society, VISHAL MEGA MART will have to work hard, as per survey and personal interview of the customer we are able to conclude that VISHAL MEGA MART is failed to fulfill their social responsibility towards community and specially washrooms are in very bad condition, so the management of the VISHAL MEGA MART are advised to look for that.

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AN ANALYSIS OF INDIA'S TRADE RELATIONS WITH THAILAND

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ABSTRACT

The cultural and civilisation connection between India and Thailand in the past and the common interest that both the countries share today means that there is significant potential for the development of a strong partnership for tomorrow. Thailand is an important trade partner for India with bilateral trade volume US $ 86.6 million in 2014, with approximately US $ 56.2 million imports from Thailand and US $ 30.4 million exports to Thailand. This study is an attempt to analyse the India-Thailand trade pattern. The study is based on secondary data taken from UNCTAD Trade Statistics and UN Comtrade Database for the period 1991 to 2014. The data has analysed with some statistical tools i.e. Compound Annual Growth Rate (CAGR), Year to Year Growth, Index Growth, Trade Intensity Index and Revealed Comparative Advantage Index. It is examined that during the study period India-Thailand trade has increased, especially after the Free Trade Agreement (FTA) came into effect from 1 January, 2010.

KEYWORDS

free trade agreement, revealed comparative advantage, trade intensity, compound annual growth rate and UN COMTRADE.

INTRODUCTION

India and Thailand are among the fastest growing economies. Both the countries are geographically proximate neighbours. Both countries shared historical and cultural relations now are active in building strong economic relationship. India and Thailand celebrated 67 years of diplomatic relations in 2014. The visits by Thai Prime Minister Chartchai Choonhavan in March 1989 to India and in April 1993 Indian Prime Minister Narshima Rao to Thailand were important milestone in bilateral relations. To expand trade and investment in the growing economies of Southeast Asia and Thailand, Indian Prime Minister Narshima Rao initiated 'Look East policy'. Indian's economic liberalisation and 1991 reforms promoted India to look for trading partners in Southeast Asia. India's 'Look East policy' (since 1993) and Thailand's 'Look West policy' (since 1996) have been complementary in consolidating bilateral relations including economic and commercial linkages (Ministry of Commerce, Govt. of India).

An analysis of foreign collaborations and Foreign Direct Investment (FDI) approved by government of India after the announcement of new industrial policy since August 1991 shows that amount of investment from Thailand has risen substantially. Aquaculture, auto part, coal mining, electronic parts and banking are the main areas of Thai investment in India. On the other hand, India invested in manufacturing and services in Thailand. India and Thailand are developing countries with some similarities and dissimilarities in their economies. It is noticed that trade and investment linkages between the two countries, a Joint Working Group (JWG) was set up on behalf of Prime Ministers of both the countries to study the feasibility of establishing a Thai-India Free Trade Area. The ministry of commerce of both the countries signed as the framework agreement on October 9, 2003, the aim of which was to establish a Thailand-India Free Trade in goods, services, investment and economic cooperation. An Early Harvest Scheme (EHS), covering 82 products under the proposed India-Thailand FTA, in place since September 2004, has already resulted in phenomenal growth in India-Thailand trade (Santhosh & Bindu, 2012).

Currently, Thai goods have benefited from tax reduction under ASEAN-India Free Trade Agreement in goods, which came into effect from 1 January, 2010 and resulted to the flow of more goods into Indian markets. Bilateral trade between India and Thailand in 2014 was US $ 8.66 billion, with approximately US $ 5062 billion imports from Thailand to India and US $ 3.04 billion exports to Thailand, both the countries are expected to gain considering in the long term due to inclusion of services into the FTA and investment commitments from Thailand.

LITERATURE REVIEW

Thailand is among the major markets for Indian exports and import destinations within ASEAN countries. Accordingly, studies in the literature have focused on this aspect. A study Chishty (2013) examined the trade relation between India and Thailand after signing the Free Trade Agreement (FTA). The average growth rate of trade between India and Thailand shows an increasing trade after FTA. India has ample opportunities to increase its exports to Thailand because of the capacity to export the commodities of Thailand's imports demand. Choudhary (2013) analysed that since 1980, Thailand is one of the major markets and major import destinations among ASEAN countries. It is concluded that there are greater possibilities to explore the future growth of India-Thailand trade. Santhosh and Susheel (2012) compared the India-Thailand trade volumes during the Framework Agreement period (2003-2011) with the period prior to the agreement. They revealed that in Framework Agreement period the growth in India's exports is less than the growth in India's imports from Thailand. Chandran (2010) analysed the trade complementarities and similarities between India and ASEAN countries in the context of the Regional Trade Agreement. India's import intensity was small with Thailand for many years but improved strongly after signing the bilateral trade agreement. Mohan and Nandwa (2009) examined the interest rate linkages among India and ASEAN-5 countries, Thailand is one of them. They revealed the higher causality between interest rates of India and Thailand with the help of Granger causality test. Sudswasd and Mongswad (2007) investigated the trade potential gains and economic impacts of Free Trade Agreement between India and ASEAN-5 (Thailand, Indonesia, Malaysia, Philippines and Singapore). Thailand has welfare gains from this FTA in terms of higher GDP growth.

OBJECTIVES OF THE STUDY

The present study is an attempt to examine India's trade prospects with Thailand. The specific objectives of the study are:
1. To examine the pattern of existing bilateral trade between India and Thailand.
2. To assess the complementarities and similarities of trade between India and Thailand.

RESEARCH METHODOLOGY

The study is based on secondary data. The data have been taken from Ministry of Commerce, Govt. of India, UNCTAD International Trade Statistics Yearbook, UN COMTRADE Statistics and World Development Indicators, World Bank. The study is made for the period 1991 to 2014 for which latest data at hand and also at the respective sources.

The various aspects of India-Thailand trade have been examined by using year to year growth, CAGR, Trade Intensity Index and Revealed Comparative Advantage Index. Index growth in exports to Thailand and imports from Thailand is also computed to interpret the data. A brief introduction of these methods is in order:

1.1 The annual compound growth rate is computed by employing following formula:

$Y = ab^t$

By using logarithm, it may be written as:

$\text{Log } y = \log a + t \log b$

$Y^* = a^* = t.b^*$

where log y = Y*,log a = a* and log b = b*

The value of b* is computed by using OLS-method. Further the value of CAGR can be calculated by using following method:

CAGR = (Antilog b*-1)*100

1.2   The index growth is computed by following formula:

Index Growth = Current Year's Value/ Base Year's Value *100

1.3 The Export Intensity Index (EII) and Import Intensity Index (III) are defined as follows:

EII $= X_{ij}/X_i/M_j/(M_w-M_i)$

III $= M_{ij}/M_i/X_j/(X_w-X_i)$

Where

X_{ij} = Exports of country i to trading partner j.

X_i = Total exports of country i.

M_j = Total imports of country j.

M_w = Total world imports.

M_i = Total imports of country i.

M_{ij} = Imports of country i from trading partner j.

X_j = Total exports of country j.

X_w = Total world exports.

i, j = India and Thailand

1.4 The Index for Revealed Comparative Advantage (RCA) is defined as:

$RCA_{ij} = X_{ij}/X_i/X_{wj}/X_w$

Where

X_{ij} = i[th] country's exports of commodity j.

X_i = Total exports of country i.

X_{wj} = World exports of commodity j.

X_w = Total world exports.

The value of index is greater than unity indicates strong comparative advantage while a lower value would mean that the specified commodity is not particularly competitive in the world market.

RESULTS AND DISCUSSION

India has trade relations with Thailand since independence. Thailand is an important trading partner of India. Two-way trade in 2014 was US $ 8.66 billion with about US $ 5.62 billion imports from Thailand to India and US $ 3.04 billion exports to Thailand. The irreversible nature of economic liberalisation has enabled both nations to integrate with the world economy while analysing the existing pattern of their trade and sectoral complementarities for further economic integration, the comparative advantage is examined.

MERCHANDISE TRADE RELATION

The data for merchandise trade for the period 1991 to 2014 are summarised in Table 1 and Table 2.

TABLE NO. 1: TRENDS IN INDIA'S MERCHANDISE EXPORTS TO THAILAND (In Million US $)

Year	Exports to Thailand	Total Exports of India	% Share in Total Exports	Year to Year Growth Rate	Index Growth
1991	198.98	17727	1.12	89.08	100
1992	283.37	19628	1044	69.26	142.40
1993	357.22	21572	1.65	60.38	179.52
1994	406.57	25022	1.62	61.54	204.32
1995	471.47	30630	1.53	64.96	236.93
1996	447.04	33015	1.35	74.05	224.66
1997	342.97	35008	0.97	102.07	172.35
1998	320.87	33437	0.95	104.20	161.25
1999	452.08	35667	1.26	78.89	227.18
2000	525.28	42379	1.23	80.68	263.95
2001	598.29	43361	1.37	72.47	300.66
2002	741.18	49250	1.24	66.44	372.47
2003	731.77	58963	1.11	80.57	367.74
2004	856.82	76649	1.06	89.45	430.59
2005	1059.27	99616	1.10	94.04	532.32
2006	1350.99	121808	1.11	90.16	678.92
2007	1673.34	150159	1.02	89.73	840.92
2008	2005.28	194828	1.03	97.15	1007.74
2009	1710.81	164909	0.94	96.39	859.75
2010	2139.58	226351	0.91	105.79	1075.23
2011	2767.92	302905	1.16	109.43	1390.99
2012	3454.13	296808	1.34	85.92	1735.84
2013	4203.81	313235	1.08	74.51	2112.59
2014	3438.52	317380	1.05	92.30	1728.00
CAGR	13.19	12.17			

Source: UN COMTRADE Statistics

In Table-1 trends of India's merchandise exports to Thailand have been shown for the time period 1991 to 2014. The analysis revealed that India's merchandise exports to Thailand have been more than 17 times about US $ 198.98 million in 1991 to US $ 3438.52 million in 2014. India's exports to Thailand as percentage share of India's Total global exports have decreased between1995-98, but have increasing trends afterwards, except 2008-09 due to global financial crisis. Altogether the period reports a compound annual growth rate of 13.19 percent in exports. The percentage growth in India's exports to Thailand shows a fluctuating scenario with no consistency in growth. The export volume reports a highest growth of 109.43 percent in 2011 and a lowest rate of 60.38 percent in 1993.

TABLE NO. 2: TRENDS IN INDIA'S MERCHANDISE IMPORTS FROM THAILAND (In Million US $)

Year	Imports from Thailand	Total Imports of India	% Share in Total Imports	Year to Year Growth Rate	Index Growth
1991	48.73	20448	0.23	419.54	100
1992	65.15	23579	0.27	361.91	133.67
1993	57.19	22788	0.25	398.44	117.34
1994	171.60	26843	0.63	156.42	352.09
1995	169.30	34707	0.48	205.00	347.36
1996	197.08	37942	0.51	192.51	404.36
1997	226.24	41432	0.54	183.12	464.20
1998	273.33	42980	0.63	157.24	560.83
1999	329.54	46979	0.70	142.55	676.16
2000	339.21	51523	0.65	151.88	695.99
2001	424.58	50392	0.84	118.68	871.16
2002	365.08	56571	0.64	154.95	749.08
2003	539.08	72558	0.74	134.55	1106.41
2004	750.16	99775	0.75	133.00	1539.17
2005	1196.60	142870	0.83	119.39	2455.16
2006	1550.81	178410	0.86	115.04	3181.93
2007	2192.37	229370	0.95	104.62	4498.27
2008	2664.79	321032	0.83	120.47	5467.58
2009	2775.89	257202	1.07	92.65	5695.52
2010	3940.80	350233	1.12	88.87	8085.72
2011	5055.57	464462	1.08	91.87	10372.94
2012	5499.27	488591	0.11	88.84	11283.34
2013	5475.44	466042	1.17	85.11	11234.45
2014	5680.94	460412	1.23	81.04	11656.08
CAGR	22.98	13.86			

Source: UN COMTRADE Statistics

Table-2 shows the trends in India's merchandise imports from Thailand for the time period 1991 to 2014. It reveals that India's imports from Thailand was 48.73 million US $ in 1991 (0.23 percent of its total imports) and increased up to 5680.94 million US $ in 2014 (1.23 percent of its total imports). It is revealed from the table that the value of India's imports from Thailand till 2004. It shows that India always had significant trade surplus with Thailand, but after 2004 the situation was reversed. There is rapid increase in the volume of India's imports from Thailand with an index growth of 11656.08. The compound annual growth of imports from Thailand (22.98 percent) is considerably higher than that of CAGR of India's exports (13.19 percent). Thus, Thailand is more important for India as import sources than as export market. The percentage growth in India's imports from Thailand shows the decreasing trends with the highest value (419.54 percent) in 1991 and lowest value (81.04 percent) in 2014.

FIGURE 1: TRENDS IN EXPORT INTENSITY AND IMPORT INTENSITY BETWEEN INDIA AND THAILAND
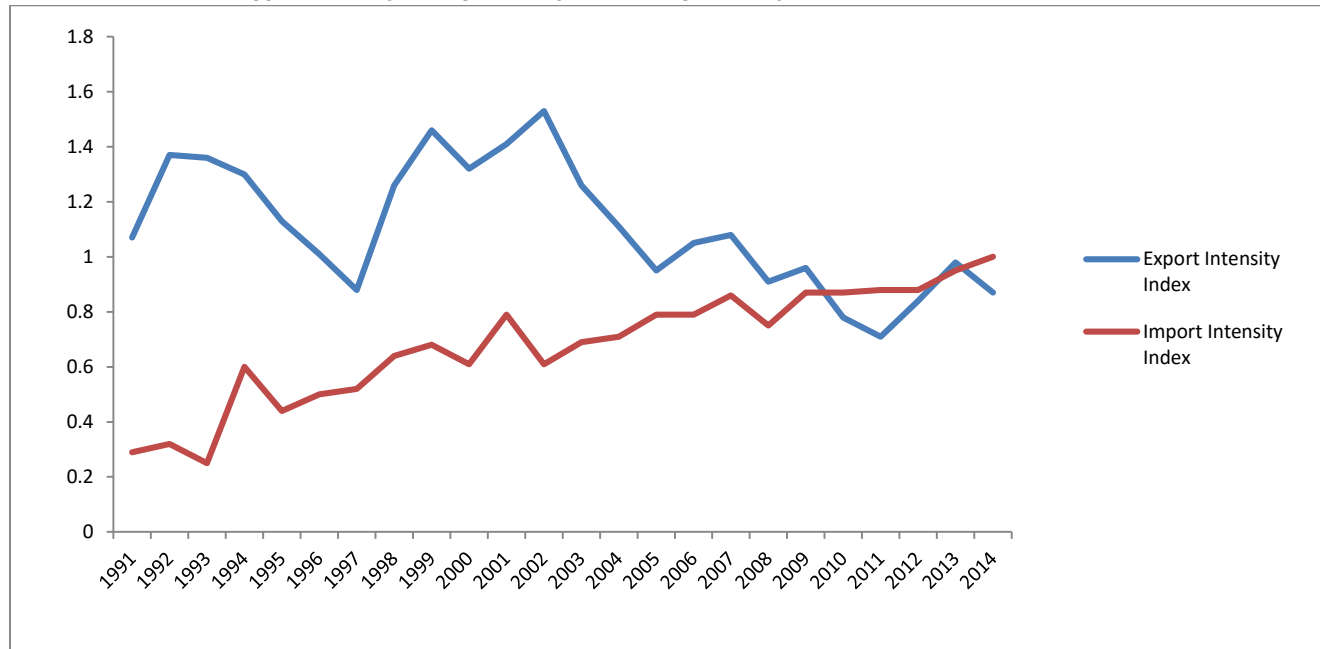
Source: UN COMTRADE Statistics

In the above figure, India's export intensity and import intensity with Thailand have shown. It is revealed that, the values of export intensity indices have increasing till 2008 except 1997 (due to Asian Crisis), but after that the values of export intensity indices declined due to global slowdown. However, India's import intensity with Thailand has been increasing continuously but less than values of export intensity indices. Therefore, it is concluded that Thailand's imports demand is high and India is capable to meet this demand.

REVEALED COMPARATIVE ADVANTAGE

This portion specifically examines the structure of comparative advantage enjoyed by India in the global market. For this purpose, RCA indices have been computed for India by using the data at 5-digit HS commodity classification. The data have been collected from UN Commodity Trade Statistics. For the comparative analysis, RCA indices have been calculated for the years 1991, 2001, 2011 and 2014.

TABLE NO. 3: TOP TEN COMMODITIES WITH HIGHEST VALUE OF RCA IN 1991

Rank	HS Code	Commodities	RCA
1	67641	Piezo-electric quartz	20.36
2	66731	Prec/semi-p stone shaped	2.15
3	51462	Amino-phenols/ derivative	1.47
4	66729	Diamonds, worked, unmountd	1.29
5	66739	Pre/semi-p stone worked	1.17
6	53115	Vat dyes/preparations	0.96
7	74434	Tower cranes	0.59
8	54213	Penicillin/strept retail	0.50
9	51699	Other organic compounds	0.48
10	65222	Woven cotton unbl >200 g/m2	0.45

Source: World Integrated Trade Solution, World Bank

Table-3 shows India's top ten commodities on the basis of RCA Index in 1991. India enjoyed maximum comparative advantage in piezo-electric quartz (i.e. 20.36) in this year India enjoyed RCA > 1 in five commodities.

TABLE NO. 4: TOP TEN COMMODITIES WITH HIGHEST VALUE OF RCA IN 2001

Rank	HS Code	Commodities	RCA
1	26142	Silk Waste uncarded	29.73
2	51699	Other organic compounds	2.20
3	67351	Hot roll steel nes w . 600	1.53
4	51138	Multi-halog derives ac hc	1.22
5	51462	Amino-phenols/ derivative	1.21
6	67829	Alloy steel wire nes	1.05
7	59841	Mixed alkybenzenes nes	0.89
8	54131	Penicillins and Derivs	0.79
9	53121	Synth brightening agents	0.39
10	67121	Pig iron, Phosph max 0.5 %	0.29

Source: World Integrated Trade Solution, World Bank

Table-4 shows that India enjoyed RCA > 1 in six commodities. India had maximum RCA in silk waste uncarded (i.e. 29.73) followed by other organic compounds (i.e. 2.20) with a very sharp decline.

TABLE NO. 5: TOP TEN COMMODITIES WITH HIGHEST VALUE OF RCA IN 2011

Rank	HS Code	Commodities	RCA
1	79328	Passenger ships/boats	5.18
2	22212	Groundnuts shelled	1.07
3	67152	Ferro-silico-manganese	0.59
4	54131	Penicillins and derivs	0.56
5	67121	Pig iron, Phosph max 0.5 %	0.52
6	71111	Steam boilers exc cent-h	0.50
7	66739	Prec/ semi-p stone worked	0.40
8	59841	Mixed alkybenzenes nes	0.37
9	66969	Iron/ steel articles nes	0.21
10	53117	Synth org pigments/ preps	0.16

Source: World Integrated Trade Solution, World Bank

In Table-5, it is revealed that India had RCA > 1 in two commodities only, namely passenger ships/boats and ground nuts shelled with the value 5018 and 1.07 respectively.

TABLE NO. 6: TOP TEN COMMODITIES WITH HIGHEST VALUE OF RCA IN 2014

Rank	HS Code	Commodities	RCA
1	65811	Jute etc sacks/bags	9.98
2	53116	Reactive dyes/ Preparatns	1.22
3	67152	Ferro-silico-manganese	0.92
4	67321	Coil-steel-2 w> 600t> 4.75	0.83
5	67121	Pig iron, Phosph max 0.5 %	0.79
6	67269	Iron, sample stl shapes nes	0.77
7	67729	Diamonds, worked, unmountd	0.54
8	22212	Groundnuts shelled	0.47
9	51113	Butyenes/ butadienes etc	0.47
10	71191	Pts nes of boilers 711.1	0.43

Source: World Integrated Trade Solution, World Bank

Table-6 shows that in 2014, there was also two commodity groups in which India had enjoyed RCA > 1 i.e. Jute etc sacks/bags and reactive dyes with the value 9.98 and 1.22 respectively.

On the basis of above tables, it can be concluded that India's revealed comparative advantage was highest for silk, electric quartz, jute and passenger boats/ships etc. To increase the complementarities with Thailand, there is more need to diversify the export basket towards technologically advanced products.

CONCLUSION

An analysis of India-Thailand Trade indicates that India and Thailand have enjoyed a close and long historical relationship with geographical approximate neighbour. Trends in total merchandise trade show the continuous increment except in 2009. This decrease in 2009 in trade occurs because of the global slowdown in international market. In 1991, India's exports to Thailand were US $ 198.98 million which was increased in 2014 by US $ 3438.52 million and imports value was US $ 48.73 million in 1991 which was increased up to US $ 5680.94 million in 2014. India-Thailand trade volume is very low. However, after signing the Free Trade Agreement, trade relations between both the countries become deep and closer. It is examined that India's RCA was highest for piezo-electric quartz in 1991, for silk in 2001 and for jute & passenger boats/ships etc in 2014. Thailand's imports demand are high India is capable to meet export supply for a large number of products of Thailand's imports demand.

The above analysis reveals that after 2004, India's trade with Thailand has increased with decreasing growth rate in its exports and imports from Thailand. It is also clear that changing pattern of trade between both the countries might be a result of the Free Trade Agreement. It is concluded that Thailand is an important trade partner for India to liberalise its economy. India's North-East region is a resource rich region and there is lot of opportunities for Thailand to increase bilateral cooperation with India. Thailand is keen to increase its engagement with India. Both the countries should liberalise and eliminate trade barriers and facilitate the cross-border movements of goods and services between two countries, for a beneficial outcome.

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CULTURAL SUSTAINABILITY IN KERALA VIA TOURISM

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ABSTRACT
Kerala offers a cultural kaleidoscope in its literature, language, music, dance, theatre and rituals; the pluralist basis of Kerala's culture mosaic is reflected in its art forms. That is the cultural heritage of Kerala can be seen from its different art forms and customs. There is no other state in India which can match up with the creativity of arts of Kerala. Kerala also is highly concerned about the aspect that tourism can adversely affect the cultural fabric of the community and in fact there are a large number of groups within Kerala that are highly concerned about the impact of tourism on culture and keeping a watchful eye on tourism development. Kerala feels that it will continue to be a tourism driven economy due to the focused and concerted efforts of the government with the private sector participation and involvement of local population in the development process. Thus the Kerala model of tourism seems to be more culturally sustainable and less in conflict with the long term cultural survival of their native population.

KEYWORDS
culture, sustainability, kerala, impact, art.

INTRODUCTION
Culture we are told is the stories we tell ourselves about ourselves. The story of Kerala is mirrored in the evolution of its art and culture. Kerala's long and inviting coastline that witnessed the arrival of many foreign people and cultures and its backbone of hills that provided the state insularity from the rest of the country, facilitated the retention of its legacy as well as the integration of the winds of change that have swept over the land from time to time. Consequently, Kerala offers a cultural kaleidoscope in its literature, language, music, dance, theatre and rituals; the pluralist basis of Kerala's culture mosaic is reflected in its art forms. That is the cultural heritage of Kerala can be seen from its different art forms and customs. There is no other state in India which can match up with the creativity of arts of Kerala. While almost all the host communities are affected by tourism in one way or the other there is general fear, often not unfound, that tourism can adversely affect the cultural fabric of the community. Kerala also is highly concerned about this aspect and in fact there are a large number of groups within Kerala that are highly concerned about the impact of tourism on culture and keeping a watchful eye on tourism development. Art forms, especially traditional art forms, are not meant to be commercial. They are collective expression of a society, its reflection on the day to day lives of the people and a social form of communication.

OBJECTIVES
The objective of the present study is to analyse the cultural sustainability of Kerala.

METHODOLOGY
The study is in a descriptive manner and it is based on both the primary and secondary data. Primary data is collected from different cultural artists in Kerala through telephone interview and from DTPCs. Major sources of secondary data are Ministry of Tourism and its different websites, different articles and journals.

CULTURAL SUSTAINABILITY IN KERALA
Every culture originates in a specific geographical setting and forms a close link with the natural environment that surrounds it. The culture and society are no more an exception to this phenomenon. The society and culture at Kerala is an expression of typical Indian culture, which is so beautifully mixed with its natural environment that has, became a source of attraction for the tourists. The culture of Kerala carries the aesthetics and excellence of the past, which even in the modern times has few parallels. It is this unique character of culture that is found preserved and nurtured in tourism industry of Kerala which has a worldwide recognition. These manifestations of culture can be seen in various fascinating and interesting modes like dance, food, textile, painting, monuments and palaces. This admires across the world that who can be counted as tourists. The table below gives a statistical account of the admirer's i.e., tourist of Kerala culture and society.

TABLE NO. 1: TRENDS IN FOREIGN AND DOMESTIC TOURIST ARRIVALS INTO KERALA (2001-2014)
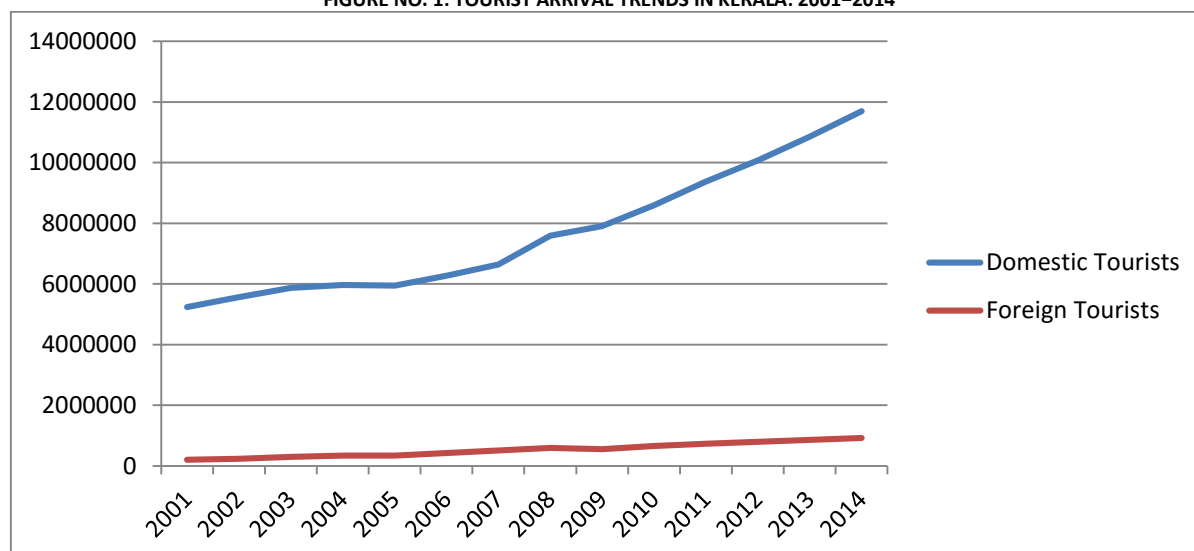
Year	Domestic Tourists	Percentage VAR	Foreign Tourists	Percentage VAR
2001	5,239,692	4.5	208,830	-0.5
2002	55,68,256	6.3	2,32,568	11.3
2003	58,71,228	5.4	2,94,621	26.7
2004	59,72,182	1.7	3,45,546	17.3
2005	59,46,423	-4.3	3,46,499	0.27
2006	62,71,724	5.47	4,28,534	23.7
2007	66,42,941	5.92	5,15,808	20.37
2008	75,91,250	14.28	5,98,929	16.11
2009	79,13,537	4.25	5,57,258	-6.96
2010	85,95,075	8.61	6,59,265	18.31
2011	93,81,455	9.15	7,32,985	11.18
2012	100,76,854	7.41	7,93,696	8.28
2013	108,57,815	7.75	8,58,143	8.12
2014	116,95,411	7.71	9,23,366	7.6

Source: Department of Tourism 2014 and previous reports. *Tourism Statistics* Government of Kerala

The table amply makes it clear that the socio-cultural products of Kerala have great appeal for the international and domestic tourists. Foreign tourist arrivals to Kerala during the year 2013 was 9, 23,366. It shows an increase of 7.6 % over the previous year's figure of 8, 58,143. Domestic Tourist arrival to Kerala during the year 2013 is 116, 95,411**.** It shows an increase of 7.71 % over the previous year's figure 108,57,815. In India Foreign Tourist Arrival during 2011 were 6.29 million with a growth rate of 8.9% as compared to the Foreign tourist arrival 5.78 million with a growth of 11.8% during the year 2010 over 2009. the growth rate of 11.18

in Foreign Tourist Arrival in Kerala for 2011 over 2010 is much better than UNWTO's projected growth rate of 4% to 5% for the world during the same period and 7% to 9% for Asia and Pacific.

FIGURE NO. 1: TOURIST ARRIVAL TRENDS IN KERALA: 2001–2014

Source: Department of Tourism 2014 and previous reports. *Tourism Statistics*, Government of Kerala.

The consistent innovative campaign by Kerala Tourism has again consolidated Kerala's position on the world tourism map with fantastic strides in all aspects of tourism. These increased amounts of tourists contribute much to the state's income also. Foreign exchange earnings for the year 2011 are Rs.4221.99 Crores which recorded an increase of 11.18% over the previous year. Total revenue (including direct and indirect) from tourism during 2011 is Rs.19037 Crores, showing an increase of 9.47% over the last year's figure. According to the latest statistics released by the state government, Kerala Tourism's total revenue, both direct and indirect, touched the Rs. 21,125 crore marks in 2012 compared to Rs. 19,037 crore in 2011. In 2012, Kerala witnessed 7.94 lakh foreign tourist's arrival in 2012 as compared to 7.33 lakh in 2011. Domestic arrivals have also gone up to 1.01 crore compared to 93.88 lakh in 2011. As a result, the foreign exchange earnings also went up from Rs. 4,221.99 crore in 2011 to Rs. 4,548 crore in 2012.

TABLE NO. 2: EARNINGS FROM TOURISM

Year	Foreign Exchange Earnings (Rs In Crores)	Percentage of Increase	Total Revenue Generated from Tourism (Direct& Indirect) Rs. In Crores	Percentage of Increase
2001	535.00	1.85	4500.00	9.58
2002	705.67	31.90	4931.00	20.42
2003	983.37	39.35	5938.00	12.83
2004	1266.77	28.82	6829.00	15.01
2005	1552.31	22.54	7738.00	13.31
2006	1988.40	28.09	9126.00	17.94
2007	2640.94	32.82	11433.00	25.28
2008	3066.52	16.11	13130.00	14.84
2009	2853.16	-6.96	13231.00	0.77
2010	3797.37	33.09	17348.00	31.12
2011	4221.99	11.18	19037.00	9.74
2012	4571.82	8.29	20430.00	7.32
2013	5560.77	21.63	22926.55	12.22
2014	6398.93	15.07	24885.44	12.11

Source: Department of Economics and Statistics 2014. *Statistics for Planning 2009*, Government of Kerala and Department of Tourism 2014 and previous reports, *Tourism Statistics*, Government of Kerala.

The outstanding financial performance of the state tourism is the result of the change in shift of Kerala's promotional strategy. During their stay in the destinations tourist interact with local residents and the result of their relationship is changes in the host individuals and host community's quality of life, value systems, labour divisions, family relationships, attitudes, behavioral patterns, ceremonies and creative expressions. The larger the culture and economic differences between tourists and local residents, the more obvious and more significant these changes are. Sometimes these changes may have gone in favour of host society and some time it may have gone against it. Tourism has capability to promote unfamiliar scenes of society and culture. Not it provides monetary benefits but also helps to preserve old customs and rituals that are on dying stage. All this sounds positive. Though some times, because of commercialization and overuse of customs for tourism and financial gains it brought negative picture of tourism. When locals started to mix the original forms with new ones to satisfy tourists, the old customs started to lose its originality.

Once again, tourism effect both ways as far as communication or language is concerned. One side it proves beneficial with the introduction of new forms of communication and introduction of new language forms. On the other hand, in urge to learn new we are forgetting our own accents or speaking language. However, these cross-cultured contacts caused by tourism are considered a function of at least three factors. The first is the type of the tourist. The different categories of tourist in the world are reflected in expected differences in their kinds of interaction with local people. Second is the context in which the contact occurs and language ability will help to determine the depth of communication that taken place. Finally, there is the role of cultural brokers, who are an intermediary occupational group such as interpreters and tour guides, who are the conduits through which much of the contact occurs. Their activities are thought to have a considerable effect on the manner and speed, with which new ideas and influences are transmitted. Many a traditional art form would have fast disappeared from the scene but for the patronage of tourists and tourism agencies. It is also encouraging to note that more young people are rediscovering their heritage and culture due to the effort of tourism. Annual events like Tourism Week Celebrations, Utsavam- the Kerala Arts Festival, Naattukalakalude Drishyavishkaram, Nishaganthi Dance and Music Festival, other festivals and regular programmers in tourist resorts and hotels also sustain many cultural forms. The arts forms showcased for UTSAVAM 2012-13 includes 65 different and variety art forms like Arjuna Nritham,Ayyappan Theeyattu, Balikkala, Bhairavikkolam, Badrakaliyattam, Charadupinnikkali,Chattupattu, Chavittukali, Cimmanakkali, Gaddika, Irulanrutham, Kakkarissinadakam,Kanyarkali, Koothamooripattu, Kethrattam, Kooliyattam, Kummattikkali,Kurumba nrutham,Koodiyattam, Kuthirakali, Kuthiyottam,Malapulayattam, Malayenkettu, Padayani, Pakkanarattam etc. conducted in different and important tourist places in Kerala. Similarly, NATTUKALAKALUDE DRISHYAVISHKARAM conducted from 23rd December 2012 to 24th

February 2013 all over Kerala also includes 37 different art forms like Thottam pattu, Sastham pattu, Alamikkali, Pakkanarattam, Panapporattu, Mariyattam, Thudippattu, Kuthiyottam, Badrakaliyattam etc. The above list of art forms shows that, these art forms are rare and on the stage of extinction. Here the tourism department is making an opportunity to the outliving of the art forms as well as the artists. These programmers conducted in the name of tourists are enjoyed not only by the foreigners but also by the natives. Rahul from Calicut said that he watched the art form Tholppavakkothu for the first time in his life as a part of the NATTUKALAKALUDE DRISHYAVISHKARAM. The famous PADAYANI artist Saji Othara, working in a private firm, opined that he is following his father's hereditary by performing this art form. He was the chairman of folklore academy for a period of five years and winner of many awards like, ISRO award, Nehru Yoga award, Natrad fellowship etc. is continuing this performance only because of the tourism department; because there is no help or aid from the government for the existence of this particular art form. The same opinion is put forward by Arjuna nrutham artist Nadesan Kurinchi, Velakali artist Gopalakrishnan, Kurathiyattam performer A.K. Mani and Balukkala artist Gopi Palusseri.

Many traditional buildings, which were either neglected or discarded, are being rediscovered and to put alternate use to the growth of tourism and thanks to the interest foreigners are showing in these products. Handicrafts industry and antique markets are also active due to tourism. Artisans in large numbers stated reproducing copies of same artifacts mechanically and are losing their artistic talents. Another area, which traditionally well patronized in the state, was "ayurveda" the Indian system of medicine. Oil massages using ayurvedic herbs have become extremely popular among foreign tourists in Kerala today. Along with that, complaints of misuse of the name of ayurveda for nefarious activities have also come up in the state. The State government has recently introduced voluntary approval system for ayurveda centers to overcome this. Similarly, temples are places of worship in India. But the presences of large number of visitors in these places are only as a tourist attraction resulting in the commercialization of these places of worship.

Government, by understanding the changes taking place in the society as above, is trying to restrict the number to quality tourists by not focusing on mass tourism. Knowing fully the dangers of beach tourism alone, the official dome carefully crafted a mixture of beach tourism, natural medicine tourism (ayurveda and naturopathy), back waters and boating tourism, hill station and spice garden tourism, wild life and jungle tourism and to extent cultural tourism. Sensuality and sensual image building in most cases has been carefully muted. Their advertisements have rarely projected swim-wear clad models. Two distinct strategies are being deployed in Kerala to prevent the spillover effects of beach tourism. Increased regulation and strong signals of disapprovals by police officials were conveyed to tourists indulging in partial or full nudism on Kerala beaches. Secondly, many of the beach resorts were generally isolated and often not within the easy reach of the local population. The case of beaches with high tourist inflows, almost merging into local population areas were few and far in between. Beaches frequented by local population in large numbers were carefully kept out of the hyped foreign tourist circuits.

In Kerala, since the tourist ratio is low, the police force is often composed of police officials who come from non-tourist interiors of Kerala. Before they get ensconced in the ways of the beach tourism and its contributory effects of drugs and related – obnoxiousness, they are often transferred to hinterland areas. This salutary mingling of police personnel exposed to rampant coastal tourism and non-tourism implanted police constabulary from hinterland, results in keeping the force relatively clean from the evils of tourism. Kerala's multi-pronged tourism strategy also makes sure that diverse types of tourists visit the state. While some visit it for natural health and rejuvenation purposes, other visit it for back water tourism and still others take the route of wild life jungle and adventure tourism. There are still others who would like to sample a little of everything that Kerala has to offer including it an ancient cultural ethos and religious festivals and unique sea food based spicy cuisine. The inflow into Kerala is controlled by the imagery of Kerala projected to tourists. However, once the tourists enter the state, all-out efforts are made to enchant those using different types of tourism experiences. In Kerala, the tourism enterprises are still not a behemoth and limited to playing marginal role in a society still dominated by social groups, public opinion, stronger government and powerful regulatory authorities.

Since Kerala's religio-cultural roots are rather well entrenched and tourist arrivals are a substantially smaller fraction of its overall population, the interaction of locals with the tourists are friendly, yet largely without compromising their native cultural values. Another reason for this perfunctory friendliness in Kerala could be the fact that although statistically the average foreign tourist stays for around 7-14 days in Kerala. The tourists' sojourn in Kerala is often characterized by movements to different parts of Kerala to enjoy different aspects of Kerala tourism experience. This doesn't provide enough time for deeper familiarity and interactions with the tourism enterprise staff of a single facility. Besides, the tourism related employees in Kerala often have only rudimentary knowledge of English and western etiquette. Although they exhibit friendliness, in most cases it remains more superficial and short-lived. By educating the tourists to respect the local customs and culture and by enforcing strict regulations government hopes to minimize the negative impact of tourism on the host communities. Duration of their stay, the ratio of tourists to local population and strict regulatory presence make it difficult for foreign tourists to disseminate their cultural influences in Kerala, thus making their tourism ventures more culturally sustainable. The tourism strategy in Kerala has been multi-pronged and promotion of tourism is based largely on non-sensual imagery. The tagline 'God's own Country' has been used to paint and convey a picture of unparalleled natural beauty, harmonious environment –friendliness and moral rectitude. The low tourist ratio in Kerala is a result of carefully calibrated tourism philosophy or overall tourism marketing future is not very clear, but from the angle of culturally sustainable tourism, it is undoubtedly a welcome development. Government is taking all care for the sustainable development of the region by learning from the mistakes of older destinations in the world.

CONCLUSION

Tourism development directly and indirectly helps in protection or conservation of natural and cultural heritage. Tourism can be promoted anywhere and everywhere, even in urban where otherwise no alternative economic activity is even distantly possible (beaches, snow peaks, deserts etc.). Tourism can be promoted, hand in hand with other ongoing economic activities; it rather energizes other sectors of the economy. Kerala feels that it will continue to be a tourism driven economy due to the focused and concerted efforts of the government with the private sector participation and involvement of local population in the development process. Thus the Kerala model of tourism seems to be more culturally sustainable and less in conflict with the long term cultural survival of their native population.

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