ISSN 2454-6941

RAFFLES
UNIVERSITY

RAFFLES BUSINESS REVIEW

An International Bi-Annual Peer Reviewed Journal of Management

VOLUME 1, NUMBER 1 JULY-DECEMBER 2015

**ALABBAR SCHOOL OF MANAGEMENT
RAFFLES UNIVERSITY
NEEMRANA**

Raffles Business Review

ISSN 2454-6941

RAFFLES UNIVERSITY

Our Founder President

Our mission is to provide opportunities for young people who are in need of education so they can forge a better future for themselves.

Late Mr Vinod Kumar Gomber

Our Chairperson

Leadership creates performance in people because it impacts willingness; it's a matter of modeling, inspiring and reinforcing.

Mr Vivek Gomber

Aims and Scope

Raffles Business Review is an international bi-annual peer reviewed research Journal of Management publishing by Alabbar School of Management, Raffles University, Neemrana.

The aim of the journal is to provide a forum for discussion of advancement in the area of Business Studies. The journal publishes research papers, articles, book reviews and case studies.

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RAFFLES BUSINESS REVIEW

Raffles Business Review

Volume 1, No. 1 • July 2015 - December 2015

Prof (Dr.) Bhagirath Singh

Guest-Editor

Raffles University is among the prominent Universities of country, ever since its inception university has been striving to maintain excellence in teaching, research and community service. Keeping in view the changing requirements of professions and industries, we continuously update the courses and syllabi being taught in our institution. The Schools of the University provide a practice oriented education with excellent learning environment.

The competent Faculty at the University help the student channelizes their academic potential for the realization of their dreams. We have a unique atmosphere at the campus as the University has the faculty in residence thereby facilitating extended teacher–student interaction on the lines of a "Gurukula" so that the curriculum is truly assimilated and ingrained, besides, visiting faculty from across the country and overseas is also invited from time to time to share their expertise.

I am pleased to know that research and development cell of Alabbar School of Management is publishing an international peer reviewed management journal entitled "Raffles Business Review".

I extend my warmest congratulations and sincere thanks to the Editor and the editorial board on the issue of the first volume of the journal. I firmly believe that, this journal will develop and be established as a significant source of information about Emerging issues in Management and Social science.

Prof (Dr.) Bhagirath Singh
Ex Vice Chancellor
Raffles University, Neemrana

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THE PEOPLE'S
UNIVERSITY

03rd December, 2015

Message

I am pleased to know that Alabbar School of Management, Raffles University Neemrana is going to publish its maiden issue of 'Raffles Business Review' an International Research Journal of Management to exchange of information in various formats, like research papers, survey papers, case studies and articles.

I sincerely hope that the readers will enjoy the articles of this issue and find them useful in both academic and research work.

I extend my best wishes for the success of the journal.

(Prof Nageshwar Rao)

Dr Vinay K. Srivastava
Editor
Raffles Business Review
Raffles University Neemrana

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Vice Chancellor's Office

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From the Editors Desk...

Success does not lie 'results' but in 'efforts, 'being' the best is not so important, 'doing' the best is all that matters. Innovation and Evolution are essential attributes of every successful organization. Even after scaling heights our quest for perfection continues. We persistently endeavour to serve our customers/consumers with a passion. Satisfied customers/consumers are the lifeblood of every organization. An important element in the strategy of managing the customer value is to continuously strive to meet the challenges of globalisation, technological change, competition and rivalry, workforce diversity and changing customer expectations successfully. An organisation's success story states with its employees who are open to learning and practice innovative skills which can be fostered through teamwork and creation of a new organizational culture creating a paradigm requires a strong link between strategic focus and operational reality.

In the present scenario, global economy is in the state of flux and the role of leadership is changing. Considering the recession, one thing that educator across the globe can emerge new opportunities in various sectors. It includes number of research articles received from prominent educationists & professionals worldwide.

I am delighted to present before you the maiden issue of "Raffles Business Review" an international bi-annual peer reviewed journal of management, which contains research papers, pertaining to various areas of business, marketing, finance and human resource development.

I extend my heartiest gratitude to several experts who help us by way of assessing research papers/articles and making critical comments and suggestions for making 'Raffles Business Review' effective. I also express my sincere thanks to each one those who made efforts in creation of this issue.

Dr Vinay K. Srivastava
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Correlating Bse Realty Indices Through Jump Dynamics and Garch Jump Model with Vix

Sanjiv Mittal, Anshu and Sunil Kumar

Abstract

The Indian real estate sector is one of the most globally recognized sectors. In the country, it is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. It comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. According to a study by ICRA, the construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. The real estate sector is a critical sector of our economy. It has a huge multiplier effect on the economy and therefore, is a big driver of economic growth. It is the second-largest employment-generating sector after agriculture. Growing at a rate of about 20% per annum and this sector has been contributing about 5-6% to India's GDP. The Indian real estate industry has been on a roller coaster ride since 2005. This study attempts to analyze the impact of stock market movements on the share prices of top three Real Estate companies and examine the risk return analysis of these companies during last 5 years. The study also analyzes the relationship between returns of the companies and BSE Realty Indices.

Keywords: *Indian Real Estate Sector, Realty Indices, Jump Dynamics, Economic Growth*

INTRODUCTION

Real Estate is property consisting of land and the buildings on it, along with its natural resources such as crops, minerals, or water; immovable property of this nature; an interest vested in this (also) an item of real property; (more generally) buildings or housing in general. Also the business of real estate, the profession of buying, selling, or renting land, buildings or housing. The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes heavily towards the gross domestic product (GDP). Almost

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five per cent of the country's GDP is contributed to by the housing sector. In the next five years, this contribution to the GDP is expected to rise to 6 per cent.

Company Name	*Year End*	*MktCap. Rs. Cr.*	*B.V. Rs. Cr.*	*Sales Rs. Cr.*	*NP Rs. Cr.*
DLF	2014	49606.52	72.9	2,827.9	1,548.2
Kerala Police Hs	2014	-	-	40.99	-
Parsvnath Developers	2014	2386.57	105.1	733.54	112.6
Sobha Developers	2014	2448.07	169.7	974.74	109.64
Unitech	2014	17641.29	30.4	1837.0	730.3
Industries Composite	-	72082.45	-	6414.2	2500.83

On the basis of Market Capitalization We have taken top three companies i.e. DLF Ltd., UNITECH Ltd., & Sobha Developers for analysis.

OBJECTIVES OF STUDY

- To analyze the performance of Real Estate Sector.
- To study the impact of stock market movements on the share prices of top three Real Estate companies.
- To compare performance of companies under study with BSE Realty
- To examine risk return analysis of these companies during last 5 years
- To analyse if there is any significant relationship between returns of the companies and BSE Realty Indices.

HYPOTHESIS TESTING

DLF Ltd.

Null Hypothesis: There is no significant relationship between Market Capitalization of DLF Ltd. & Realty indices.

Alternate Hypothesis: There is significant relationship between Market Capitalization of DLF Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.820	-1250.77	5072.41
Market Cap	3.099	2	.090	77716.457	-30196.97	185629.88

INTERPRETATION: Since the value of t (3.099) is greater than significant value (.090) for market capitalization, the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the market capitalization.

- **Null Hypothesis:** There is no significant relationship between Net worth of DLF Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Net worth of DLF Ltd. & Realty indices.

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.820	-1250.77	5072.41
Net Worth	2.167	2	.163	8098.927	-7978.88	24176.74

INTERPRETATION: Since the value of t (2.167) is greater than significant value (.163) for Net Worth of DLF Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Net Worth of DLF Ltd.

- **Null Hypothesis:** There is no significant relationship between Return on capital employed of DLF Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Return on capital employed of DLF Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.820	-1250.77	5072.41
ROCE	2.735	2	.112	3084.527	-1767.44	7936.49

INTERPRETATION: Since the value of t (2.735) is greater than significant value (.112) for Return on Capital Employed of DLF Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Return on Capital Employed of DLF Ltd.

- **Null Hypothesis:** There is no significant relationship between PBIT of DLF Ltd. & Realty indices.

Alternate Hypothesis: There is significant relationship between PBIT of DLF Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.820	-1250.77	5072.41
PBIT	3.158	2	.087	2387.39000	-864.8444	5639.6244

INTERPRETATION: Since the value of t (3.158) is greater than significant value (.087) for PBIT of DLF Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the PBIT Employed of DLF Ltd.

UNITECH LTD.

- **Null Hypothesis:** There is no significant relationship between Market Capitalization of UNITECH Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Market Capitalization of UNITECH Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
Market Cap	2.377	2	.141	27315.05667	-22123.3347	76753.4481

INTERPRETATION: Since the value of t (2.377) is greater than significant value (.141) for Market Capitalization of UNITECH Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Market Capitalization of UNITECH Ltd.

- **Null Hypothesis:** There is no significant relationship between Net worth of UNITECH Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Net worth of UNITECH Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
Net Worth	4.173	2	.053	2054.79667	-63.6192	4173.2126

INTERPRETATION: Since the value of t (4.173) is greater than significant value (.053) for Net Worth of UNITECH Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Net Worth of UNITECH Ltd.

- **Null Hypothesis:** There is no significant relationship between Return on capital employed of UNITECH Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Return on capital employed of UNITECH Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
ROCE	8.289	2	.014	2228.32333	1071.6896	3384.9571

INTERPRETATION: Since the value of t (8.289) is greater than significant value (.014) for Return on Capital Employed of UNITECH Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Return on Capital Employed of UNITECH Ltd.

- **Null Hypothesis:** There is no significant relationship between PBIT of UNITECH Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between PBIT of UNITECH Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
PBIT	25.757	2	.002	1658.73333	1381.6452	1935.8214

INTERPRETATION: Since the value of t (25.757) is greater than significant value (.002) for PBIT of UNITECH Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the PBIT of UNITECH Ltd.

SOBHA DEVELOPERS LTD.

- **Null Hypothesis:** There is no significant relationship between Market Capitalization of Sobha Developers Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Market Capitalization of DLF Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
Market Cap	2.297	2	.148	3600.16667	-3144.8264	10345.1597

INTERPRETATION: Since the value of t (2.297) is greater than significant value (.148) for Market Capitalization of Sobha Developers Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Market Capitalization of Sobha Developers Ltd.

- **Null Hypothesis:** There is no significant relationship between Net worth of Sobha Developers Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Net worth of Sobha Developers Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
Net Worth	10.555	2	.009	980.28000	580.6778	1379.8822

INTERPRETATION: Since the value of t (10.555) is greater than significant value (.009) for Net Worth of Sobha Developers Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Net Worth of Sobha Developers Ltd.

- **Null Hypothesis:** There is no significant relationship between Return on capital employed of Sobha Developers Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between Return on capital employed of Sobha Developers Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
ROCE	6.789	2	.021	348.02767	127.4636	568.5917

INTERPRETATION: Since the value of t (6.789) is greater than significant value (.021) for Return on Capital Employed of Sobha Developers Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the Return on Capital Employed of Sobha Developers Ltd.

- **Null Hypothesis:** There is significant relationship between PBIT of Sobha Developers Ltd. & Realty indices.

  Alternate Hypothesis: There is significant relationship between PBIT of Sobha Developers Ltd. & Realty indices.

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
REALTY	2.600	2	.122	1910.82000	-1250.7690	5072.4090
PBIT	9.271	2	.011	273.73333	146.6959	400.7708

INTERPRETATION: Since the value of t (9.271) is greater than significant value (.011) for PBIT of Sobha Developers Ltd., the alternate hypothesis is accepted. Thus, there is significant relationship between Realty indices and the PBIT of Sobha Developers Ltd.

STATISTICAL TOOLS

In this study the following model has been used:

TOBIT

The Tobit Model is a statistical model proposed by James Tobin (1958) to describe the relationship between a non-negative dependent variable yi and an independent variable (or vector) xi.

DEPENDENT- P B I T **INDEPENDENT-REALITY INDEX**

Dependent Variable: PBIT

Method: ML - Censored Normal (TOBIT)

Date: 04/06/11 Time: 14:09

Sample(adjusted): 1 3

Included observations: 3 after adjusting endpoints

Truncated sample

Left censoring (value) at zero

Convergence achieved after 8 iterations

Covariance matrix computed using second derivatives

	Coefficient	*Std. Error*	*Z-Statistic*	*Prob.*
REALITY	5.203994	2.474710	2.102870	0.0355
C	165.3569	23.89824	6.919207	0.0000
		Error Distribution		
SCALE:C(3)	11.20157	4.572915	2.449547	0.0143

R-squared	0.595795	Mean dependent var	213.7367
S.D. dependent var	21.57862	Akaike info criterion	9.669985
Sum squared resid	376.4255	Schwarz criterion	8.768597
Log likelihood	-11.50498	Hannan-Quinn criter.	7.858081
Avg. log likelihood	-3.834992		
Left censored obs	0	Right censored obs	0
Uncensored obs	3	Total obs	3

INTERPRETATION: As it is inferred from the output, as depicted in above table that mean dependent variable is 213.73767 and S.D. dependent variable is 21.57862. Where, probability impact of reality index is 3.5% over the PBIT. Since the probability value is lower, then we can't take is as more influencing variable.

DEPENDENT-MARKET CAPITALIZATION INDEPENDENT-REALITY INDEX

Dependent Variable: MARKET_CAPITALIZ

Method: ML - Censored Normal (TOBIT)

Date: 04/06/11 Time: 14:10

Sample(adjusted): 1 3

Included observations: 3 after adjusting endpoints

Truncated sample

Left censoring (value) at zero

Convergence achieved after 6 iterations

Covariance matrix computed using second derivatives

	Coefficient	*Std. Error*	*Z-Statistic*	*Prob.*
REALITY	3259.052	2200.972	1.480733	0.1387
C	29823.47	21254.78	1.403142	0.1606
		Error Distribution		
SCALE:C(3)	9962.404	4067.208	2.449446	0.0143
R-squared	0.422253	Mean dependent var		60121.80
S.D. dependent var	16052.41	Akaike info criterion		23.25102
Sum squared resid	2.98E+08	Schwarz criterion		22.34963
Log likelihood	-31.87653	Hannan-Quinn criter.		21.43912
Avg. log likelihood	-10.62551			

Left censored obs	0	Right censored obs	0
Uncensored obs	3	Total obs	3

INTERPRETATION: As it is inferred from the output, as depicted in above table that the mean dependent variable is 60121.80 and S.D. dependent variable is 16052.41. Where, the probability impact of reality index is 13.8% over the Market capitalization. Since the probability value is lower, then we can't take is as more influencing variable.

DEPENDENT-NET WORTH INDEPENDENT-REALITY INDEX

Dependent Variable: NET_WORTH01

Method: ML - Censored Normal (TOBIT)

Date: 04/06/11 Time: 14:11

Sample(adjusted): 1 3

Included observations: 3 after adjusting endpoints

Truncated sample

Left censoring (value) at zero

Convergence achieved after 8 iterations

Covariance matrix computed using second derivatives

	Coefficient	Std. Error	Z-Statistic	Prob.
REALITY	293.0852	234.7975	1.248247	0.2119
C	5224.258	2267.436	2.304038	0.0212
		Error Distribution		
SCALE:C(3)	1062.781	433.8786	2.449490	0.0143
R-squared	0.341834	Mean dependent var		7948.973
S.D. dependent var	1604.434	Akaike info criterion		18.77517
Sum squared resid	3388512.	Schwarz criterion		17.87378
Log likelihood	-25.16275	Hannan-Quinn criter.		16.96326
Avg. log likelihood	-8.387583			
Left censored obs	0	Right censored obs		0
Uncensored obs	3	Total obs		3

INTERPRETATION: As it is inferred from the output, as depicted in above table that the mean dependent variable is 7948.973 and S.D. dependent variable is 1604.434. Where, probability

Impact of reality index is 21.19% over the Net worth. Since the probability value is high, then we can take is as more influencing variable.

DEPENDENT-ROCE **INDEPENDENT-REALITY INDEX**

Dependent Variable: ROCE____01

Method: ML - Censored Normal (TOBIT)

Date: 04/06/11 Time: 14:12

Sample(adjusted): 1 3

Included observations: 3 after adjusting endpoints

Truncated sample

Left censoring (value) at zero

Convergence achieved after 8 iterations

Covariance matrix computed using second derivatives

	Coefficient	Std. Error	Z-Statistic	Prob.
REALITY	0.470790	0.013876	33.92743	0.0000
C	13.02989	0.134004	97.23521	0.0000
		Error Distribution		
SCALE:C(3)	0.062810	0.025642	2.449492	0.0143
R-squared	0.997401	Mean dependent var		17.40667
S.D. dependent var	1.508785	Akaike info criterion		-0.697416
Sum squared resid	0.011835	Schwarz criterion		-1.598804
Log likelihood	4.046124	Hannan-Quinn criter.		-2.509320
Avg. log likelihood	1.348708			
Left censored obs	0	Right censored obs		0
Uncensored obs	3	Total obs		3

INTERPRETATION: As it is inferred from the output, as depicted in above table that the mean dependent variable is 17.40667 and S.D. dependent variable is 1.508785. Where, the probability impact of reality index is 0% over the Net worth. Since the probability value is lower, then we can't take is as more influencing variable.

Dependent Variable	Probability
P B I T	3.50%
Market Capitalization	13.87%
Net worth	21.19%
R O C E	0.00%

INTERPRETATION: As depicted in above table that the probability value of net worth is higher than all dependent variables' value, and then we can take is as more influencing variable.

GARCH MODEL

DLF Ltd

GARCH(1,1) estimation of 12374.83

	Coefficient	*Std. Error*	*Z-Statistic*	*Prob.*
Omega	17723676	5.018408	0.035375	0.971781
alpha_1	0.022308	26.89434	0.000829	0.999338
beta_1	0.012179	0.800851	0.015207	0.987867

INTERPRETATION: The value of alpha & beta is very less of DLF. Lesser the value of alpha alpha & beta better the position of company. There could be seen less fluctuation the daily settlement prices of currency future in BSE & the same is represented by the value of alpha & beta on expiration day. The more fluctuations in the daily settlement price represent the inefficiency on expiration day.

Unitech Ltd.

GARCH(1,1) estimation of 2859.57

	Coefficient	Std. Error	Z-Statistic	Prob.
omega	15120307	5.548508	0.027297	0.978223
alpha_1	0.298376	25.62832	0.011642	0.990711
beta_1	0.021549	43.44086	0.000496	0.999604

INTERPRETATION: The value of alpha & beta is less but more than that of the DLF Ltd. thus the position of Unitech Ltd. is not as good as DLF. There could be seen less fluctuation the daily settlement prices of currency future in BSE & the same is represented by the value of alpha & beta on expiration day. The more fluctuations in the daily settlement price represent the inefficiency on expiration day.

Sobha Developers Ltd.

GARCH(1,1) estimation of 1136.96

	Coefficient	Std. Error	z-Statistic	Prob.
Omega	1242380	61980926	0.020045	0.984008
alpha_1	0.226894	38.50287	0.005893	0.995298
beta_1	0.001158	3.389324	0.000342	0.999727

INTERPRETATION: The value of alpha & beta is less but more than that of the DLF Ltd. thus the position of Sobha Developers Ltd. is not as good as DLF. But better than Unitech Ltd. There could be seen less fluctuation the daily settlement prices of currency future in BSE & the same is represented by the value of alpha & beta on expiration day. The more fluctuations in the daily settlement price represent the inefficiency on expiration day.

RESULTS & FINDINGS

After studying relation of the real estate companies on BSE Sensex and BSE Realty indices, the following results were found which are as follows:

- There is an acute fall in the share market not only of India but worldwide. But real estate sector is not much affected. Indian stock market BSE Sensex rose up to the level of 20000 in Dec, 2011 and fall to 9000 in Dec 2012. It fell near to 8000 in Jan 2014.
- There is normal growth all around the world. In India also there is also a rise is the price of land and houses.
- As DLF has lowest beta as come forward by the GARCH model it has less risk as compared to other two companies. It has more return per unit of risk and show more resilience.
- The Sobha Developers Ltd. has less market capitalization, net worth and returns as compared to other two companies. But the satisfying feature is that it is growing on a continuous basis.
- As clear from various statistical and analytical tools there is least movement in Unitech share price as it clearly indicates that there is less price movement.
- As India is a developing country and there is a need of infrastructure for growing so future of real estate sector seems to be bright.

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IDBI Operations in the Shade of Financial Inclusion

Arvind Kumar and Shreya Sheel

Abstract

IDBI is playing significant role for developing India. For this IDBI has taken numerous initiatives or steps for bringing the financially excluded population within the ambit of formal system. The Financial inclusion is the prominent factor for inclusive growth .India being a rural country, the concept of financial inclusion promotes the banking habits of rural people. The main challenge with the financial inclusion in such population is bringing the financially excluded rural population into financial system of India. This challenge is complete only through spreading financial literacy awareness, providing banking facilities and financial services in a clear, efficient and affordable cost to the customers. The purpose of this study is to define and identify the contribution of financial inclusion in India, focus the regional distribution of financial services and also assess the role and contribution of IDBI in financial inclusion and study seeks to examine the extent of financial inclusion in India. The study is basically based on secondary data and descriptive in nature.

Keywords: *Financial Inclusion, Product offered by IDBI, Financial Literacy, Direct Benefit Transfer, UIDAI, Pradhan Mantri Jan-Dhan Yojana*

JEL Classification: C12, C13, G21, G28

Introduction

"Inclusion is not bringing people into what already exists; it is making a new space, a better space for everyone."

Rachel Olivero, Diversity Officer

IDBI bank plays vital role in promoting India and sustaining its economic growth. Financial Inclusion is becoming very essential mechanism in the field for developing country. Financial Inclusion is process of developing rural areas / semi urban area which helps in the manner of financial literacy, awareness social programme on health and education; it opens bank branches in the unbanked areas. Government of India had set up the financial stability and Development Council (FSDC) and Financial Advisory committee working

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in the field of educating illiterate people, awareness of financially literacy and it also access financial services and adequate credit need to vulnerable groups such as weaker sections and lower income groups at an easy cost. Initiatives of RBI/ Govt. of India and other development authorities are broadening financial inclusion field by providing aid through various financial inclusion plans at rural level and semi urban level, liberalization of branch policy, Sawabhiman campaign, Aadhar, Aadhar enabled payment, schemes, electronic benefit transfer, Branchless banking through business correspondence, ultra small branch financial services plan and credit counseling credit. IDBI is giving focus on conducting programmes on Financial Inclusion plans, Agri awareness camps in rural areas to benefit farming communities, providing financial support to Charitable Organisations, NGOs, Hospitals, organizing blood donation camps at Corporate Centre as also branches across India, on important occasions such as Foundation Day. IDBI Bank is also giving more attention towards a Board approved comprehensive policy on CSR initiatives in key focus areas such as Education, Health, Community Welfare, Environment, Rural Infrastructure Social Empowerment, etc.

The Lack of access to financial services in most of rural areas due to high informative barriers and low awareness, poor and rough functioning and financial illiteracy, absence of insurance and pension service create the need and scope of financial inclusion. The history of financial inclusion in India is older than the formal adoption of the intentions. India is the second largest populated country after china in the globe. More than 60% of the population makes its living in villages. India has recognized since fifty's that for long term sustainability of economic riches and social development taking benefit of growth to rural India is critical. Financial Inclusion is all about Five A's:

Financial Inclusion has been defined by United Nations as "A financial sector that provides access for credit for all bankable people and firms and saving and payment services to everyone. Inclusive finance does not require that everyone is eligible to use each of services but they should be able to choose them if desired."

Review of Literature:

Many researchers have conducted the study on Financial Inclusion from different perspectives. To conduct the research, I have gone through the following past studies and here I am going to describe briefly some prominent studies which I have taken as a help to pursue my study.

Massey Joseph (2009) study said that various financial services include credit, savings, insurance and payments and remittance facilities. Considering this many national and international forum have accepted this and measures are taken on global levels to promote financial institution to take up the responsibility to cover the financially excluded population into the financial system. RRBs are the best suited vehicles to widen and deepen the process of financial inclusion.

Kelkar Vijay (2010) review in his study that role of financial inclusion in reducing farmer's debt, which is the main reason behind farmer's suicide and financial inclusion's benefit on the modernization of agriculture. Rapid and sustainable growth needs to be facilitated through holistic and integrated solutions in order to achieve the ultimate goal of inclusive growth.

Chattopadhyay, Kumar Sadhan (2011) conducted a study titled Financial Inclusion in India: A case-study of West Bengal , used index of financial inclusion and revealed that in rural Bengal 38% of the respondents do not have sufficient income to open a saving account in the bank.

Pai DT (2012) the study shows the new challenges of financial inclusion in India and initiatives of RBI and GOI towards financial literacy and inclusion. The study explore the progress under FIP, various policy initiatives and measures of RBI and GOI enables the bank to pay focused attention to promote Financial inclusion and record spectacular progress in the targeted areas.

A.Chauhan Apurva (2013) studied the overview of financial inclusion in India. Financial inclusion is the road that India needs to travel toward becoming a global player. The paper attempts to study the overview of financial inclusion in India and the various strategies adopted by RBI for strengthening the inclusion. The study also focus on comparison has been made between India and some other selected countries regarding no. of branches, ATMs, bank credit etc to identify India's position regarding financial inclusion as compared to other selected countries.

Sarkar A N (2013) the study is basically based on financial inclusion. He express in his study that financial inclusion is key to inclusive growth with its motto of empowerment of poor, underprivileged and low income/skilled rural/ urban households. The framework for financial inclusion has been bank led to a large extent and banks are closely regulated and supervised entities in the Indian context.

Annu Aggarwal (2013) the base of the study is financial inclusion in India: progress, problems and path ahead. She express that the financial inclusion programme can be persuaded more efficiently by strong political will and better bureaucratic support and the study summarized with "The future lies with those who see the poor as their customers".

Singh Manju and Singh Mohika (2014) express in her study that Government should facilitate enabling environment for existing and budding cooperatives. Proper dissemination of objectives knowledge and information about the potential strength is paramount. Flexibility and innovation is required for success of plan.

Objective of the Study

- To explore the schemes offered by IDBI Bank under financial inclusion programme
- To examine the contribution of IDBI in promotion of Financial Inclusion in India

Research Methodology

The proposed research work is based on descriptive and analytical research. Data had been collected through the entire relevant source like publication of RBI, NABARD, IDBI and various Non Banking Finance Corporation and various Government Publication, other published book and journal related to Microfinance, Financial Inclusion plan, Commercial magazine, Newspaper, various research papers and internet.

Schemes Rendered By IDBI Bank under Financial Inclusion Programme

As on March 31, 2014, the Bank opened 8.79 lakh Basic Savings Bank Deposit Accounts (BSBDAs) under financial inclusion, which include 1.78 lakh accounts serviced through the BC model. Total outstanding deposit in BSBDAs stood at Rs.336.02 crore including Rs.3.76 crore under BC model. Apart from these basic services, the Bank also offered various other products on relaxed terms, such as Education Loan, Fixed Deposit, Recurring Deposit, micro insurance product known as a "Grameen Suraksha" and In-built Overdraft facility for the benefit of customers. To give a fillip to Government's objective of electronic transfer of benefits, the Bank continued with the distribution of social security pension to about 22,000 old-age pensioners through smart cards in Raipur, Chhattisgarh, as per the mandate obtained from Raipur Nagar Nigam. The Bank has also continued with the project of distribution of MNREGA wages in three districts in Chhattisgarh, covering about 1 lakh beneficiaries in about 192 Gram Panchayats. As on March 31, 2014, 60,796 accounts of beneficiaries have been opened by the Bank.

Financial Literacy

Financial Literacy has been identified as a key to meeting the objectives of financial inclusion and has thus emerged as a focus area for policy makers. Realizing its criticality, the Bank has set up desks known as **"Vittiya Sakhsharta Jankari Kendras"** in the rural branches of the Bank. These desks have been spreading awareness on management of money, importance of savings, advantages of saving with banks, other facilities provided by banks, benefits of borrowing from banks, etc. amongst walk-in customers as well as amongst common people through conduct of outdoor literacy camps. During the year, the Bank's rural branches conducted more than 500 such outdoor literacy camps, educating more than 11,000 villagers in the process. Financial literacy programmes organised by branches at rural locations included programme organised for students at schools and literacy programme for the members of tribal communities invited to the branch to witness live demonstration of various banking activities. A few financial literacy camps were also attended by senior officials of the Bank. Besides, all the launch programmes in villages are preceded by an awareness campaign wherein posters/banners are put up at various locations in the village, visits are organized wherein the Bank officials meet prominent villagers to make them aware of the Bank's FI initiatives, etc. Further, with an aim to impart job-oriented fields training to rural youth, the Bank has set up Rural Self Employment Training Institute (R-SETI) at Satara in Maharashtra. During the year, 23 programmes were conducted and 507 entrepreneurs were trained.

IDBI predicts that the financial literacy and financial awareness programme would precede the enrollment process. With a view to creating awareness, a dedicated portal on financial inclusion has been linked with IDBI's website. Theme based collateral for Financial Inclusion Programme titled **"Kholo Vikas Ka Khata"**have been designed. Marketing collaterals viz. Posters/ Banners in Marathi/ English/ Hindi/ Bengali Languages have been prepared. Its very much prior to introduced FIP in villages and all the visit includes among others, meeting with 'block level officials, Gram panchayat officials, Gram panchayat, prominent villagers and youth and making them aware of the financial inclusion initiatives of the Bank.

With a view to associating our Bank in financial literacy for financial inclusion, IDBI Bank has taking steps for setting up R-SETI in Satara with active co-operation from the state Government as per the Guidelines of MoRD. IDBI is organizing financial literacy program and training campaigns have been organized using street play as means for communicating knowledge on banking services and also educating customers through various ways like print, electronic etc in easily understandable language.

Aadhaar Enrolment and UIDAI Based Micro ATM

The Bank is registered with Unique Identification Authority of India (UIDAI) as Registrar to undertake 'Aadhaar' enrolments. The Bank has so far enrolled around 32 lakh residents across 10 States, including 16.83 enrolments in DBT districts. The Bank has decided to cover 4 more states for Aadhaar enrolment in the financial year 2014-15.the unique identity authority of India is developing a Micro ATM based channel for banks, where the interface would be the UID number and the authentication also biometric based from UIDAI database. The UID help us to complete KYC formalities. The whole technologies are managed by NPCI (National payment Corporation of India). It was incorporated in 2008, December and commenced its business in April, 2009. The formation of NPCI is aimed to operate for the benefit of all the member banks and their customers. It functioned as a hub in all electronic payment system which is ever growing in terms of varieties of products, delivery channels, number of service providers and diverse technology solutions. NPCI is finalizing the technical aspects and implementation of the micro ATM including the common network. Aadhaar Project of IDBI Bank Ltd" had been declared as winner for Financial Inclusion and Payment Systems (FIPS) 2013 Awards. The Bank also won the Award under Financial Inclusion category for undertaking Aadhaar Project as Financial Inclusion initiative in Direct Benefit Transfer (DBT) districts in the Global Conference on FIPS 2013 held at New Delhi in October 2013.

Direct Benefit Transfer Scheme (DBT)/ DBT for LPG is taken under the 2nd FIP, in this the bank have to start opening the bank accounts in camp mode and connecting those accounts with Aadhar members. Aadhar enabled payments is the main agenda for State Level Bankers' Committee Convener Banks. The Bank keenly participated in the Direct Benefit Transfer (DBT) Scheme designed by the Government of India in 121 districts. The aim of scheme is to directly transfer of various benefits/subsidies like scholarship to school children, Janani Suraksha Yojna, Girl Child scholarship, Indira Gandhi Matritva Sahyog Yojna etc. into the beneficiary's bank account linked with UIDAI no. Under the scheme, banks have to open accounts of beneficiaries, seed Aadhaar number into the beneficiary's account number and provide sufficient number of access points (Branch / ATM / BC) to enable the beneficiary to withdraw money. Out of the 121 districts, the Bank has a presence in 97 districts (in 24 States) through its 328 retail branches with onsite ATMs. The Bank has been allotted 325 villages in these districts, all of which have been covered through banking infrastructure Branch / ATM / BC. The Government also introduced the DBT scheme for LPG customers, known as DBTL, in 291 districts, in stages from 1st June, 2013 to 1st January, 2014. Out of the 291 districts, the Bank has a presence in 248 districts (in 20 States) through its 839 retail branches with onsite ATMs.

Accounts for all the beneficiaries under DBT/DBTL, which are communicated by LDM/ Government authorities, have been opened. Seeding of UIDAI is 100% in respect of the list of beneficiaries with Aadhaar numbers provided by the district authorities/LDM. Besides, all the accounts with Aadhaar numbers have been mapped onto the NPCI Mapper. The Bank ensures that the data of seeded Aadhaar is uploaded on the NPCI's Mapper on a daily basis and as on March 31, 2014, 5.18 lakh Aadhaar numbers have been uploaded. All the eligible and willing account holders, irrespective of the scheme under which the account is opened, are issued ATM Debit cards. Besides, customers under the BC model are issued smart cards for authentication as well as for transactions at the POS machine. The Bank undertook camp based approach for generating Aadhaar numbers of all beneficiaries reported by district authorities. IDBI Bank has taken several steps with a goal to sensitize common people about the importance of DBT/DBTL and seeding of Aadhaar number into bank account. These include displaying banners at branch premises as well as off site ATMs. The beneficiaries under DBT/DBTL are accorded priority for opening of account and seeding of Aadhaar number. Branches have directly approached beneficiaries for seeding of Aadhaar number through personal contact. Letter,SMS and e-mails have been sent to customers requesting them to seed Aadhaar number into their bank accounts. Bank Account Statement includes the message requesting the customers to seed their Aadhaar number. Besides accepting physical requests for seeding of Aadhaar at branches, other alternate channels, viz., SMS, ATM, Internet Banking, are also being used to receive the Aadhaar seeding requests. On March 31, 2014, the Bank opened accounts for 14,115 beneficiaries under DBT/DBTL as advised by LDM. Aadhaar number has been received in respect of 13,458 beneficiaries and all the Aadhaar numbers have been seeded into the accounts. Subsidy amount of Rs.38 crore, including LPG subsidy, was routed through the accounts of the Bank's customers.

Pradhan Mantri Jan-Dhan Yojana

Pradhan Mantri Jan-Dhan Yojana (PMJDY) is National Mission for Financial Inclusion to ensure access to financial services, like Banking/ Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner. PMJDY focuses on coverage of households, coverage of villages and coverage of rural as well as urban areas. previous plan targeted only villages which are above 2000 population while under PMJDY whole country is to be covered by expanding banking facilities in each Sub-Service area consisting of 1000 - 1500 households such that facility is available to all within a reasonable distance, say about 5 Km. person who is already having a bank account with any bank NEED NOT to open a separate account under PMJDY. He/she will just have to get issued a RuPay Card in his existing account to get benefit of insurance. Credit facility can be extended in the existing account if it is being operated satisfactorily. Overdraft facility upto Rs.5000/ - will be available to account holder of PMJDY per household after 6 months. On overdraft interest charges are Base Rate + 2 % or 12 %, whichever is lower. At present it will be 12 %.

To avoid fraud or duplication of Aadhar then Bank will do additional due diligence and also seek declaration from the beneficiary. The Special benefits of PMJDY attached to the scheme are:

- Interest on deposit.
- Accidental insurance cover of Rs.1.00 lac
- No minimum balance required. However, for withdrawal of money from any ATM with Rupay Card, some balance is advised to be kept in account.
- Easy Transfer of money across India
- Beneficiaries of Government Schemes will get Direct Benefit Transfer in these accounts.
- After satisfactory operation of the account for 6 months, an overdraft facility will be permitted
- Access to Pension, insurance products.

Interest rate applicable for Saving Bank Accounts (presently @ 4 % in most of the banks) shall be admissible to accounts opened under PMJDY Scheme. Bank Mitra's represents the bank concerned and enable a bank to expand its outreach and offer limited range of banking services at low cost. Bank Mitra's are like agents of the Bank and an integral part of the business strategy for achieving greater financial inclusion.

The term USSD is shortened form of "Unstructured Supplementary Service Data". USSD based Mobile Banking offers basic Banking facilities like Money Transfer, Bill Payments, Balance Enquiries, Merchant Payments etc. on a simple GSM based Mobile Phone, without the need to download application on a Phone as required at present in the Immediate Payment Service (IMPS) based Mobile Banking. Transactions can be performed on basic phone handsets. The user needs to approach his bank and get his mobile number registered. The bank will issue MPIN (Mobile PIN) to the user. Thereafter user have to dial *99# and then menu for using USSD opens. Afterward customer has to follow the selection link on the menu to complete the transaction. Charges as applicable by the

Telecom Operator and TRAI suggested that not more than Rs.1.50 per transaction as mandated.

IDBI Federal and IDBI Bank reaches out to Surli through Termsurance Grameen Suraksha Programme for Developing Village

IDBI Federal, a pioneer in product innovations and modernization in the life insurance sector in India, in association with IDBI Bank today launched their rural plan namely **IDBI Federal Termsurance Grameen Suraksha in Surli village** in the district of Satara, (Maharashtra) India. This is the first insurance plan for rural customers of IDBI Bank. Surli village falls under the Karad taluka and has close to 500 households with a population of about 2,000 which is serviced by the Ogalewadi branch of IDBI Bank located 15 kms away. By the initiative of Mr. R K Bansal, Executive Director, IDBI Bank that IDBI drive to extend its services to the unbanked regions. IDBI's Ogalewadi Branch is one of the oldest branches of this region. IDBI Federal's rural plan can render the villagers inclusive set of financial solutions. Bank plans to reach out to the unbanked population in rural India with basic banking facilities and new technologies. IDBI Federal facilitates this program through its **Termsurance Grameen Suraksha**, a low-cost, simple term plan that will help to provide financial security to the customers of IDBI Bank at Surli and other villages located within 25-30 kms of the Ogalewadi branch. This initiative will be accompanied by a Financial Literacy program conducted by IDBI Bank, where villagers will be taught about financial literacy, financial transactions, the importance of banking and financial planning.

The reserve bank of India has taken numerous initiatives for population to give financial support and facility within the limit of financial system. RBI had drawn the road map at the end of 31st march 2010 to provide banking services through a banking outlet/branch or business correspondent arrangements, in every village having population of over 2000 by end March 2012. According to RBI guidelines, it is predicted that banks need have to leverage information communication technology (ICT), to provide smart card for low business Correspondent/ Business Facilitator (BF) model to deliver banking services in unbanked villages or regions.

Financial Inclusion Plan (April 2013-Macrh 2016)

First financial inclusion plan (2010-2013) has shown a reasonable progress as far as the increase in bank services and bank accounts, but still the number of transaction trough these ICT based BC's outlets is low. In the next FIP 2013-16 it is to involve all the new stakeholders into the financial inclusion efforts and financial system, so as to keep on increasing the opening of account and the transaction through them at same rate. The FIP 2013-16 has envisaged opening of 382 rural branches, of which, 262 in unbanked rural centres and deployment of 767 Business Correspondents (BCs), by March 2016. The FIP predicts the products to be offered to customers are:

- No Frills Zero balance savings account;
- Recurring Deposits

- Overdraft facility
- Remittances Facility
- Entrepreneurship credit in the form of Kissan Credit Card(KCC), General purpose Credit Card(GCC)
- Advances towards SHG linkage
- Financial literacy/Awareness Programme should be provided.

RBI has constituted high level **FINANCIAL INCLUSION ADISORY COMMITTEE (FIAC)** which is commanded by Deputy Governor along with few directors which include the central board of reserve bank, experts from NGO"s and civil society representatives, their expertise will be used to provide assessable and affordable financial services to develop products and processes for rural and urban consumers who are financially exclude to bring in the financial system.

- As per RBI guidelines, ICT based solution through Business correspondent (BCs) would drive IDBI banks financial Inclusion Initiative.
- The Pilot Plan to be rolled out in some villages in Maharashtra and 4 villages in west Bengal.
- IDBI to initially appoint Petrol Pump owners, post office MFIs, SHGs Section 25 companies and other permitted entities as BCs. Individual BCs will be kept to the minimum in the initial stages of roll out of the plan.
- IDBI bank to initially provide services of deposit acceptance, balance enquiry and remittance services.
- IDBI Bank to also distribute micro-credit, micro insurance, micro-pension and other micro financial services product as may be permitted under the scheme in subsequence phases.
- As per the revised FIP, number of small format branches to be opened under the liberalized branch authorization policy would be 7, 15 and 30 during FY11, FY12 and FY13 respectively.
- It is projected that the no. of branches of rural and semi urban would touch 210 and 594, respectively by end March 2013 vis-à-vis 103and 243 projected by end march 2011.
- The plan covers 14 lakh households with no-frills account in the end of March 2013. 1400 BCs/CSPs would cater to these households.
- The bank explores and expands to the newer areas to take up the assignment of making payment of social benefits on behalf of State Government.

IDBI Bank has allotted 118 villages with more than 2000 populations and some more villages may be allotted to our Bank from SLBCs, in different states as under.

Table:1 Villages Allotted by SLBCs

Sr. No.	*State Name*	*No. of Villages*
1	Chattisgarh	25
2	Dadra and Nagar Haveli	1
3	Madhya Pradesh	6
4	Maharashtra	82
5	West Bengal	4
	Total	118

Sources: Revised Financial Inclusion Plan 2010-13

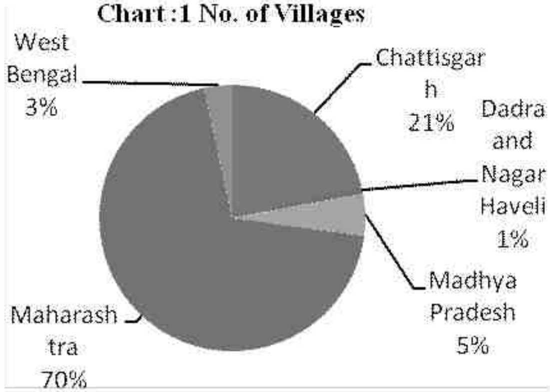


Table 1 and Chart 1 represent that in the year 2013, the total number of Villages 118, which are allotted by IDBI in different states under the state level Banking Communities. The data shows that 3% villages are allotted to west Bengal, 21% villages to Chattisgarh, 5% villages to Madhya Pradesh, 1% villages to Dadra and Nagar Haveli and 70% Villages are covered by Maharashtra. The data concluded that IDBI is focusing on Maharashtra's villages through SLBCs (State-Level Banking Communities).

NATIONAL STRATEGY FOR FINANCIAL EDUCATION (NFSE) has been prepared by technical group of **Financial Stability Development Council (FSDC)** which will be implemented for over a time of 5 years and aims to establish contacts with 500 million adults and try o educate them on savings, protection and investment related products, so that they can be able to take wise decisions on financial affairs. Under NSFE and center for financial education (NCFE) is proposed to set up the awareness program and coordinate all financial sectors including financial regulators, banks, governments, NGOs, civil societies, etc.

Following steps are taken under Financial Inclusion Plan (2013-16) to promote Rural and Semi Urban areas:

- **Relaxation of KYC** norms for customers with opening bank amounts less than 50000/- and connecting accounts wit aadhar cards. These cards are declared as one of the eligible documents for opening a bank account.
- **Use of technology** in the banking sector have a greater penetration to far flung remote areas by reducing the cost involved in reaching and providing the facilities at the village doorsteps.
- **Simplified branch authorization** by allowing banks to open branches in areas less than 1 lakh population, so that uneven spread of banks can be avoided.
- **Engaging business correspondents** for door step facility of "cash-in-cash out transaction", thus solving the last mile problem of delivery in financial inclusion.

Table 2Financial Inclusion Plan for the Targeted period of 3 year - April 2013 to March 2016

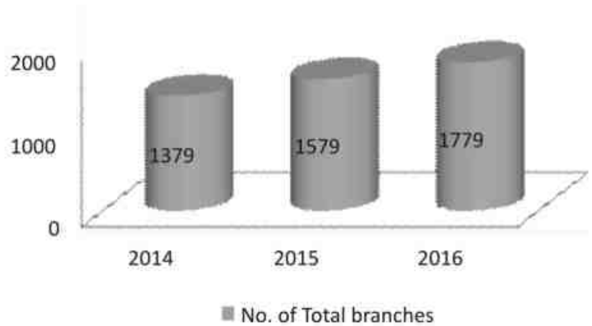
S.No.	Particulars		31st March 2014	31st March 2015	31st March 2016
1	Total No. of Branches		1379	1579	1779
2	Out of 1 above, No. of Rural Branches		246	332	382
3	No. of branches in unbanked villages		126	212	262
4	Total No. of BCs Deployed		385	577	767
5	No. of banking outlets in villages with population > 2000	Through Branches	214	265	294
		Through BCs	86	66	46
		Through Other Modes	0	0	0
		Sub Total : > 2000	300	331	340
6	No. of banking outlets in villages with population < 2000	Through Branches	32	67	88
		Through BCs	521	933	1412
		Through Other Modes	0	0	0
		Sub Total : < 2000	553	1000	1500
7	Total Banking Outlets in all villages		853	1331	1840
8	No. of BC outlets in Urban Locations		4	6	8
9	Basic Savings Bank Deposit Accounts (BSBDAs) through branches	No. in Actual	613254	705242	811028
		Amt. Rs. In Thousands	3066270	3526210	4055140
10	Basic Savings Bank Deposit Accounts (BSBDAs) outstanding through BCs	No. in Actual	210000	290000	435000
		Amt. Rs. In Thousands	42000	58000	87000
11	Basic Savings Bank Deposit Accounts (BSBDAs) (Bank as a whole)	No. in Actual	823254	995242	1246028
		Amt. Rs. In Thousands	3108270	3584210	4142140
12	OD facility availed in BSBDAs	No. in Actual	5140	8660	12960
		Amt. Rs. In Thousands	2570	4330	6480
13	KCCs outstanding - through Branches	No. in Actual	143933	161498	180004
		Amt. Rs. In Thousands	30860436	34881259	39791259
14	KCCs outstanding - through BCs	No. in Actual	967	2392	4275
		Amt. Rs. In Thousands	58164	129241	220241

S.No.	Particulars		31st March 2014	31st March 2015	31st March 2016
15	KCCs-Total (Bank as a whole)	No. in Actual	144900	163890	184279
		Amt. Rs. In Thousands	30918600	35010500	40011500
16	GCCs outstanding through Branches	No. in Actual	124	186	279
		Amt. Rs. In Thousands	1431	1718	2061
17	GCCs outstanding through BCs	No. in Actual	12	19	28
		Amt. Rs. In Thousands	144	171	196
18	GCC-Total (Bank as a whole)	No. in Actual	136	205	307
		Amt. Rs. In Thousands	1575	1889	2257
19	Transactions in BC-ICT Accounts (during the year)	Savings Deposit (No. in actual)	100000	150000	185000
		Savings Deposit (Amt. Rs. In Thousands)	65000	97500	120250
		Credit/OD (No. in actual)	1958	4822	8606
		Credit/OD (Amt. Rs. In Thousands)	58308	129412	220437
		Term Dep./RD (No. in actual)	1917	3198	4638
		Term Dep./RD (Amt. Rs. In Thousands)	9585	15990	23190
		EBT/Remittance (No. in actual)	860000	1180000	2020000
		EBT/Remittance (Amt. Rs. In Thousands)	570000	765000	1274400
		Others (No. in actual)	0	0	0
		Others (Amt. Rs. In Thousands)	0	0	0
20	Total of Transactions in	No. in Actual	963875	1338020	2218244
	BC-ICT Accounts	Amt. Rs. In Thousands	702893	1007902	1638277

Source: (Compiled data of IDBI Ltd.)

IDBI targeted 3 year of span for financial inclusion plan. IDBI has taken initiative to establish number of branches/ outlets in unbanked villages according to population of villages. The Table 2 depicts that IDBI aimed for open no. of branches in between the year 2013-16. The targeted period express that in the year the estimation of 2014 shows that there was 1379 no. of branches opened, in 2015 estimates that 1579 no. of branches would be opened and 2016 there will be the chance to open 1779 no. of branches.

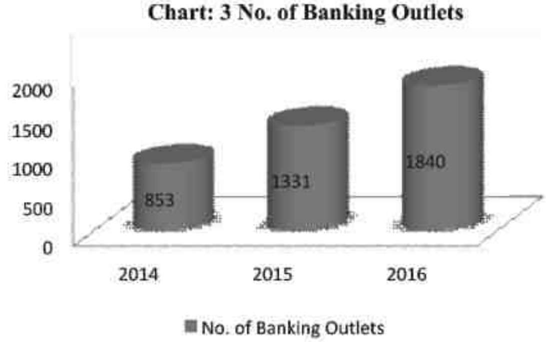
Chart:2 No. of Total branches



The enhancement shows that the IDBI is targeting for developed India financially included. Chart: 3 shows that the total no. of branches there is proportion of rural branches and branches in unbanked villages. The bank should open no. of banking outlets in villages with population (greater and less than the limit of 2000) through branches, BCs and other modes. The table explains banking outlets in villages are in 2014 expected no. is 853, in year ending 2015 will be 1331and in 2016 would be the no. of outlets is 1840 to opened. The estimation of this chart shows that they all are in increasing trend.

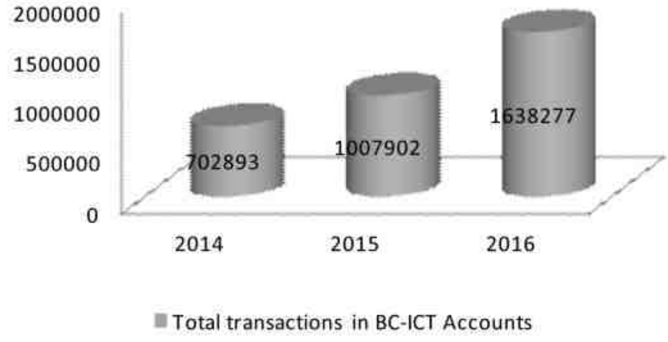
The no. of BCs outlets in urban areas in 2014 was 4, 2015 is 6 and 2016 will be 8 in numbers. The chart explains that the basic saving deposits(BSBDAs), the column explains the BSBDAs in two parts first is BSBDAs outstanding through BCs and BSBDAs bank as a whole , in this amount (Rupees in thousands) are in the year 2014 was estimated by 3108270, year 2015 is 3584210 and 2016 would be 4142140. They all are in growing trend.

Chart: 3 No. of Banking Outlets



After that total transactions in BC-ICT Accounts the every year increasing data represents that 2014 was estimated by 702893 Total transactions may be happened, in 2015 estimation is 1007902 and in 2016 would be 1638277. The targeted table shows in increasing trend in each year in every product or service offered by IDBI for achieving and also completing the aim of financial inclusion mission.

Chart: 4 Total Transactions in BC-ICT Accounts



These estimation is how much accurate or succeeded in the limit of this estimated time period table? We cannot answer that. But we salute to the IDBI targeting or planning for financial inclusion and hope this target will succeed and our country will grow financially developed.

Conclusion and Suggestions

The study concluded that financial inclusion is not a onetime effort, it is unending process. It is a major project which's goal is to make India Financially included by all means. It has moderate no. of bank branches, BCs, ATMs, bank credit and bank deposits. IDBI have adopted different strategies and plans which is implemented by RBI such as no-frill account, use of regional languages, simple KYC norms, UID, GCC etc. to strengthen financial inclusion. By looking at the variety of milestones achieved by Government of India regarding financial inclusion, it can be said that the banking sector is playing essential role in promoting financial inclusion in India. IDBI has allotted branches in various states by SLBCs. IDBI Bank is the youngest, new generation public sector universal bank that rides on a cutting edge Core Banking platform with strong service orientation. This enables the Bank to offers all the facility related to the financial awareness, literacy and facilitates the customer by implementing ICT based solutions, CBS platforms, UIDAI projects, Integration with business plans of bank and follow the strategy for financial inclusion plan. To cope up with the challenges or obstacles of financial inclusion, there is a deep need of viable and sustainable business models with focus on accessible and affordable products and processes, synergistic partnerships with technology service providers for efficient handling of low value, large volume transactions and appropriate regulatory framework and risk management policies that ensure financial inclusion.

We should take some suggestive steps to promote or cure the problems of Financial Inclusion are as follows:

- IDBI should give more focus in providing the facility to unbanked people in both urban and rural areas.
- IDBI Bank should also distribute the Micro credit, Micro insurance, Micro pension and other micro financial service facilities.
- IDBI bank should focus on most important aspect of financial inclusion is financial literacy and training and capacity building. To increase awareness and interest in products offered under various schemes of FIs, increase in advertisement in local language, on radio and television, and in print media, the campaign should be initiated to spread financial education in unbanked regions for illiterate peoples all this may could help in building public confidence.
- Time to Time evaluate the performance of financial inclusion plan and also its staff members. Are they working proper or not?
- Inspection and Grievance Redressal Mechanism committee should be form or constituted to sort out all the disputes and complaints.
- Plan for seamless integration of ICT based banking with CBS solution.

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Socio-Economic Change by Mgnrega in Rural Eastern Uttar Pradesh

R. K. Singh, Manu Bhatt and Amit Kumar Singh

Abstract

MGNREGA is completely different from earlier government employment schemes since it treats employment as a right. The programme is intended to be demand-driven, and encourages participation of local people in the planning and monitoring of specific schemes. MGNREGA tends to be more socially inclusive in that it involves women, SCs and STs as workers in the Scheme. MGNREGA is closely bound up with nations of entitlement and citizenship. It would be empower the poor and foster democracy of India. There is one operation of MGNREGA that fiscal segment but when there is the matter of complete change of big percentage of population, the fiscal measures may be ignored.More specifically the study aimed at analyzing the extent to which the scheme has generated employment, assessing the impact of the scheme on selected variables, and ascertaining the limitations and constrains faced by the functionaries in implementing the scheme.

Keywords: *MGNREGA, Rural, India, Eastern U.P.*

Introduction

The present research is being exploratory in nature deals with the study socio-economic impact of MGNREGA in eastern Uttar Pradesh. Though not more research has been done on present topic yet few scholars and academicians had made modest attempt to study the socio economic condition in various states of India. The study makes an assessment of MGNREGA with respect to the extent of employment generation, wage differentials, rural to urban migration, asset creation, determinants of participation and implementation in five districts of Himachal Pradesh. The main findings of the study suggested that out-migration was mainly the result of higher wages prevailing in the nearby towns; MGNREGA enhanced food security, provided protection against extreme

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poverty. Vatta and Grover, 'Impact of NREGA on Wage Rates, Food Security and Rural Urban Migration in Punjab', Report submitted to Ministry of Agriculture, Ludhiana: Agro-Economic Research Center, Punjab Agriculture University, 2011. The paper makes an assessment of MGNREGA with respect to the extent of employment generation, its effect on rural to urban migration, asset creation, determinants of participation and implementation in Punjab. World Bank, Social Protection for a Changing India, vol. 2, Bank, 2011. India's surge in growth and rapid expansion in public spending in the past decade has created new possibilities for its social protection system. The growing importance of social protection (SP) is reflected in the Government of India's (GoI) common minimum programme and eleventh Five-Year Plan which commit to institutionalization of programmes as legal rights (as in the case of public works, through the NREGA), continued up-scaling of interventions (e.g., social pensions and midday meals), and proposals to expand new types of SP interventions to the large unorganised sector (e.g., social security).

Objectives of the Research: The objectives of the present research consists followings:

1. To examine socio-economic life of the rural people of eastern Uttar Pradesh.
2. To assess the impact of MGNREGA on socio-economic condition of the people of eastern Uttar Pradesh.
3. To provide suggestion and measures for improving the performance of MGNEGA.

Sample design:

The sample selection is an important aspect in Research Methodology. The Sample selected for the present research comprises of 320 respondents of districts Jaunpur and Mau of eastern part of state of Uttar Pradesh. The respondents are selected on the basis of the number of work days for which jobs have been created in the scheme. The respondent comprise of poor people of various caste, religion and income groups.

Area of study:

The area selected for the present study consist Jaunpur and Mau of Eastern Uttar Pradesh. The districts were selected on the basis of their location i.e. Extreme east of eastern U.P. and poverty, unemployment and funds sanctioned under MGNREGA. The other reason that was taken into consideration the selection was labours work days generated for the people of these districts of Eastern Uttar Pradesh.

Sample selection Process

We have selected 2 districts of eastern U.P. on the basis of geographical location i.e. extreme east situation. These 2 districts were selected among the regions on the basis of requirement of MGNREGA funds due to high vicinity of hunger, poverty, Illiteracy and other human development indicators.

Hypothesis:

Hypothesis is the assumption which is to be tested in the study. The hypotheses were under present study are:

H0- MGNREGA change the socio - economic life of people of eastern U.P.

H1- MGNREGA change the socio - economic life of people of eastern U.P.

Research design: Research design is a vital issue in the aspect of research. The research design incorporated in the research relates to study of performance of MGNREGA since its introduction and its assessment over the year. After the study the socio-economic condition of people of Eastern Uttar Pradesh is being design in order to assess the need of MGNREGA. On assessment basis the application of statistical tools, the hypothesis will be tested in order to support of objective of the study.

Limitations: In spite of best effort the present study inherits certain limitations which were beyond the scope of researcher. The significant limitations are as follows:

1. The present research is based on primary and secondary sources which have their own limitations.
2. The sample selected represents only small percentage of universe.
3. The area of study is also restricted for few districts which add it's on limitation.
4. Some of the responses to the Questions were biased and vogue, thus an accurate analysis could not be done.

Findings and Suggestions

- The majority of the respondents are in the age group of 30-50. The contribution of the young age group of 18-30 is very low i.e. 12.18%. The average ages of the respondents are 39.93 years and 42.34 years in Jaunpur and Mau respectively.
- The majority of the job card holders are Male (79.06%) in entire eastern Uttar Pradesh. These figures in Jaunpur and Mau are 80.63% and 76.875% respectively. The 1/3rd reservation of women in job allotments did not follow.
- The average work days allotted in last financial year (2013-14) are 51.14 and 40.54 days in Jaunpur and Mau respectively. The overall eastern Uttar Pradesh average work days are 46.68 days. It is less than 50% of the Act's mandatory provision of 100 days. Nobody got 100 days employment individually. This is violation of the act that proper allocations of work days were not held.
- As per the act state government has to provide 100 days employment to each and every job card holders if they demand for the same. In case of no work days state government has to provide unemployment allowance for non wok days. It was found that no unemployment allowance has given to anybody for those non working days.
- The desired wages of respondent is averagely Rs. 291.64 per day. (Rs. 286.25 And 280.625 in Jaunpur and Mau respectively). It shows that each sample districts are desired approximately same wages rate. It is approximately 60% more than current scheduled wages rate of eastern Uttar Pradesh.

- The major suggestion from the respondents are wage rate increments, housing facility, unemployment allowance, work days increments, health facility, children education, skilled work for youth. They are suggested that its implementation should be at ground level. The functions of MGNREGA are prepared and implement from the capital (central management) i.e. The reason of failure at village level (Unit level).

- The caste wise respondents are SC (18.75%), ST (.78%), OBC (14.06%) and General (66.40%). This data shows that there is huge imbalance of caste base job allotment and it may be in social pressure. The respondents of general category were told that their participation is high due to no caste base reservation in MGNREGA and reservation in other jobs.

- The education profiles of respondents were categorized in term of literate, literate without schooling, intermediate and university level. The overall results are illiterate (10.46%), literate without schooling (15.78%), intermediate (32.03%) and university level (5.46%). It shows knowledge imbalance and vicious cycle of poverty and unemployment, that's why they opt this option for their survival.

- The expertise of job card holder has categories as farmer, agriculture labour, skilled labour and self employed. The majority of the respondents are farmer and agriculture labour (90.77%). The skilled workers are (5%) and self employed (6.56%). It shows that MGNREGA is not the choice of skilled rural India.

- The nature of house has categorized on the basis of Kachcha House, Pacca House semi kachcha and homeless. The results are Kachcha (32.96%), Pacca(22.81%), semi kachcha (30.32%) and homeless(13.90%). Again data shows unequal distribution of wealth and income among the society. The social assets are in imbalance. The homeless 14% respondents are challenge to the governments for the establishment of "Real Sushashan".

- The modes of drinking water of respondents are personal tap (16.71%), group Tap (1.25%), well (15.93%) and hand pump(66.09%). The majority respondents of Mau has their own hand pump (81.25%). The classical well based water system is now obsolete. Hand pumps are installing by Gram Pradhan, M.L.A., M.P. fund quota. So they are highest user of water system belongs to hand pumps.

- The major source of lighting is electric supply by the government (57%) and kerosene (14.06%). The use of biogas and solar gas is less this caused in increased dependency on government power supply.

- The fuel of cooking food is categorized as kerosene, wood. LPG and coal. The results shows that kerosene (53.03%), Wood (14.68%), LPG (26.25%) and coal (7.03%). The kerosene under governments' Public Distribution System and its minimum support price cheaper for the respondents that's why it is most popular mode of fuel for cooking food by the respondents. But this way we support the deforesting. The consumption of LPG is growing and this will assist for economic development of rural India.

- The sanitation mode is used by respondents are personal (48.75%) and open space is

41.25%. This competition must be winning by personal mode. The hygienic rural environment needs it. The 1% respondent use the public place and ponds etc.

- The average number of member in job card holder's family in Jaunpur District (2.875 persons per family) and in District Mau (2.7 persons per family) It means a job card holder has responsibility of at least 3 members in his family. The majority family has 1 to 5 members in it.
- The monthly incomes of respondents are in District Jaunpur (Rs.3618.75 per month) and District Mau (Rs.3262.50 per month). The overall average of monthly income of eastern Uttar Pradesh. This shows the vicinity of poverty of eastern Uttar Pradesh. This little income came only due to MGNREGA, previously it was approximately NIL. The basic need of fooding , clothing and shelter cannot be fulfilled by this income and income groups.
- The social assets as own land of respondents are very less. 33.75%. Respondents in eastern Uttar Pradesh did not have their land for farming and other agriculture and allied activity. 27.8 % has only 1 beegha. The overall average is 1.44 beegha in eastern Uttar Pradesh.
- The use of income MGNREGA is mostly used in good food (70.15%). The rest is used in clothing (14.84%), education (10.93%) and health (4.06%). It shows that health and education is not priority of rural people due to less income as MGNREGA wages.
- The rural indebtedness is about 56% in among the job card holders. 43.43 % did not taken any loan for any purpose. The major purpose of loan is animal (21.40%) and agriculture activity (35.93%). Nobody taken any loan for home purpose.
- All the respondents less their own saving accounts. The post office is most popular mode of saving (43.43%). The nationalized bank (20%), commercial bank (16.71%) and rural banks (19.84%) satisfy the saving needs of respondents of eastern Uttar Pradesh.
- The insurance of different insurable assets were categorized in Life, Crop and Animal. 17.965 did not taken any type of insurance policy. 90.63 % of respondents not taken life insurance. It is again a challenge for policy makers. Crop insurance (38.75%), animal insurance (33.9%) is most popular insurance mode of rural India. The less income of rural public and no interest of life insurance sector in rural public resulting this (91.63%) not covered by life insurance.
- The vehicles ownership was categorized under cycle, moped, scoter and others. The cycle is most popular assets of rural people (75.93%). Few have moped (15.46%) and bike (8.597%) for their vehicle purpose mostly moped and bike user use cycle for regular and bike and bike for specific purpose.

Conclusions

The youth participation should be increase due to less contribution. Unskilled manual labour and less wages cannot attract the modern youth of 18-30 age group. This should be motivated in positive way. Some skilled activity may be the part of MGNREGA. Those work which need some specific knowledge, they may be attached. They will willingly associate for the development of their own local surroundings. The old age contribution of 11.09 % is quite embarrassing. They should get proper old age pension as reword of their life spending for the development of the nation. They are the evidence of a country developing from snake player to stylus user.

- The women reservation is the part and essence of this legislation. This ensures women empowerment in rural India. This provision has been implemented by the local level authorities at the time of job allotments to the job card holders. Their participation may be in much more position, but this has not been done. We can promote women empowerment with MGNREGA by associating some women allied or women specific work as mandatory part of the act. Women training centers may be open for handicraft, designing, sewing, other local art and these should be the part of MGNREGA activity. It will create income and also empower the women. The trained women job card holder will be the strength and asset of the society and the nation as whole.

- The aim of 100 days employment is the main object of the act. This should be compulsorily implemented by the authorities. The low work days is showing the inefficiency of the local level authority. When all work days wages has been sponsored by the government of India and job allotment and estimation both foundation works is the part of state government functioning, the less allotment of job shows the failure of state government. The question is why all the respondents did not get the job of 100 days as minimum. The state governments do not wants to do work. This separation from the development may be the danger bell for both this legislation as well as development of the nation.

- The act has provision to provide unemployment allowance when there is no work days allotted to the job card holder. It will be the responsibility of the state government to provide this un employment allowance. This provision is the part of this act to ensure state government participation in job allotment because central government is the funding authority for entire wages of all the work and unemployment allowance is the part of state funds. The act bound state government for it and governments did not did this. We are not favoring the unemployment allowance. But work should provide to him because this will be the counter attack on the heart of the act.

- The rate of wages is also under the question. The wages from 120-170 per day for less than 100 days for the livelihood for the one year is not enough. This rate should be increased. The desired wage rate is ---per day is also not sufficient due to price hike in the market. The humanitarian approach should be adopted. The good wages and 100 days work may be ensure the rural life some part of comfortable.

- The majority of respondents were advised us about better functioning of this act. Majority of them favors wages rate and work day's increments. Some respondents express their view on skilled work, health facility, housing; children education may the part of this act. The entire relief in rural life is to be the ultimate task of this act. The dream may come true after positive implementation of different rural life touching tasks in the frame of MGNREGA.

- The caste base reservation is not the essential part of this act but the task of social justice. This act is not untouched with this constitutional aim of the government. The participation of SC,ST and OBC must be increase for social fit of this act. It does not mean to adopt any reservation system but social justice must be fulfilled the entire benefit of this act is to transform society and social infrastructure with the help of the members of the society itself.
- The local rural art of the country should be demonstrated to external world. It may be in type of labour intense work. The rural handicraft may be the cause of foreign currency against export of these valuable arts. The MGNREGA job card holder may be the part of industrial growth and industrial revolution in the form of more MGNREGA wages and excess profit.
- The housing system in rural area may be sharpening through MGNREGA. The problem of homeless job card holders (14%) is big challenge to the policy makers. Kachcha house owner (33%) is also a huge problem. It means ½ of the job card holder suffering from house problem. This may also the part of MGNREGA. They must have their life under their own roof. The waste land of village may be used for this purpose and government should provide this facility to the rural brothers and sisters of our country.
- The mode of drinking water by hand pump must be encouraged, but old system of well must be promoted. The surrounding of these places must be neat and clean for hygienic purpose. The use of chlorine and other pesticides must be in reach of rural people i.e. they must be in knowledge to use them for prevention of disease came from water.
- The mode of electric supply is mostly used in rural area. But the power supply is limited to 5-7 hrs in a day on rotation of day and night shift. This should be increase for the normal life of the rural people. Solar and bio gas is still unpopular. They should know about it because it benefit to him due to heavy government subsidy. The use of kerosene must be demoralized for the better environmental and reducing import duty.
- The most popular mode of fuel for making food is kerosene. It creates pollution and it is harmful for health of house wives in rural community. Wood and coal have also same nature. The use of LPG must be promoted in this area also with government subsidy for long term benefit of the public and society both.
- The sanitation mode of rural India is improving. 2/5th people has their own sanitation mode in their own houses. But still same 2/5th people did not have the same. The "Swakcha Bharat Abhiyan " must be engaged these work in it. The government subsidy for this purpose not reaches the hands of the respondents. The initiative must be taken from the government side or use of public-private partnership (PPP model) may also be adopted on government funding under the functioning of the MGNREGA. The cleanness must be the part of MGNREGA, that will cope up to the "Swakcha Bharat Abhiyan " .

- The large numbers in a family shows that our family planning mechanism still far from the rural people. But in other way this rural human resource is not benefited by the MGNREGA wages. The ideal 4 members family system cannot be fulfilled their thrust by this wages. This rate should be moderated to the needs of the rural system and the consumer price index. The family planning system and their awareness should be increased. The initiatives must be taken for family planning and their measurement may be introduced through MGNREGA.
- The income level of rural people was found very low. How they fulfill their needs in this inflationary period of the economy with this low income?, it is questionable. The skill base functions or arts or local arts should be initiate to get advantage of high income. Various exhibition or rural art shows should be promote by the ministry of rural development. This will increase the level of income in rural India. The concept of cooperative system must be practically launched in this way and show the advantage being cooperative. This movement is the need of the time. The enhancement of rural India will encourage the respectable life and style of rural India.
- The problem of landless job card holders is also a challenge to the policy makers. The land of gram panchayat may be provide to them on at least on lease for their livelihood, but without any biasness caste, gender, greed or vote bank basis because poverty did not have these classification. These are diseases that cannot controllable by the ministry of health. It is the matter of local level gram panchayat. But government may be intervening for the social justice. This matter is under state schedule and state government may introduce this as ordinance to distribute the gram panchayat land for poorer section of the society under lease.
- The income of MGNREGA is so less that the respondents do not fulfill their basic need in proper way. The health and education both were not their priority due to less income of MGNREGA wages. So wages should increase or work days should increase with high wages. The fundamental need of fooding, clothing and shelter of respondents must be fulfilled by this wages. Free schooling and health service in the villages provided by the government are having perfect quality. So the system should be proper and having standard for perfect human being. Don't classify the urban or rural.
- The majority of respondents (43.43%) did not taken any loan for any purposes, but loan for animals and agriculture taken by the remaining respondents in great extents. The production should be promoted. The 43.43% of respondents not taken loan. It may be that bank has not given loan to him due to their less income and landlessness. The productive should be promoted under umbrella of nation building and person and purpose of loan must be honest; this should be verified by the banks. Banks should avoid personal level biasness for the benefit of banking operation and rural development both.
- The saving accounts of the respondents are impressive. 100% of respondents have their own saving accounts due to direct benefit transfer. The contribution for this purpose, the role of commercial banks, nationalized bank and rural banks along with

post offices are effective in a great extent. The function of banking system in rural segment should be taken for the benefit of local economy. Increase in banking habit ensures economic development and stability at ground level. The role of post offices may be increase. The post offices are main source of rural saving deposits and this relation and faith is the backbone of rural economy.

- The insurance sector of rural economy is also not satisfactory. The 90.63% respondents did not take any life insurance policy. It is really horrible that 90.63% of rural brothers and sisters facing life risk daily and India's one of the growing sector is out of reach. The players of micro insurance were disappearing from the market. In fact the respondents knows about the insurance of crop and animal but not familiar with life insurance. The rural part of India may become boon of the India's Insurance Industry. The micro insurance may be provided for job card holders directly when they enrolled and other may be done by other policies. The Prime Minister Jan Dhan Yojana may bless this aim.

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Financial Inclusion: A Road Map Towards Inclusive Growth of India-A Review

P K Singh and Mukesh Kumar Sharma

Abstract

India is among the world's most efficient financial markets in terms of technology, regulation and systems. It also has one of the highest savings rate in the world. In spite of the same, Poverty and exclusion continue to dominate socio-economic and political discourse in India. Even after 67 years of independence, large section of Indian population still remains unbanked. The Government of India and the Reserve Bank of India (RBI) have been making concentrated efforts to overcome such problems by promoting Financial Inclusion as one of the most important initiative to achieve inclusive growth of country. Financial Inclusion refers to universal access to a wide range of financial service at a reasonable cost. These include not only banking products but also other financial services such as insurance, leasing, post office services etc. The present study is based on review which focuses on conceptual aspect of financial inclusion, its rationality towards inclusive growth and it suggests that there is wide scope of financial inclusion in India for overcoming unequal and scattered economic growth in India. Therefore Government of India should frame policies in such a way it can be implemented at the ground level without derailing the main objective of overall growth of the country.

Keywords: *Financial Inclusion, Government of India, RBI, Financial Services, Poverty*

Introduction

India is among the world's most efficient financial markets in terms of technology, regulation and systems. It also has one of the highest savings rate in the world. In spite of the same, Poverty and exclusion continue to dominate socio-economic and political discourse in India. The Government of India and the Reserve Bank of India have been making concentrated efforts to overcome such problems by promoting Financial Inclusion as one of the important national objectives of the country. Some of the major efforts have been taken in the last five decades such as Nationalization of banks (1969/1980), Building up of Robust Branch Network of Scheduled Commercial Banks, Co-operatives and Regional Rural Banks (RRBs-1975-76), Introduction of Mandated Priority Sector Lending

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Targets, Lead Bank Schemes, Formation of SHGs (1989-90), and Permitting BCs etc. The fundamental objective of all these initiatives is to reach to those sections of Indian population who have been financially excluded. Thus there is an urgent need today to provide financial services to all households that are excluded from formal financial services.

The Financial Inclusion is a process to bring the weaker and vulnerable sections of society within the domain of organized financial system. Financial Inclusion may also be defined as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. **(Rangarajan Committee, 2008)**. Financial Inclusion is mainly the combination of various financial services which are meant for the customers to give financial benefits. These financial services include banking, insurance, post office scheme, mortgage etc. (The Committee on Financial Sector Reforms, Chairman (Dr.Raghuram Rajan).

Why Financial Inclusion? Financial Inclusion is a great weapon to overcome the financial backwardness as well as the establishment of good governance .It broadens the resource base of the financial system by developing a culture of savings among large segment of rural population and plays an essential role in the process of economic development. Further, by bringing low income groups within the perimeter of formal banking sector; Financial Inclusion protects their financial wealth and other resources in difficult circumstances. Financial Inclusion also mitigates the exploitation of vulnerable sections by the usurious money lenders by facilitating easy access to formal credit.

Status of Financial Inclusion in India: The financial system of country was unbalanced after the independence. In 1969, the Nationalization of Commercial Banks was a valuable step that had been taken for the establishment of systematic and organized financial system. Government of India and RBI have adopted various programmes to bring extending or balancing financial system, but we have not able to reach to the households or persons living in the rural areas of country. People residing in the rural areas like weaker sections of society, low income groups mainly depend on moneylenders and sahukars for meeting financial emergency like health, irrigation, education, drought and other household needs.

State wise Index of Financial Inclusion (Source RBI, 2011)

Let us see state wise financial inclusion in the following figure:

Government of India and RBI Initiatives to Promote Financial Inclusion

Opening of Bank Branches: Government had issued a comprehensive strategic framework of various rules and regulations on Financial Inclusion in October 2011, recommending banks to open branches in all territories of 5,000 or more population in under-banked districts and 10,000 or more population in other districts.

At Least one bank account for each Indian household: Banks have been advised to make sure the service area bank in rural areas and banks have been assigned the responsibility in specific wards in urban area to ensure that every household has at least one bank account.

No-Frills Account : In the Mid Term Review of the Policy (2005-06), RBI encouraged the banks, with a view for achieving greater Financial Inclusion, to make available a basic banking 'no frills' account either with 'NIL' or very minimum balances as well as charges that would make such accounts accessible to vast sections of the population. Simplification of Know Your Customer (KYC) Norms: To ensure that persons belonging to low income group both in urban and rural areas do not face difficulty in opening the bank accounts due to the procedural hassles, the KYC procedure for opening accounts has been simplified to enable those belonging to low income groups without documents of identity and proof of residence to open banks accounts.

Business Correspondent Model : With the objective of ensuring greater Financial Inclusion and increasing the outreach of the banking sector, banks were permitted by RBI in 2006 to use the services of intermediaries in providing financial and banking services through the use of Business Facilitators (BFs) and Business Correspondents (BCs). Business Correspondents are retail agents engaged by banks for providing banking services at locations other than a bank branch/ATM.

Direct Benefit Transfer (DBT): The Government of India has decided to introduce Direct Benefit Transfer in respect of benefits under 26 schemes directly into the bank accounts of beneficiaries..

Expansion of ATM Network: Public Sector Banks (PSBs) have installed around 60,000 ATMs. In close consultation with the Department of Financial Services, the PSBs worked on a model of area based deployment of ATMs/Cash Dispensers, taking benefit of the power of aggregation, with all PSBs/RRBs clubbing their requirement and one of the PSB issuing a common RFP on behalf of all these banks for a Geographical Cluster.

Pradhan Mantri Jan Dhan Yojana (PMJDY): is a scheme for comprehensive Financial Inclusion launched by the Prime Minister of India, Narendra Modi on 28 August 2014. He announced this scheme on his first Independence day speech on 15 August 2014.

PMJDY is a National Mission on Financial Inclusion encompassing an integrated approach to bring about comprehensive Financial Inclusion of all the households in the country.

The plan envisages universal access to banking facilities with at least one basic banking account for every household.

Special Benefits under PMJDY Scheme

1. Interest on deposit.
2. Accidental insurance cover of Rs.1.00 lacks
3. No minimum balance required.
4. Life insurance cover of Rs.30,000/-
5. Easy Transfer of money across India
6. Beneficiaries of Government Schemes will get Direct Benefit Transfer in these accounts.
7. After satisfactory operation of the account for 6 months, an overdraft facility will be permitted
8. Access to Pension, insurance products.
9. Accidental Insurance Cover, RuPay Debit Card must be used at least once in 45 days.

Here an exhaustive review of the existing literature pertaining to the financial inclusion and inclusive growth. The reviews covers national and international studies, which have been presented in chronological order so that the latest studies are presented first followed by the subsequent studies. Most of the sources include research papers, articles, books, committee report. RBI circulars, SEBI modules, Thesis and dissertations etc.

Kaur & Singh (2015) Made an attempt to study the recent trends in Financial Inclusion in India with special reference to Pradhan Mantri Jan Dhan Yojana (PMJDY), highlighted action plans and its key areas. Study revealed that till (31-12-2014) 819.09 lakhs account has been opened which comprises 496.97 lakhs from the rural and 332.13 lakhs from urban areas of country. Study also suggested strategies that opening bank account procedure should be simplified to ensure maximum Financial Inclusion for the underprivileged and unbanked areas. The widely acknowledged & successful launch of this PMJDY scheme also strengthens the resolve that when coordination, dedication, opportunism, commitment, formalization, dependence, trust, satisfaction, cooperation and continuity is provided by all the constituents and stakeholders, a framework of construct is created which acts as a dominant force for accomplishment of the mission.

Kumar (2014) examined the Financial Inclusion, current position in India and the obstacles in the path of Financial Inclusion with suggestive solution to overcome them..Study expressed that in 2009 total number of schedule commercial banks branches which were 15273 which increased to 19327 in 2013, average population per bank branch in 2013 was 12,100 which is tremendously increased in last ten years. Total Number of ATMs in country in 2013 were 114014.Result of the study indicates that still majority of Indian people are facing problem of financial exclusion, factors behind this are- illiteracy, unemployment, lack of awareness, non availability of banking services at local level. Research suggest that govt. should enhance financial services in rural areas of country by establishing Business correspondents, organizing awareness camps etc,

Financial Inclusion plays a major role in driving a way the poverty from the country

(Shabna, 2014) discussed about the conceptual aspects of Financial Inclusion and point out the reasons for financial exclusion. It also highlighted the measures taken by RBI for promoting Financial Inclusion; Study is based on secondary data collected from different publications, journals, and news paper and websites. Government of India and Reserve Bank of India has taken various initiatives like opening of no-frills accounts, relaxation on know-your-customer norms, engaging business correspondents for promoting Financial Inclusion.

Shreekutan (2014) studied the Chavara block which is a rural backward area. Majority of population have engaged in traditional industries like- coir, fishing for livelihood. Cooperative bank play vital role in achieving the goal of Financial Inclusion. Study made an attempt to evaluate the impact on Financial Inclusion through cooperative banks such credit facilities, banking facilities etc. available to them or not. For finding out the impact study covers 140 sample size based on judgmental sampling, result indicated that majority of people are satisfy with bank services, staff behavior but dissatisfaction is from poor infrastructure in cooperative banks. Research suggests that cooperative banks should tie up with Non Government organization (NGOs) and self help group SHGs for more promotion of Financial Inclusion in area.

Divya (2013) studied the impact of financial education on daily wage earners at autonagar Tenali town Guntur District of Andhra Pradesh. The research was based on a sample size of 210 daily wage earners. The study came out with the findings suggesting that 78% respondents were illiterate and 70% were having knowledge about Financial Inclusion. The study also recommended that banks should provide door step banking facility to the customers and government should also organize the educational programs for the increase of awareness among people for the financial education. Financial institutions have to play a keen role for promoting Financial Inclusion in the country.

Jain (2013) analyzed the strategies and initiatives of RBI and banking sector in India for promoting Financial Inclusion in last 10- 15 years. Study also focused on potentiality of Financial Inclusion in converting masses from unbanked to formal banking system. The findings of study highlighted that the number of people are very limited in accessing financial services even after introduction of inclusive banking initiatives in country. The findings suggest that only 35% of Indian adults had access to formal bank account and 8% borrowed formally in the last 12 months.

Paramasiva and Ganeshkumar (2013) analyzed that inclusive growth is possible only through the implementation of proper mechanism which channelizes all the resources from top to bottom. Their study observed that literacy is pre requisite for Financial Inclusion but it cannot achieve overall inclusive growth by only itself.

There is an essential requirement of changing the working style of financial institutions in term of opening new bank branches, organizing the awareness campaign in the society..

Rao (2013) examined the status of Financial Inclusion in Andhra Pradesh. The study area covers twelve villages from three district of Andhra Pradesh in order to understand the nature and extent of Financial Inclusion in the State. Besides, the study has also focused, on socio-economic indicators like occupation, literacy, landholding pattern, annual income, and Financial Inclusion dimensions of people's opinion about banking services. Result of study indicated that one third the households in three districts are still marginalized with limited or no access to basic financial services such as banking, microfinance and insurance.

Srikanth(2013) Study has suggested some actions and initiatives for successful implementation of Financial Inclusion for sustainable growth of Indian economy. The study focused on progress Financial Inclusion from 2010 to 2013 especially in backward areas. Study suggests that a focus should be given to common man for better improvement of financial services in India.

Thapar (2013) conducted a research to study the Financial Inclusion program in the selected bank branches of Ludhiana district in Punjab. The research also focused upon the various steps is being taken by the banks in the area of Financial Inclusion. The study also tried to analyze the customers' response towards the banking approaches adopted by the banks for the encouragement of Financial Inclusion. The study concluded that inspite of the using RBI norms for opening of bank branches, kisan credit card, offering no frills accounts and simplifying the KYC norms, but still there is lot of work to be done for getting the actual benefits of Financial Inclusion. The research suggested that business correspondents should be employed in villages and trained in advance for promoting Financial Inclusion program..

Wambua and Datche (2013) studied the innovative factors that affect Financial Inclusion specifically focusing on perceived risk on innovated channels, trust and confidence on innovated delivery channels, user friendliness of innovated delivery channel and anti-money laundering requirement on the innovated delivery channels in Mombasa County. The research found that innovative channels of distribution are generally underutilized, the banks that roll out new channels of distribution such as agency banking, e-Banking and mobile banking are still experiencing influx long queues inside their banking halls especially at enquiry and customer service counters despite these innovated channels.

Chakrabarti (2012) investigated to find out whether RRBs in this region has made any progress towards ensuring broader banking services for the rural poor people in strengthening the India's position in relation to Financial Inclusion. The study aspired to make an overall evaluation on the role of RRBs in West Bengal in Financial Inclusion. A period of six years from 2006-07 to 2011-12 was taken for the study. The study found that RRB network will have to be leveraged for benefiting the people of the rural areas through broader banking services; and in West Bengal, these institutions take a long stride towards inclusive economic growth by promoting various financial products meant for broader Financial Inclusion.

Nayak (2012) studied Financial Inclusion through cooperative banks a feasible option for inclusive growth. The study tried to find out how Financial Inclusion through cooperative banks can be a viable option for inclusive growth in India. The research found that Indian growth is not an inclusive growth because the real GDP percent change per annum, growth of real GDP per head per annum are increasing whereas consumption inequality in India is increasing rapidly after 2004-05 This paper surveys analyzed the issues pertaining to implementation of Financial Inclusion in economically down trodden districts of Tamil Nadu.

Rangarajan (2009) remarks that economic growth and social development are the two legs on which a nation must walk and FI is no longer an option but a compulsion. He asserts that one aspect of Inclusive Growth is FI. The process of FI is an attempt to bring within the ambit of the organised financial system, the weaker and vulnerable sections of society and Inclusive Growth cannot come without FI.

Yadav (2009) researched on Financial Inclusion in Rajasthan, a case study of Rajsamand district. The study concluded that there should be efficient delivery of services with low cost of intermediation. There is a need of substantial upscale of micro credit activities. The study advised that rural branches staff should change their attitude for the efficient working and there is an urgent requirement of collaborating the efforts of NGOs , post offices, educational institutions and NFIs for the encouraging the farm activities and leveraging technology to the maximum extent possible.

Conclusion

Financial Inclusion is the road which India needs to travel towards becoming a global player. Financial Inclusion stimulates people to invest and save more in their capacity, which will be a step towards removing vicious circle of poverty and unemployment. it also act as a source of empowerment, better control of finance and allow people to participate more effectively in the countries' economic and social up gradation. More financial access will attract more global market players to our country that will result in increasing employment and business opportunities.

It is reasonably clear from the reviews that Financial Inclusion is an important concept in the Indian financial system. As in recent past, Financial Inclusion has become an essential requirement for the government and attractive area of the research in the field of finance and banking. Financial sector is the very crucial sector that has the ability to act as a facilitator for overall economic growth and stability. Inclusive growth is the biggest challenge that a nation faces and it is important to ensure role of all segment of society in the growth of a nation. Therefore Government of India should frame policies in such a way it can be implemented at the ground level without derailing the main objective of overall growth .of the country.

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Strategic Framework for Business Continuity Planning (BCP) of Enterprise Risk Management

Alok Singh, Sanjeev Kumar and Kshitij Khandelwal

Abstract

Business continuity plan is a logistical plan for how an organization would recover and restore partially or completely interrupted critical functions within a predetermined time after the event of disaster or extended disruption. BCP is working out for how to stay in business in the event of disaster. Our purpose of the research is to provide a brief insight about the business continuity planning as a strategy formulation, implementation, evaluation and control processes; it would cover all the strategic issues regarding BCP and its implementation as well as control. The strategic management perspective of the BCP have five main phases like environmental scanning phase containing business impact analysis, threat analysis, risk analysis etc.; strategy formulation phase consist risk avoidance and business survival strategy formulation; strategy implementation phase would have BCP development and implementation; strategy evaluation phase would consist training, BCP evaluation & testing; strategy maintenance phase would have BCP maintenance and control. This is an interrelationship between BCP and strategic management process.

Keywords: *Business continuity planning, Strategic management approach, Business impact analysis, Disaster management, Enterprise Risk Management.*

Introduction

Business continuity planning is the process of planning for the unexpected disruptive events. An effective plan will provide us with procedures to minimize the effects of unexpected disruptive events. The plan should enable our business to recover quickly and efficiently, with the minimum of impact to our day-to-day activities. Business Continuity Planning (BCP) methodology is scalable for any organization of any size and complexity. Even though the methodology has its roots in regulated industries, any type of organization may create a BCP manual and arguably every organization should have one in order to ensure the longevity of organiasation. Evidence that firms do not invest

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enough resources and time into BCP preparations is evident in these disaster survival statistics. A BCP manual for the small organization may be simply a printed manual stored safely away from primary work location, containing the names, addresses, and phone numbers for crisis management staff, clients, general staff members, and vendors along with the name, phone number, contact person and location of the offsite data backup, copies of insurance contracts, and other critical materials necessary for organizational survival. At its most complexes, a BCP manual may outline a secondary work site, technical requirements and readiness, regulatory reporting requirements, work recovery measures, the means to re-establish physical records, the means to establish a new supply chain, or the means to establish new production centers. Firms should ensure that their BCP manual is easy to use and realistic during a crisis. The development of a BCP manual has five main phases: analysis, solution design, implementation, testing and organization acceptance & maintenance.

2. Business Continuity Planning Process

A financial institution's business continuity planning process should reflect the following objectives:

- The business continuity planning process should include the recovery, resumption, and maintenance of all aspects of the business, not just recovery of the technology components;
- Business continuity planning involves the development of an enterprise-wide BCP and the prioritization of business objectives and critical operations that are essential for recovery;
- Business continuity planning includes the integration of the institution's role in financial markets;
- Business continuity planning should include regular updates to the BCP based on changes in business processes, audit recommendations, and lessons learned from testing; and
- Business continuity planning represents a cyclical, process-oriented approach that includes a business impact analysis (BIA), a risk assessment, risk management, and risk monitoring and testing.

Additional industry practices that are commonly used to maintain a current BCP include:

- Integrating business continuity planning into every business decision;
- Incorporating BCP maintenance responsibilities in applicable employee job descriptions and personnel evaluations;
- Assigning the responsibility for periodic review of the BCP to a planning coordinator, department, group, or committee; and
- Performing regular audits and annual, or more frequent, tests of the BCP.

Components of an IT business continuity plan

We will use information on threats to our business to start our business continuity plan. The plan should aim to reduce the risks posed by disruption to our business processes. Measures that may be needed include:

- A back-up and data recovery strategy, including off-site storage.
- The development of a resilient IT infrastructure with the redundancies in case of failure. For example mirrored central server computers sited in different locations from which each containing the same information, so that if one goes down then the other one is available to ensure continuity of service and alternative storage facilities.
- The elimination of the single points of failure, such as a single power supply.
- The introduction of an uninterruptible power supply for our IT systems. This is a battery-powered device that allows our systems to keep running, giving us time to save any data that we may be working on.

The things can still go wrong even if such measures are adopted. Therefore, the business continuity plan should specify the actions to be taken in order to recover from any unexpected disruptive event, covering:

- people and accommodation
- IT systems and networks
- services such as power and telecommunications
- critical business processes

Methods of recovery might include:

- carrying out activities manually until IT services are resumed
- moving staff at an affected building to another location
- agreeing with another business to use each other's premises in the event of a disaster
- arranging to use IT services and accommodation provided by a specialist third-party standby site

Keep the business continuity plan short and readable. It should not duplicate the other sources of information, and any other relevant documents should be referred to. Encourage the staff to review the plan before it is formally issued.

Strategic view of Business Continuity Planning

We may view the Business Continuity Planning (BCP) as strategic management process and can divide it into five phases as discussed below and mentioned in figure 1-

Phase 1-Environmental Scanning (Business Impact Analysis and Risk Analysis).

Phase 2-Strategy Formulation (Risk Avoidance and Business Survival Strategy)

Phase 3-BCP strategy Development and Implementation

Phase 4-Training, BCP evaluation and Testing

Phase 5-BCP Maintenance and Control

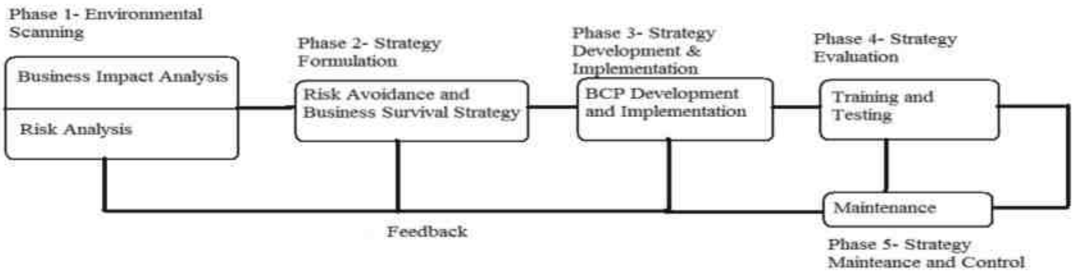

Figure 1 - Strategic view of Business Continuity Planning

Phase 1-Environmental Scanning (Business Impact Analysis and Risk Analysis)

Environmental Scanning consisted Business Impact Analysis, Risk Analysis and Threat Analysis.

Business Impact Analysis

BIA is the foundation for all business continuity planning. It identifies the operational, financial, and service impacts that may result from a disruption in organizational operations or daily business. Disruptions can be of short term (power outages or information systems problems) or for long term (fires or natural disasters). In all disruptions, there is one common element that is some or all of your business operations have stopped.

A business impact analysis results in the differentiation between critical and non-critical organization functions. A function may be considered critical if implications for stakeholders of damage to the organization resulting are regarded as unacceptable. Perceptions of acceptability of disruption may be modified by cost of establishing and maintaining appropriate business or technical recovery solutions. A function may also be considered critical if it is dictated by law. Next, the business impact analysis results in the recovery requirements for each critical function.

Recovery requirements consist of the following information:

- The time frame in which the critical function must be resumed after the disaster
- The business requirements for recovery of the critical function, and/or
- The technical requirements for recovery of the critical function

Without the knowledge that a BIA provides, preparing an effective and comprehensive business continuity plan is difficult, if not impossible.

It comprises the development of our program requirements by learning the value, and impact of losing business functions over time as they relate to the mission, vision and values of our organization.

- Who do we need to recover? What is the relative criticality of each of our business functions to the business as a whole? To our mission? To our future?
- What assets do we need to recover? Information? Facilities? Technology?
- When do we need to recover? How much will every hour of an outage cost us?
- Where should we focus our recovery priorities? Who should be 1st, 2nd, etc.?
- Why? What is the impact if we do nothing?
- How can we be sure these needs are based on a solid business rationale?

In addition to answering these questions, increasing management awareness of business continuity issues and Business Continuity Management is an integral part.

These are the following steps to bring the BIA to successful completion:

STEP 1: Plan the Project

Planning the project includes establishing the criteria to meet our goals, and preparing a formal project plan to ensure that the project meets our needs and expectations.

STEP 2: Review Documentation

This step consists of reviewing key business information, including mission statements, organization charts, roles and responsibilities, process flow charts, and the documentation of any BCP capability in place.

STEP 3: Conduct the Business Impact Analysis

Conduct of the BIA is a team effort consisting of five separate and integrated tasks to bring the project to successful completion:

- Data Gathering
- Data Validation
- Data Analysis
- System Analysis
- Requirements Analysis

STEP 4: Prepare the Findings Report

When all of the analyses are complete, we will consolidate the findings into a report that meets our informational needs to provide a solid basis for building a comprehensive business continuity program.

STEP 5: Present and Obtain Acceptance of Findings

The final step is the presentation and acceptance of the findings as a basis of our requirements for the review of existing or development of new recovery strategies.

During the BIA, we identify the business processes and IT applications to be assessed. For each of these, we identify their:

- Interdependencies (both internally and externally).
- Permanent and temporary financial and non-financial impacts of a disaster incident over timeframe outages.
- Regulatory and legal impacts of our client's inability to carry-out their operations during timeframe outages.
- Workaround contingency procedures or options that may be used if the business process or application owner's facility or technology became inoperable.

Threat analysis

After defining recovery requirements, documenting potential threats is recommended to detail a specific disaster's unique recovery steps. Some common threats include the following:

Disease	Earthquake
Fire	Flood
Cyber attack	Hurricane
Utility outage	Terrorism

All threats in the examples above share a common impact - the potential of damage to organizational infrastructure - except one (disease). The impact of diseases is initially purely human, and may be alleviated with the technical and business solutions.

Risk Analysis

Risk Analysis consisted the following phases:

Risk Identification Risk identification sets out to identify an organisation's exposure to uncertainty. This requires an intimate knowledge of the organisation, the market in which it operates, the legal, social, political and cultural environment in which it exists, as well as the development of a sound understanding of its strategic and operational objectives, including factors critical to its success and the threats and opportunities related to the achievement of these objectives. Risk identification should be approached by a methodical way to ensure that all significant activities within the organisation have been identified and all the risks flowing from these activities are clearly defined. All associated volatility related to these activities should be clearly identified and categorised.

Risk Description The objective of risk description is to display the identified risks in a structured format, for example, by using a table. The risk description table overleaf can be used to facilitate the description and assessment of risks. The use of a well designed structure is necessary to ensure the comprehensive risk identification, description and assessment process. By considering the probability and consequences of each of the risks set out in the table, it should be possible to prioritise the key risks that the need to be analysed in more detail. Identification of risks associated with business activities and decision making may be categorised as project/ tactical, strategic, operational. It is important to incorporate risk management at the conceptual stage of projects as well as throughout the life of a specific project.

Risk Estimation Risk estimation can be quantitative, semi quantitative or qualitative in terms of the probability of occurrence and the possible consequence.

Phase 2-Strategy Formulation (Risk Avoidance and Business Survival Strategy)

This phase entails the identification of various strategies that focus on ensuring business continuity and recovery. It requires the review of various identified disaster scenarios to develop methods to deal with these situations. It develops an organizational business continuity strategy, identifying which areas we need to concentrate on. Focus on critical operating requirements of the business.

It develops a process-level strategy - a documented framework clearly stating how critical processes will be restarted following an incident or failure. For example, if the payment system for our e-commerce website goes down, we need a specific strategy for resuming operations.

Following types of questions are relevant for strategy formulation regarding BCP:

- What are the measures to reduce and avoid the identified risks and weaknesses?
- Which risks and weaknesses cannot be covered by such measures?
- What must be done if certain or all business processes are interrupted?
- Within which time frames should and can the interrupted processes be recovered?
- What are the priorities of recovery amongst the business users or units?

The goal of the Risk Avoidance and Business Survival Strategy Formulation is to identify the most cost effective disaster recovery solution that meets two main requirements from the business impact analysis stage. For IT applications, this is commonly expressed as:

1. The minimum application and application data requirements
2. The time frame in which minimum application and application data must be available

Disaster recovery plans (DRPs) may also be required outside the IT applications domain, for example in the preservation of information in hard copy format, or the restoration of embedded technology in process plant. This BCP phase overlaps with the Disaster recovery planning methodology. The strategy formulation phase determines:

- The crisis management command structure
- The location of a secondary work site (where necessary)
- Telecommunication architecture between primary and secondary work sites
- Data replication methodology between primary and secondary work sites

Some other determinates are:

- The critical operations staff
- The application and software required at the secondary work site, and
- The type of physical data requirements at the secondary work site.
- The equipment required to maintain critical operations at the secondary work site or with limited staff or other resources

Phase 3-BCP strategy Development and Implementation

For each of the strategies defined in the business continuity strategies phase, detailed functional plans must be developed with which to respond to the various scenarios. It is used to develop and implement a business continuity plan. This describes specifically how we shall deal with incidents. Focus on the priorities of our overall business continuity strategy.

Put in place business unit plans for each department.

In this phase guidelines and detailed recovery plans are developed. This framework covers issues such as:

- What types of disaster(s) invoke the recovery plan(s)?
- Which decision committees must take over responsibility?
- Who is to be informed under which scenario?
- What are the contact details of the people to be involved?
- Where to go and what to do?

In order to assure the proposed measures are executed properly, the framework and guidelines developed must be implemented throughout the organization.

Some organisations may only require a backup plan, while others have to implement a disaster recovery plan, contingency plan or a full business continuity plan. So the development and implementation should be based upon the need of an organisation.

Phase 4-Training, BCP evaluation and Testing

Business continuity training must form part of the organization's training framework and should be allocated part of the training budget. Training should be carried out as soon as the plan is complete as well as when it undergoes significant changes.

The testing is used to determine whether all the individual contingency plans are adequately written to ensure continuity of the business processes and the recovery of the data centre. Purpose of the testing is to achieve organizational acceptance that the business continuity solution satisfies organization's recovery requirements. Plans may fail to meet the expectations due to the insufficient or inaccurate recovery requirements, solution design flaws, or solution implementation errors.

Testing may include following:

- Crisis command team call-out testing
- Technical swing test from primary to secondary work locations
- Technical swing test from secondary to primary work locations
- Application test
- Business process test

At minimum, testing is generally conducted on a biannual or annual schedule. Problems identified in initial testing phase may be rolled up into maintenance phase and retested during the next test cycle.

The development of testing strategies requires a business decision regarding the level and frequency of testing needed to ensure recovery objectives can be achieved during a business interruption or disaster. The frequency and complexity of testing is based on the risks to the institution. Even small, serviced institutions should participate in tests with their core service providers and test other critical components of the BCP. Unmanned recovery testing, where back-up tapes are sent to the recovery site to be run by service provider employees, is not a sufficient test of an institution's BCP.

Additional testing of other aspects of the BCP should be performed to the extent feasible. Testing strategies should detail the conditions and frequency for testing applications and business functions, including the supporting information processing. The strategy should include test objectives, scripts, and schedules, as well as provide for review and reporting of test results. Management should ensure recovery testing is conducted at least annually, or more frequently, depending on the operating environment and criticality of the applications and business functions.

Management should evaluate the risks and merits of various types of testing and develop strategies based on identified resumption and recovery needs. The business continuity planning process should evaluate whether the institution is anticipating operating at full or reduced capacity. Financial institutions should not assume a reduced demand for services during a disruption. In fact, the demand for some services (e.g., ATMs) may increase. If the plan is to operate at a reduced capacity at an alternate site, risks should be evaluated for exceeding that capacity and priorities established as to what will or will not be processed

The process should also evaluate the necessity for enterprise-wide, service provider, and key market participants testing, rather than relying solely on isolated business unit testing. Comprehensive testing requires the evaluation of interdependencies between the critical business functions and systems, and evaluating the criticality of testing those systems in tandem. Management should test its ability to recover current data from back-up media. Institutions should include security measures and procedures within the scope of the test, including ensuring secure copies of the back-up media remain available in the event of an actual problem during testing.

Phase 5-BCP Maintenance and Control

It is imperative that a business continuity plan is reviewed regularly and updated if required. This is done to ensure that the plan stays effective and up to date.

Maintenance of a BCP manual is divided into three periodic activities. First activity is the confirmation of information in the manual. Second activity is the testing and verification of technical solutions established for recovery operations. Third activity is the testing and verification of documented organization recovery procedures. An annual or biannual maintenance cycle is typical. It is very important to keep the plan up to date. Make sure the supporting documentation is updated regularly and review the entire plan each time there a changes in organizational structure or there is a major change to the business. Make sure that all copies of the plan are up to date and destroy all out of date copies.

A special note about computers and data most businesses, regardless of their size, are becoming increasingly reliant on computers and electronic data. A minor incident affecting our computer systems and data can manifest itself into a major interruption to our business if we have not properly prepared how to deal with it. We shall need to consider protection against virus threats as well as protection against the more visible physical threats. Remember it is important to ensure that an up to date copy of all your data is kept offsite at all times.

We might want to consider temporary manual systems of working to allow the business to continue. If this is not possible you should consider using a specialist IT continuity provider. Depending on the company they can offer an end-to-end service from consultancy and planning to the provision of alternative IT equipment and premises.

Conclusion

The strategic management perspective of the BCP have five main phases like environmental scanning phase containing business impact analysis, threat analysis, risk analysis etc.; strategy formulation phase consist risk avoidance and business survival strategy formulation; strategy implementation phase would have BCP development and implementation; strategy evaluation phase would consist training, BCP evaluation & testing; strategy maintenance phase would have BCP maintenance and control. This is an interrelationship between BCP and strategic management process.

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Women Empowerment Through Self Help Group

Bani Anand and Manju Singh

Abstract

This paper explores the impact of participation in Self Help Groups on the empowerment of women in the context of the great importance being given to the group approach while conceptualizing any programme for rural women. The present paper looks at various dimensions of empowerment - political, material, cognitive, perceptual and relational. Access to credit can help in expansion of material base of women by enabling them to start and expand small businesses, often accompanied by market access; the women also experienced 'Power within': feelings of freedom, strength, self- identity and increases in levels of confidence and self-esteem.

Keywords: *SHGs, Women Empowerment, Development, Micro Finance*

Introduction

Women empowerment is one of the top priorities of all development policies across all countries, irrespective of their level of economic development. In fact, there has been a growing awareness among the nation states to take into account the gender perspective while implementing and appraising the performance of developmental programmes as for instance 'gender budgeting'. Furthermore, many conventions and agreements catering exclusively to the needs of women have been organized and implemented. They all aim at ending all forms of discrimination against the fairer sex. It also occupies a prominent place in the Millenium Development Goals set for the government to achieve.

This is not surprising for women continue to constitute the largest segment of socially and economically vulnerable population in all countries. Women are the worst sufferer of any socio, economic, political and natural disaster. The present economic crisis has hit them severely. The reason being that most of the women in developing nations find their employment in the informal sector and this sector has not remain decoupled from the upheavals in the organized sector. Similarly, environmental degradation makes the life tougher than before because it has resulted in acute fuel, fodder and water shortages management of which lies traditionally with the women. Likewise, communal violence

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degrades their well being in various respects.

This paper sets the stage for argument and discussion that whether the SHGs can also be used as a tool to motivate the women to increase their role in political arena or not. Though women face handicaps to their involvement in politics, their participation in SHGs has a great potential to alter this trend and these women can be prospective leaders in the political field. Democracy has the greatest role to play but which role it continues to be vague. It may be comparatively easier to ensure material change than to cause a change in power structures and the ideologies and attitudes which accompany them. However, no milieu is static, and some of the recommendations for a way forward include providing a convergence of inputs, ensuring a proactive involvement of women in the program, changing social norms and perceptions and anchoring with wider movements of political and social change.

Evolution of the empowerment concept

The concept of women empowerment has evolved over time from a narrow focus on ameliorating the economic status of women to provide them at par status with their male counterparts in all walks of life - personal as well as public. The empirical results are spatially as well as sectorally differentiated for the various countries as well as for the same country.

In this context, the works of Nobel Laureate economist Prof. AmartyaSen needs special mention. He has researched extensively on the factors and processes influencing and determining the well being of an individual - and they apply to individuals not genders. He has given holistic view to the concept of women empowerment. This is the reason why there has been a transition from the welfare approach to women empowerment to put it in terms of Sen's word the "agency approach".

In the former framework women empowerment is conceptualized as the process which aims at increasing and enlarging the availability of the commodity basket over time. This approach rest upon the utilitarian approach to development which enunciates that utility derived from the commodity bundle and the welfare are strongly positively correlated. So any measure which increased women's command over resources, was ought to increase their welfare. Since women in the poor countries are devoid of even basic needs such as, a balanced diet, the expansion of the resources (for the time being, consider it in terms of money for, it is supposed to give its possessor command over other goods and services) was thought to greatly increase their welfare and in this framework, empower them. So we find that earlier measures ranging from direct transfer of money incomes to the women to creating employment opportunities for them were designed in commensurate with this approach.

Prof. Sen's work has led to a marked departure from the traditional conceptualization of development. His approach does recognize the importance of material resources in augmenting the welfare of an individual but is neither restricted to it nor is decisively tilted towards it. Instead, it takes under it ambit all those phenomenon by which an individual feels better, happier and content. Thus, in this approach development is a ongoing phenomenon and involves a expansion of the opportunity set of the individual which he / she values.

None will deny the fact that this illuminating analysis by Prof. Sen has provided a deep insight to look at the problem of disadvantaged women. It aids and abets us to gain a better understanding of the various institutions prevalent in the society that tend to limit the choice available to the neglected half and thus disempower them. It also has significant policy prescriptions for the concerned authorities to design and implement measures which bring a sea change in the status of women, particularly in developing countries. It envisages a holistic look at the concept of women empowerment.

Neverthless, it offers an advice for the governments and societies in the western and richer world that women in their society may be economically better as compared to their counterparts in developing countries but this is just one angle of looking at the photograph not the panoramic view. In the western countries, the problems faced by the women are covert rather than overt and also is no less damaging. Some examples include glass ceiling, sexual harassment at work place, inequalities in pay for the same job, less access to higher education, constrained choice regarding career and so on.

The current approach is that women are no longer viewed as a passive receiver of the welfare measures but are increasingly viewed as an active agent of their development process and of the mankind in general. Improvement in the conditions of women has positive outcomes for the well being of children and men as well. There are ample empirical evidences from various sectors viz entrepreneurship, business, politics and academics that women are no less than males in performance and generating output, though both may differ in their approach and way of performing the task.

Foundations of SHGs

A SHG is a small economically homogeneous affinity group of the rural poor voluntarily coming together to save small amount regularly, which are deposited in a common fund to meet members emergency needs and to provide collateral free loans decided by the group. (AbhaskumarJha 2000). SHGs enhance the equality of status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. (Ritu Jain 2003).

Self Help Groups approach to women empowerment is an amalgamation of the concept of 'group approach' of accomplishing a task and 'agency approach' to development. We have discussed the gist of the latter approach in the previous section, let us summaries the same for the former one.

Most of the great works accomplished in the human civilization can be attributed to the groups rather than a single individual. Group approach to decision making and programme implementation has long been employed in various areas including politics - almost all the difficult matters are referred to committees. Most of the successful functioning organisations be it at micro level (a single firm) or at macro level (parliament, as for instance) reinforce the significance of group approach to problem solving.

The most vibrant argument for the group approach is in the form of 'synergy effect'. Simply stated, it refers to the phenomenon in which the whole is greater than the sum of individual parts. Mathematically it is represented as $2 + 2 = 5$ or $2 + 2 > 4$. Thus, the output always exceeds the input. It has one important implication - indicating thereby, a great liverage of the team effort. The performance of the SHGs in any arena as for example, income generation, environmental protection, community participation is better as compared to the combined individual performances only due to this leveraging effect. It is this leveraging effect which can be further strengthened and employed as for instance, social commitment to produce an apparent change in the status of women in the society.

This synergy effect is of utmost importance and lies at the heart of SHGs theory. This is the reason why, it has the capability to alter the lives of women and it has greatly altered the lives of millions of women in various countries of the world and even in our country.

The tool of SHGs is not only instrumental in improving the economic status of the women, for if it would have been the fact then its role in bringing women empowerment would have been severely limited, instead it bestows other benefits which in no sense are less significant than its direct benefits. This is the leverage effect of SHGs as explained earlier.

Links to formal rural finance

The links between self-help groups and the formal microfinance institutions and commercial banks is important feature of self-help groups. To give one example, the Firsipur branch of the Bank of Maharashtra is financing more than 400 self-help groups in the district, lending on average about US$1,600 per group. The bank has set up its own in-house NGO to support these efforts. Loans are provided only to the groups, not individuals (although the groups normally on-lend to individual members). Recovery rates on the loans stand at 99 per cent. In addition to lending to self-help group, which is profitable for the bank, ancillary business has been brought in through self-help group members opening deposit accounts and taking loans as individuals. The impact of the commercial banks' links to self-help groups is attested to by members. In Urali Devachi village (mentioned in the box), members' loans have provided the wherewithal to purchase a flour mill, and the working capital for a market stall selling refreshments and a shop selling saris.

Challenges

There a number of concerns in relation to women's empowerment. First is the capacity building of self-help groups, which are in need of support in accounting, financial management, and organizational development. The second concern is about the gender focus in rural financial services. Despite the focus in project design, there were gaps during implementation. In Maharashtra Rural Credit Project, women tended to be small borrowers and were able to capture only 32 per cent of the bank credit that was provided. Therefore gender focus in designing and implementing rural microfinance services should be enhanced. The third challenge is about how to link self-help groups to agricultural activities, which are of key importance for the livelihoods of small farm holders in India, but at the moment self-help groups have not taken much agricultural activities, as the decisions on agriculture are mainly taken by men.

Implications for political empowerment

We can define empowerment as the process of multiplying power, or creating autonomy in a social system to help an individual, take charge of their efforts, promoting the ability to act collectively to solve problems, influence important issues and contribute to the achievement of main objectives. The fundamentals of empowerment have been defined as agency (the ability to define one's goals and act upon them), awareness of gendered power structures, self-esteem and self-confidence (Kabeer 2001). Mayoux's (2000) definition of empowerment relates more directly with power, as "a multidimensional and interlinked process of change in power relations"

Empowerment never implies transfer of power for power can never be given. Power has to bewrested, and is not given (DeeptiUmashankar 2006). Empowerment helps people to realize and recognise their internal power and exercise it for the benefits of themselves and other. Two points are worth noting in this regard. First, the core of the empowerment process is the individual. Therefore, each and every individual should take greater charge of empowering herself / himself. Second, empowerment is both a process and an outcome and hence, must be visualized in this perspective only.

All the tools of empowerment can be categorized into two groups - structural and process interventions. In the former we mainly include, political and policy commitments while latter involve social commitment and an action on the part of the disempowered itself. The SHGs approach falls into the second category.

Prof. Sen extends his concept of agency approach to the political empowerment of women as well. He admits that most of the women who are actively engaged in politics and have occupied high offices in the countries of South Asia are result of their unique familial circumstances. However, this has an implication for the women in general.

Some of the benefits which SHGs offer to their member's i. e .women which in turn, tends to empower them politically can be discussed under following heads:

- **Self recognition:** development of power within. The self-confidence achieved appears crucial permitting women to step out. The sense of liberty is no less profound.
- **Community participation**
- **Awareness about Local Problems**
- **Independent Voting -** voting according to one's choice

Conclusion

Empowerment is not essential economic one alone; it is a process having personal, economic, social and political dimensions with personal empowerment being the core of the empowerment process. Women's participation in SHGS has altered the lives of many of them, and these women can be prospective leaders in the local political field. The basics of this change are empowerment, self-assurance, political consciousness and assertion of identity. With respect to the control of resources, changes in behaviour and the decision-making reveals that many strides have been made in the right direction and women are in the process of empowering themselves.

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Financial Inclusion: An Agenda for Inclusive growth

Shabana Mazhar and Sebastian T. Joseph

Abstract

The International Monetary Fund is of the view that , 'Strong and inclusive growth must be at the center of the strategy to achieve the Millennium Development Goals' and financial inclusion is an important connect for inclusive growth. The Center for Financial Inclusion under its Financial Inclusion Project 2020 tries to give a very simple definition of Financial Inclusion 'Full financial inclusion is a state in which all people who can use them have access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, and with dignity for the clients. Financial services are delivered by a range of providers, most of them private, and reach everyone who can use them, including disabled, poor, rural, and other excluded populations' Initiatives for financial inclusion have come from financial regulators, governments and the banking industry. The government of India through the various generations of reforms have taken the initiative of inclusive growth. The RBI through its various efforts have been instrumental in promoting financial inclusion with the aim of full financial inclusion.

Keywords: *Financial inclusion, inclusive growth, financial regulators, reforms*

Introduction

Financial Inclusion has been the most debated topic around the world and is considered one of the key strategies for achieving the United Nation's Millenium Development Goals (MDGs) that has to be achieved by 2015.

The International Monetary Fund is of the view that , 'Strong and inclusive growth must be at the center of the strategy to achieve the MDGs' and financial inclusion is an important connect for inclusive growth. Uneven distribution of the benefits of economic growth has led to the focus on inclusive growth. Inclusive growth has become a national policy objective of the Government. The 11th five-year plan (2007 - 2012) envisions inclusive growth as a key objective.

Concept of Financial Inclusion

Committee on Financial Inclusion under the Chairmanship of Dr. C. Rangarajan (2008) defines it as "the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost ."

Raghuram G. Rajan committee on Financial Sector Reforms(2009) 'Financial inclusion, broadly defined, refers to universal access to a wide range of financial services at a reasonable cost. Financial inclusion is not only about credit, but involves providing a wide range of financial services, including saving accounts, insurance, and remittance products'. The Center for Financial Inclusion under its Financial Inclusion Project 2020 tries to give a very simple definition of Financial Inclusion 'Full financial inclusion is a state in which all

people who can use them have access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, and with dignity for the clients. Financial services are delivered by a range of providers, most of them private, and reach everyone who can use them, including disabled, poor, rural, and other excluded populations'. This definition highlights the basic four dimension of financial inclusion:

a) Product: Financial services including savings, credit, insurance, remittances and host of other services

b) Process: services provided in a convenient, affordable, safe and dignified manner

c) Recipient: Everyone who can use them specifically focusing on the excluded population poor people, rural population, ethnic groups, women, disabled)

d) Provider: Financial Institutions with the support of organizations in private ,social and government sectors.

Extent of financial Inclusion

In its landmark research work titled "Building Inclusive Financial Sectors for Development" (2006), more popularly known as the Blue Book, the United Nations (UN) had raised the basic question : "why are so many bankable people unbanked?" An inclusive financial sector, the Blue Book says, would provide access to credit for all "bankable" people and firms, to insurance for all insurable people and firms and to savings and payments services for everyone. "Financial inclusion, thus, has become an issue of worldwide concern, relevant equally in economies of the under-developed, developing and developed nations.

Building an inclusive financial sector has gained growing global recognition bringing to the fore the need for development strategies that touch all lives, instead of a select few.

The extent of financial inclusion in India can be understood from various statistics available.

The Rangarajan Committee on Financial Inclusion (ministry of finance 2008) for example, notes that of total farm households around 73 percent have no access to formal source of credit, where as 55 percent of Marginal farmer households have access neither to formal nor informal sources.

Various studies have been conducted to guage the level of Financial inclusion in India. In an empirical estimation of Index of Financial Inclusion(IFI) for various countries based on the three dimensions of depth , availability and usage India's IFI value is 0.21 with a rank of 21 amongst 45 countries, Switzerland having the highest rank with the IFI of 0.873(Mandira Sarma).In a world bank study it was observed that in India more than half of the labour surveyed store cash at home, while borrowing from moneylenders at high rates of interest and this pattern of behavior (high-interest loans and no-interest savings, with the attendant high risk of theft-or "frittering away"-of savings) worsens their financial situation. This is partly attributed to lack of financial literacy.

Key Areas to be focused

a) Facilitate provision of financial services in remote areas of the country: In the six lakh villages of India, rural branches of Scheduled Commercial Banks including Regional Rural Banks stand out to be 33,495.This is less than 6%. The need of the

hour is to intensify the opening of new branches in unbanked areas so as to enable the excluded population to be a part of the engine of inclusive growth.

b) Speeding up financial literacy drive : Experts are of the view that investment in financial literacy is a must if the people who are excluded from the financial sector are to take advantage of the financial inclusion initiatives that are taking place for a broader inclusive growth. In the joint conference of CFAC and OECD on Financial Literacy held in canada in 2011 it was pointed out that Financial literacy is a key part of the financial inclusion picture.

c) Making the financial institutes costumer friendly: The arduous procedure of opening an account or for that matter getting any financial services discourages many people to look towards financial institutions for getting financial services. The cumbersome procedure should be simplified and policies should be customer friendly.

e) Adoption of information technology for financial inclusion: In India where infrastructure in terms of transportation has still to go ahead the use of information technology should be made in a big way to include the people excluded from the benefits of financial sector.

Initiatives for Financial Inclusion

Initiatives for financial inclusion have come from financial regulators, governments and the banking industry. The government of India through the various generations of reforms have taken the initiative of inclusive growth but still the fruits of development have not percolated in an even manner and majority of the population is suffering from the ill effects of poverty. RBI has initiated several measures to achieve greater financial inclusion. Bringing the larger population within the structured and organised financial system has explicitly been on the agenda of the Reserve Bank since 2005 (Mohan, 2006). Some of the efforts are:

a) Taking Initiatives in financial Literacy : The Reserve Bank is taking a number of measures towards financial literacy and credit counselling. The Reserve Bank has undertaken a project titled "Project Financial Literacy". The objective of the project is to disseminate information regarding the central bank and general banking concepts to various target groups, including, school and college going children, women, rural and urban poor, defence personnel and senior citizens.

b) Setting of National Rural Financial Inclusion Plan (NRFIP) : The Committee on Financial Inclusion constituted by the Government of India (Chairman Dr. C. Rangarajan) to prepare a strategy of financial inclusion recommended the setting up of a mission model National Rural Financial Inclusion Plan (NRFIP) with a target of providing access to comprehensive financial services to at least 50 per cent (55.77 million) of the excluded rural households by 2012 and the remaining by 2015.

c) Opening of No-frills account : In 2005, RBI asked banks to offer a basic banking 'no-frills' account with low or zero minimum balances and minimum charges to expand the outreach of such accounts to the low income groups.

d) Relaxation in Know Your Customer Norms: The RBI relaxed the KYC norms for people with low income groups, both in urban and rural areas to encourage their inclusion in the financial stream. KYC procedure for opening an account was simplified for people who had balances of not more than 50,000 and credits not exceeding 1,00,000 in a year.

e) Adoption of Business Correspondent Model:The Reserve Bank of India (RBI) developed a set of guidelines to formalize branchless banking, which they called the Business Correspondent (BC) model in order to promote financial inclusion amongst the unbanked,. Under this framework, banks can partner with third party agents to provide financial services such as credit and savings on their behalf.

Conclusion

Financial stability, economic stability and inclusive growth with stability, is not possible without achieving financial inclusion. Lots of initiatives are being taken by the government, the financial sector and its regulator and positive results are visible but still a lot of work is to be completed before the majority of the population is financial included as a necessity for inclusive and sustainable growth.

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Indian Council for Research on International Economic Relations

'Furthering Financial Inclusion through Financial Literacy and Credit Counselling'

Socio-Economic Impact on Kanjar Community of Mewda Colony, Kapasan, Chittorgarh District., Rajasthan

Ity Patni and Agam H. Maloo

Abstract

Socio-economic impact assessment (SEIA) focuses on evaluating the impacts development on community social and economic well-being. This analysis relies on both quantitative and qualitative measures of impacts. Development impacts are generally evaluated in terms of changes in community demographics, housing, employment and income, market effects, public services, and aesthetic qualities of the community. Qualitative assessment of community perceptions about development is an equally important measure of development impacts. Assessing proposed developments in a socio-economic context will help community leaders and residents identify potential social equity issues, evaluate the adequacy of social services and determine whether the project may adversely affect overall social well-being. This paper is an attempt to explore the socio economic issues of Kanjar community of Mewda Colony, Kapasan (Rajasthan).

Keywords: *Socio-economic impact assessment, social equity issues*

Introduction

Some tribes are criminal because a 'dated law' defines them to be so, although there might be other groups who may be more consistent in their criminal behaviour. The word kanjar has been derived from the Britain, kanjar-vencey, which means ''चार दिवारी में बंद''. They claim to have origination in Rajasthan. The Kanjar then had to flee to the jungles to avoid Mughal persecution. Since that period, they have been living in the jungle, and make their living by hunting, theft and robbery. They are divided into five major groups known as mala Kalkhr, Bedia, ?? , Kalbeliyas. These five groups are based on their work like malas are known for robbery and battles kalkhar mean work according to time they are the farmer, nats are the roper or street performers, kalbeliya means death playing their profession. Their livelihood is to catch snakes and other poisonous animal for poison and the badeyas are belonging to prostitution. The men's of this group are dedands on

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their sister and mother for their living hoods this five groups will marry in their own group the malas was divided into 12 group known as daheya, machar ,kumcha , karan,deda,sapareya,ghangheya,bhura .puran, pala,sandiya & koreyathise 12 malas marry each other with other family of other malas.

Background

Kanjars were listed under the Criminal Tribes Act, 1871, as being a tribe "addicted to the systematic commission of non-bailable offences. Kanjars are an ancient, widely dispersed, and endogamous population of nomadic artisans and entertainers spread throughout Southwest Asia. They are widely known as singers, dancers, musicians, operators of carnival-type rides, and prostitutes; they are best known for the small terra-cotta toys they manufacture and hawk door-to-door through sedentary rural and urban communities.

In Rajasthan, the Kanjars are a nomadic community, and said to have been the genealogists of the Jat community. The Kanjars are found mainly in the districts of Bhilwara, Chittorgarh, Banswara and Tonk. They speak the Mewari and have been granted Scheduled Caste status. The Kanjar are further divided into twelve exogamous clans, the Bamnawat, Malvi, Karkhar, Chitrawat, Singhawat, Karmawat, Gudrawat, Jhalawat, Singauri, Suklawat, Nanawat and Singawat. Unlike other Kanjar communities, the Rajasthan are mainly a community of cultivators and agricultural labourers. The Kanjar are Hindu and pay special reverence to Mata and Gora ji Baavji. They never had permanent residence in Mewar and Malwa. But due to the increase in the criminal activities in the region an attempt to settle down the kanjars was made by Sri Pratap Singh who managed to settle down some families near Mavli. They were given agricultural land to earn their breads but seeing no substantial change in their settlement into colony with all facilities enough to live normal life.

It was Maharana Bhopal Singh who attempted to settle this caste at a village named as Mewda Kanjar Colony in 1934. They were also granted the advantage of engaging themselves in agricultural activities in close by land, many of those got advantages by doing labour work in the nearby urban area. In the beginning Kanjars from Mavli called as Mavli Party came over to settle later on Kanjars from vallabhnagar and Bhilwara came and settles there the aim of the Maharana was to put a check on the criminal tendencies of the Kanjars so a permanent police post was provided.

The social life concerns with living in a group unity. That is the also reason why they do not deceive leaking the secrets of their own persons to police. They have Panchayats of their own Mukhia is responsible to give decisions with the consent of others experienced a key persons of the village on the matters like land disputes and other quarrels. Kanjars require good socialization; they keep themselves aloof from other communities and do not have good relations with them so they are not able to join themselves with social mainstream. They are very much addicted to drinking only and they make strategies to commit crime. These peoples are from educationally backward class and many people are illiterate. In the colony itself very few people took advantage of the opening of the school in 1934 immediately after their settlement. After independence the school remained close for many years. Now a gradual increase in the number of the school going children has been noted but still not all the children attends the classes regularly.

Income-producing activities fall into three basic domains: (1) sale of gugu (terra-cotta toys); (2) entertainment routines including sale of jhula (carnival rides), singing, dancing, music-making activities, and prostitution; and (3) some begging strategies. Some families keep and train fighting dogs and roosters; However, income from wagers on animal fighting is not reliable. In rural areas Kanjar bargain for measures of wheat, rice, and other cereals as payment for their goods and services. In urban settings they are more inclined to accept cash, though even there many will negotiate for sugar, flour, and cast-off clothing as remuneration. Prostitutes demand cash. Occasionally, females will offer sexual favors in order to avoid harassment from local police or other authorities. Earnings in soft commodities are accumulated and transported until sufficient quantities justify visits to regional markets where the goods are sold for cash. Income not needed for immediate subsistence requirements is converted into silver and gold. Rice, chappatis (flat bread made from unleavened dough), dried lentils (dal), produce such as onions, potatoes, and chilies, occasional fresh meat, tea with milk and sugar, and yogurt comprise their basic diet. Enough of these items are usually earned daily; cash outlays for food generally are restricted to purchases of cooking oil, spices, tea, and luxury items such as fresh fruit and sweets. Family pack animals and goats are grazed in rural areas; however, in more crowded urban areas fodder is often purchased with cash. Seasonal income is influenced by local conditions in the diverse communities Kanjar service. Resourceful families may accumulate considerable wealth.

In Kanjar community, most of the people prefer the child marriage. Because of the poor family, they are unable to fulfil the desire of their son. That is why they prefer child marriage and just after marriage, parents constructed separate home for their children not considered as a member of the family and new ration card was made for them.

Tension and disputes arise from bickering between spouses or entertainers working together about share and distribution of earnings, adultery or excessive sexual joking, disagreements about travel routes and tenure in an area, and bride-price negotiations, as well as individual transgressions such as drunkenness, excessive abuse, theft, physical attacks, serious injury, and murder. When group pressure and negotiated compromises fail, Kanjar have a formal legal System for hearing and resolving serious disputes. Since they lack institutions or formal roles for enforcing group sanctions, settlement of disputes ultimately devolves on the conflicting parties, their families, and their allies.

Liquor an integral part of life-From birth to death

Kanjars are very much addicted to drinking and they drink the special homemade type of drinks which was made from Jaggery{gudd}which was made instantly by them and after drinking only they make plans and strategies for robbery. Apart from agriculture and labour they hardly have any kind of permanent occupation so they are not ashamed of committing crime and teaching their children the tactics of it from their very early years of their lives.

Many families other than those which are put under BPL category are also facing immense property. Every Holi, Diwali, Rakhi and Amavasya, the Kanjar tribe gathers at the cremation ground carrying bottles of the favourite tipple of their departed ones.

Despite it all, they have adhered to their customs and continue to honour the deceased in a unique way. They cremate the dead, but instead of immensing the remains, they bury the ashes under a tomb a rectangular water tank-like structure with a raised mounted-in a practice similar to that followed by the Egyptians. Each of the tomb has a small opening on top that acts as a door for the "souls to go on earthly visits". Inside, articles used by the deceased are stored. The knick-knacks include jewellery, mirrors, comb, towel, dress, hair oil and sometimes, even soap and a few rupees. The vices of the dead are also taken care of: a bottle or two of homemade liquor, tobacco and a few bidis also find their way into the tombs. The idea being "the souls should have access to all the comforts and luxuries even after death".

Present Socio-economic conditions of Kanjars

Today, Kanjars' comprise the poorest of the poor and the mist neglected, undignified and virtually non-existent part of Indian society. The kanjar communities have been isolated from the rest of the community for many years and no one, in recent history, has ever approached the Kanjars' with good intentions.

The consumption of liquor had become such a common practice that even dinner was often a complete meal of 'roti' (bread) and alcohol. The Kanjars' also believed that the alcohol consumption is able to cure high fever in children. It was so prevalent in the community that 'roti' are soaked in liquor before cooked. Today, Despite of Crime they opt earn by struggle like, labour work, farmings, cultivating, etc. and day by day they are adopting todays culture.

Research Methodology

Objective

The aim of the survey is to study the Kanjar community in Mewda Colony and influence towards the new culture and accessing their relation with police, government and other organizations. Following are the specific objectives covered:

i. To study the socio-economic structure of the colony.

ii. To study the education scenario of the community and suggesting ways to promote the importance of education.

iii. To study the occupational status in the families and suggest the ways to provide the unemployed and underemployed people a better and suitable occupation.

iv. To analyse why the Kanjars have been involved in the antisocial activities so far and recommend measures to divert the community from being involved in crime.

v. To study the social norms, customs and taboos and highlight the social evils prevailing.

vi. To study the marriage customs and influence family member to stop the custom of Child Marriage.

- **Basic Facilities**

  The whole community's farmers are depending on the Monsoon rain because the problem of 49 people is that they have but they don't have water. So basically they are very much dependent on rain and rest 59 people don't have irrigation facility because no river, pond and any artificial lake was there by which they get irrigation facility. So this 59 people and many of the people are like that they don't have land and they do labour work in another's farming land and if there is no rain, no irrigation facility then how that labour will fulfil his basic needs. So there is a main problem of water in Mewda Colony.

- **Educational Qualification**

A very big problem of this Kanjar community is they are not that much educated, and old aged peoples are basically related to Crimes, Theft, Dacoit, etc. that is why they don't give importance to the education. Now the time comes where today's generation of this community they at least do secondary education before marriage. But they are not employed because of the competitive world that is why the only work left that is manual labour and by which they fulfil their needs. A family in the colony has two teachers teaching in the government schools, one retired teacher and a boy during training of teaching after completing B.Ed. and is the source of inspiration for others. And a person who wants to do secondary education above 8th class, they have to move to the kapasan daily for attending classes.

- **Women Education**

  Most of women are educated but still it was observed that about 70% of population is in the favour of girls and at present people have stopped discriminating their children on the basis of sex up to a larger extent and number of school going girls increase in recent years. But they are not in favour of providing higher education to the girls because they believed that the girl child are meant for home and house management techniques rather than getting education as after marriage she is supposed to leave home for her in-laws' place.

- **Social Status**

  Kanjars are socially backward in class because they don't have any relation with their own relatives they abuse them, and after drinking there attitude changes and past also said that they are criminals, hence the threat always remain in the mind of other groups.

  The old people of village said that now Kanjars have started socializing with the Jat and few other castes of nearby villages but in the past times they always had a relation of snake and mongoose. 100 percent of The Kanjar community people are Hindu and pay special reverence to Mata and Gora ji Baavji.

- **Infrastructure**

  The infrastructure of the colony is very poor because the people said that they don't get the benefit of government scheme that BPL families get benefits, but the colony people don't and out of 212 families only 32 families have pakka (permanent) houses otherwise all the houses are for temporary purpose which is basically made from mud.

- **Customs and Practices**

  The birth ceremony, marriage, funeral and many things are performed in a similar manner as Hindus. It varies on the point that they have no priest on the religious occasions because Brahmins and many upper classes are treated them as untouchables. The system of dowry is there but just opposite to the system of Hindus. Boy's parents have to pay some money in the return of the girl they get.

  Many times married woman is taken by another man and in return he gives some heavy amount of money or gifts to the previous husband of the lady and lady's parents have no share in it. The system many times lead to the mutual destruction among suitors of wife. Such families are breeding ground behind woman as a commodity leaving behind woman as a commodity to sell and buy.

  Kanjars are very much addicted to drinking and smoking; they draw it at their houses so easy availability of liquor makes them regular to it. The liquor is mad from the jaggery{Gudd}, khera bark and ammonia and at their religions place of Mata and Gora ji Bavji then if any of the person found drunk then they believe that person is somewhere defeat and many times it happens.

- **Conclusion**

  The core of the problem asserts that the Kanjar community is completely addicted with liquor consumption because of which the crimes are enormously increasing and the family relationships are also affected to a great extent. Most of the people of the society are daily wage labours and they spend every bit of their hard earned money for consumption of liquor because of which the evils in society are increasing day by day. This is to recommend on a sincere note to the concerned authorities that the education and training for earning their livelihood for this community is required. It may result in a development of Kanjar community.

Integrated Reporting: An Empirical Analysis of India Corporate Sector

Azhar Ahmed Sheikh and Prashant Singh

Abstract

The liberalization of international trade, continuous development of multinationals and growing interest of stakeholders have increased demand for more complex information reflecting economic, social and environmental issues along with financial information. So the world's organization came forward and made joint efforts to develop a globally accepted framework for integrated reporting, which ensures the integration of financial as well as non-financial information in a single report. The objective of our study is to familiarize with the term integrated reporting and to empirically analyze the level of integration in the annual report of Indian corporate sector. For the purpose of study we selected 15 companies from different sector, which have high environmental effects. Then we identified the type of correlation between financial and non-financial information presented in the annual report and finally analyzed the level of integration in the report. The paper concludes with that, though Indian corporations are presenting the social and environmental information, but the adoption of integrated reporting at infancy stage.

Keywords: *Financial, Social, Environmental, Information, Stakeholders, Integrated Reporting*

Introduction

Corporate reporting should present the real picture of overall performance, which can serve the need of the stakeholders. In the past era, when the size and operations of corporate houses were limited, they never felt the need for disclosing their different practices to the world. However, after industrialization mandatory disclosure of financial information through annual reports was started as a requirement of Acts and Regulations in the corporate sector. With the passage of time there is a growing urge for disclosure of non-financial information which gives valuable guidance to stakeholders as well as others. There has been a paradigm shift in handling corporate transparency this is no longer a destination but a journey that is evolving over the passage of time.

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The growing and varying interest of stakeholders in the corporate houses gave birth to two new concepts i.e. corporate social responsibility and sustainability report. Corporate Social Responsibility (CSR) refers 'the way that businesses are managed to bring about an overall positive impact on the communities, cultures, societies and environments in which they operate'. While Sustainability can be defined 'as an ability or capacity of something to be maintained or to sustain itself. It's about taking what we need to live now, without jeopardizing the potential for people in the future to meet their needs'. In this process corporate have to report on their corporate social responsibility as well as on sustainability also. The western model of capitalism and corporate reporting has been questioned following the onset of the banking crisis in 2007 because of its apparent dependence on short term financial factors over other forms of capital (social and natural capital) and longer time scales. Corporate reporting no longer reflects the needs of the 21st century; resilient capitalism needs financial stability and sustainability in order to succeed. To overcome from this problem a new trend in corporate reports evolved i.e. Integrated Reporting.

In order to create globally accepted integrated reporting framework a council namely 'International Integrated Reporting Council' (IIRC) was established. From its inception IIRC is continuously working with Global Reporting Initiative (GRI) to develop a standard framework for integrated reporting.

In simple terms, integrated reporting refers to the integrated representation of a company's performance in terms of both financial and nonfinancial results. IIRC defined integrated reporting as "a concise communication about how an organization's strategy, governance, performance and prospects lead to the creation of value over the short, medium and long term."

This study is an attempt to gain familiarity with the term Integrated Reporting <IR> and to empirically analyze how Indian corporations manage to integrate their financial and non-financial elements within a single annual report. It also explains whether financial performance has an effect on the level social and environmental disclosure in an annual integrated report.

IIRC: Guiding Principles and content elements for <IR>

An integrated report should provide clear and concise picture of how efficiently an organization allocated and managed its all types of capitals i.e. financial capital, human capital, intellectual capital, social capital and environment capital. Here the integration simply means the integration of the three elements in a single report showing in Figure 1:

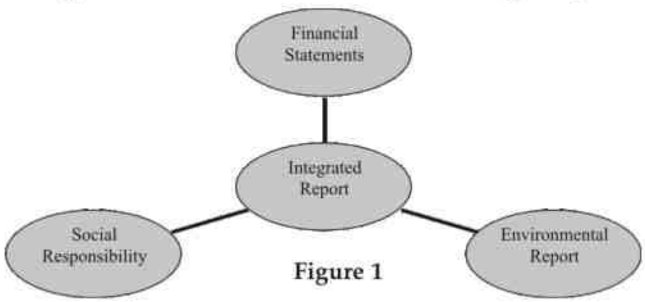

Figure 1

The IIRC has set out the content elements and guiding principles which underlie Integrated Reporting. The Integrated Report should cover the six content elements using the five guiding principles to enable capital providers and other key stakeholders to make decisions about the business's value and stewardship.

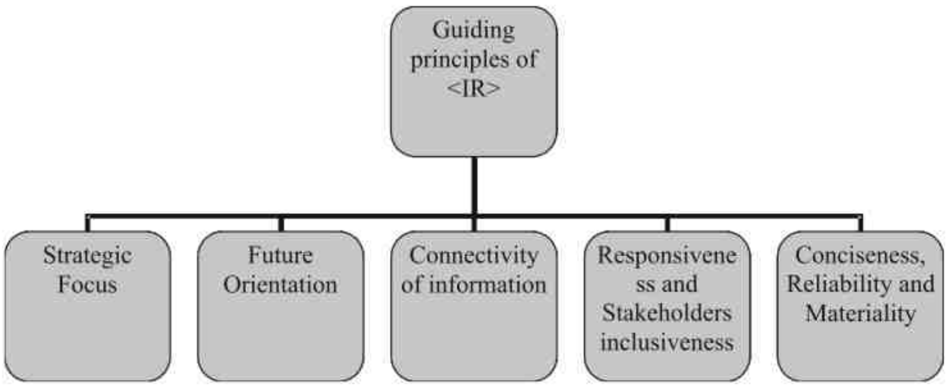

Figure no. 2: Guiding Principles
(Source: www.kpmg.com)

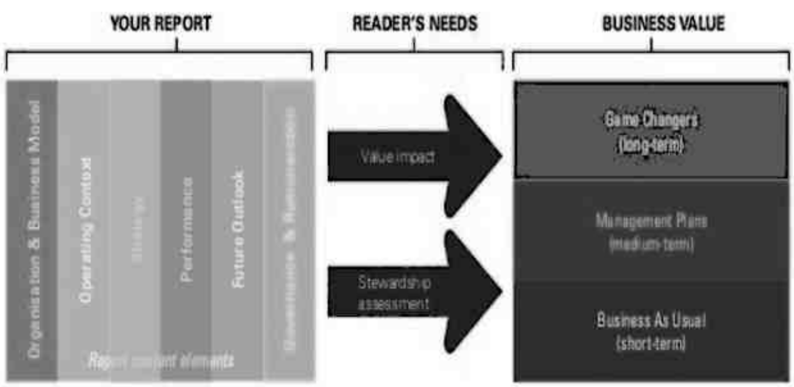

Figure no. 3: Applying<IR> contents elements
(Source: www.kpmg.com)

Review of available literature:

Integrated Reporting <IR> is a recent buzz in the corporate world. Worldwide organizations, institutions, associations, accounting professionals and experts are joining their efforts to develop a globally accepted standard framework for integrated report. In this regard the pilot programme of IIRC has been very successful so far. The well defined indicators and framework for financial information are available, but not for non-financial information. However, currently GRI guidelines (G3 & G4) represent an important initiative for non-financial reporting. So many studies has been conducted in this regards, few among them are:

Carels et al, (2014) employed interpretive text analysis to gauge the extent to which social, environmental and ethical issues (SEE) are included in the integrated reports of South African mining companies. The research concentrates on the annual/integrated reports of a sample of 15 companies primarily listed on the JSE in the mining sector from 2008 to 2012. They found that there has been a significant increase in the quantity of SEE disclosures and extent to which these disclosures are integrated in annual/integrated reports from 2008 to 2012. Environmental and social disclosures increased most significantly with only marginal increase in ethical disclosures. This is in line with the argument that SEE disclosures could serve as a means of bolstering the legitimacy of the reporting entities.

Rensburg and Botha, (2014) investigated the type of corporate-related information being used by various stakeholder groups in South Africa. They used web-based survey to data collected from 421 respondents and use a stepwise regression analysis, the analysis found that the integrated reports do not contribute significantly to investors' decision-making processes. The financial reports and interim reports were the most relevant sources of information. A correspondence analysis is then used to investigate associations between the level of education and the type of information being used by stakeholders. The report concludes that an obstacle the wide-spread use of integrated reports in South Africa is educational restrictions.

Abeysekera, (2013) provided an overview of the integrated reporting initiative and makes reference to the guidelines provided in King-III and the recommendations of the Integrated Reporting Council in the UK. They developed a template for reporting intellectual, social and environmental capital in an integrated report. Key recommendations include the following:

- Assumptions and judgements should be stated clearly as a 'hedge' against litigation;
- There should be a clear link between strategies, values and targets of the organisation.
- Integrating financial, social and environmental performance may require change in business model as the emphasis moves from a focus on financial profitability to multiple areas of attention for management.
- In turn, this will require careful consideration by the auditors contemplating how to provide at least some level of assurance on different aspects of the integrated reports

Dragu and Tiron-Tudor, (2013) examined the financial and non-financial disclosure in the annual/integrated reports of 16 Asian-Pacific companies participating in the International Integrated Reporting Committee's pilot programme. Social and environmental performance indicators (per the GRI G3) were identified and a basic disclosure index is computed. The correlation between these disclosure indices and ROE and ROA was determined. They found that there is a direct correlation between ROA/ ROE and the nonfinancial disclosure indices in only 2 cases. In other instances, it appears that there is either an indirect or no correlation between the metrics.

Frías-Aceituno et al, (2013) examined the reports prepared by a sample of 750 companies per the Forbes Global 2000 list for 2008 to 2010. Factorial analysis is used, together with an 'econometric modeling' with the type of report as the dependent variable and several independent/dummy variables including the nature of the legal system and enforcement of regulations. They found that firms in civil law countries have a higher interest in disclosing integrated information (H1). Companies in countries with legal systems geared towards protection of stakeholders - and with strong legal enforcement mechanisms- are more likely to publish integrated information (H2). They also found that larger and more profitable firms are also more likely to prepare integrated reports.

García-Sánchez et al, (2013) examined the effect of national cultural systems on integrated reporting based on 1590 companies from 20 countries from 2008 to 2010. Companies were selected from the Forbes Global 2000 list. They study relies on Hofstede's (2011) cultural dimensions: individualism versus collectivism, masculinity versus femininity, tolerance versus aversion to uncertainty and power versus distance.

Each of Hofstede's dimensions (including long-term focus) was included as a dependent variable in the analysis and subject to an econometric model based on data dependence analysis. At a firm level, firm size, industry and profitability are positively correlated with the extent of holistic (integrated) reporting. At a broader level, companies based in countries with a collectivist, feminist cultural system (with a focus on corporate ethics, sustainability and good governance) tend to publish integrated reports.

Makiwane and Padia, (2013) examined the levels of corporate governance disclosures. It does not consider integrated reporting initiatives explicitly but does provide a broad review of the extent of non-financial information being included in annual reports following the release of King-III. Fourteen disclosure categories are used to analyse trends in non-financial disclosures relating to ethical leadership and corporate citizenship; the activities of boards of directors and committees of the board; the governance of information technology; internal audit; and social, environmental and economic suitability. A total of 111 indicators from King-III and the GRI (2011) are used to analyse the financial reports of 92 companies and examine changes in the quantity of nonfinancial disclosures from 2009 (the base year) to 2010/2011. A spearman correlation coefficient and differences in mean disclosure scores are used to quantify the differences. The study stops short of considering the quality of the disclosures but does confirm that companies are placing more emphasis on non-financial information.

Van Zyl, (2013) examined the sustainability reporting disclosure of companies included as top performers according to the JSE's Social Responsibility Index. They developed evaluation matrix (disclosure checklist). The checklist uses a five-point scale. Reports with a year ending on or before 1 March 2010 are used as a base and compared with the disclosures found in the 2011 year-end reports. A total of 23 companies were used. They found that overall, there seems to be uncertainty about what a 'good' integrated report ought to contain.

Eccles et al, (2012) found that American companies with higher measurement and disclosure of non-financial information and established stakeholder engagement processes tend to outperform their counterparts in terms of stock market and accounting performance.

Jensen and Berg, (2012) examined possible country-specific variables which may predict the prevalence of integrated reporting models in favour of more traditional reporting models. They used a sample of 309 companies and rely on a number of institutional theories to examine characteristics of countries where IR is more prevalent. They found that countries with a high investor protection with financial systems characterized by disperse ownership and high degrees of market coordination tend to have integrated reporting.

Samkin, (2012) examined the annual reports of the sustainability reports of Denel (Pty) Ltd. The content analysis is computer-aided. They found that the emphasis of the sustainability report changes over time albeit that the underlying essence or principles in King-II (and later King-III) remain apparent in the reports from 2007 to 2011. A cluster analysis is used to illustrate the main principles or themes in each of the sustainability reports.

Research Methodology and Data Acquisition:

On the basis of judgmental sampling, we selected a sample of 15 large (substantial market capitalization) Indian Companies from different sectors listed over Bombay Stock Exchange (See Annexure 1). Our study empirically analyze the published annual report of selected companies for the year 2014-15 to determine the degree of disclosure for environmental and social information, testing correlation with financial ratios and identifying the integration degrees.

Our analysis has been divided into two parts, first part contains analysis of the correlation between the financial scores and non financial information disclosure. Second part examines the integration level of the annual reports of sample companies.

In the absence of a well defined framework for integrated reporting, we decided to conduct our analysis from the perspective of voluntary disclosure of GRI G4 Guidelines. In order to test the compliance with GRI G4, we identified the social and environmental performance indicators disclosed within the reports. In addition, for each of the sample company, we examined the financial ratios, ROE, and ROA, testing their correlation with the non-financial information- social and environmental. Regarding the scores for environmental and social information, we used the following codification: "0" for the performance indicators that are not mentioned within the report, "0,5" for partial reporting and "1" for full disclosure. Further on, we extracted the financial elements of total assets, equity and net income, necessary for determining the ratios of return on equity and return on asset- that represent the financial information.

The disclosure index for social and environmental data has been computed according to the formula stated below:

DIIR = Σ(di effectively disclosed)/ Σ(di all possible cases of disclosure)

Our main research question is: Does financial performance influence the integration level in an annual report? As mentioned before, by financial performance we understand the levels of ROA and ROE. We define the integration level as organizations' willingness to disclose more socio environmental information.

Empirical Results and Discussion

First part of analysis explains the correlation between financial and non financial information. For that purpose we extracted data from the Annual Report and we can observe the connections between the financial and the non-financial information (Table 1).

Table 1. Financial, Social & Environmental Information presented in annual reports

Companies	*ROE*	*ROA*	*Social DI*	*Environmental DI*
AGRO TECH FOODS LTD	0.1189	1.2859	0.5500	0.4500
BATA INDIA	0.2322	1.5905	0.5000	0.4000
BHEL	0.0423	0.0188	0.9500	0.8000
COROMANDEL INT. LTD.	0.1862	0.7432	0.7500	0.5000
DLF	0.0545	0.9669	0.8000	0.5500
GAIL	0.1043	2.2956	0.9000	0.8500
INDIAN OIL CORPORATION	0.0775	2.7995	0.9000	0.8500
MARUTI SUZUKI	0.1565	7.8470	0.9000	0.8000
NTPC	0.1260	0.9903	0.8500	0.7000
PI LTD	0.2756	0.6462	0.8000	0.7500
PIDILIT	0.2136	0.4583	0.7000	0.4500
RELIANCE INDUSTRIES LTD	0.1051	6.6805	0.9500	0.8500
TATA CHEMICALS	0.1055	2.3722	0.7500	0.6000
TATA STEEL	0.0965	6.8640	0.9000	0.9000
ULTRATECH CEMENT	0.1068	6.8722	0.9500	0.8500

(Source: Authors own computations)

Chart no. 1 shows the evolution of the financial indicators - ROA and ROE-, as well as the social and environmental disclosure index. We can observe that corporations tend to present more social than environmental information in their integrated reports. Regarding the influence of financial ratios on social and environmental disclosure, we can track both direct and indirect correlations. However, ROA seems to generate a higher influence than ROE.

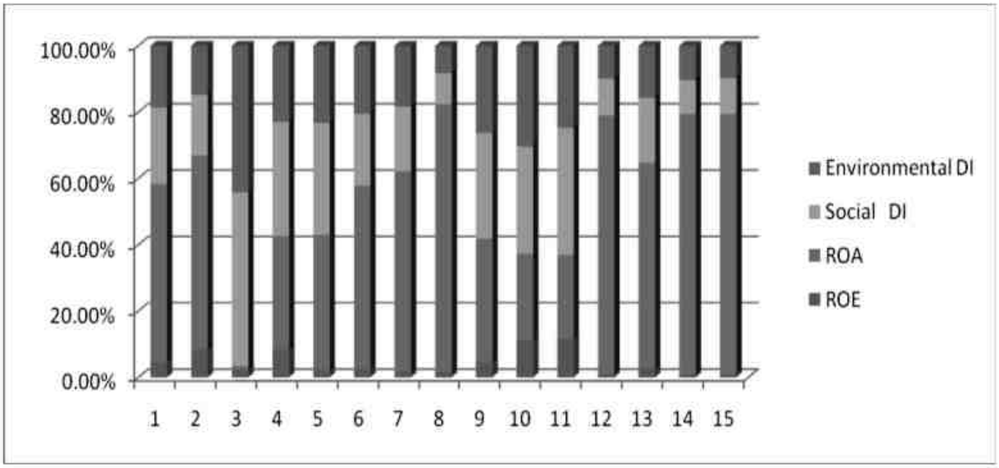

Chart no. 1

We should distinguish between the financial information, that is mandatory by legal requirements, and the voluntary non-financial (social and environmental) information that follow a set of guidelines. We consider that the most relevant measurements for the financial information represent the ratios of ROE and ROA. The annual reports of our sample companies disclosed the elements needed for determining these ratios (Net Income, Total Assets, Equity - that are comprised on the balance Sheet and Profit and Loss Statement).

The social and environmental information has been measured using a disclosure index applied to the elements requested by GRI 4 guidelines. Therefore, we tested the GRI compliance on our sample companies.

By definition, integrated reporting means bringing together financial and non-financial (social and environmental) information into one single report. In addition, the integration level has been tested using the following framework:

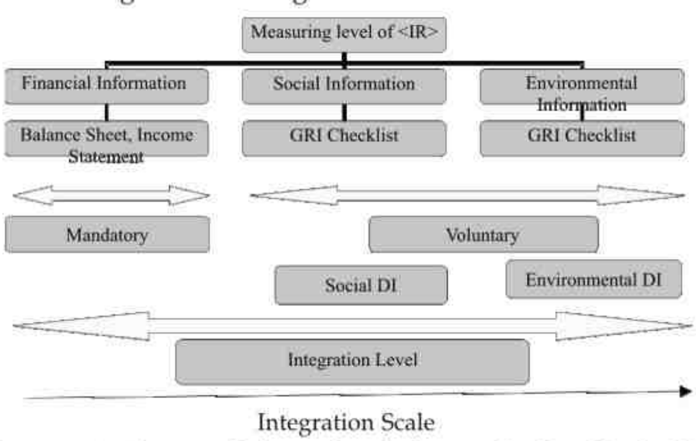

Figure no. 4 - Framework for testing the integration level in the IAR
[Source: Dragu & Tudor (2013)]

The current research perceives the process of integration as an aggregation of information - financial, social, and environmental. Actually, our vision on integrated reporting represents a combination of 3 reports into one single document: Financial Report, CSR Report, and Environmental Report. As financial information is mandatory, and organizations have to provide it in the Annual Report, we consider that integration takes place by adding the non-financial (social and environmental) information in the AR. In addition, we try to test if financial performance can influence the integration level on an IAR - that represents the addition of social and environmental disclosure to the financial one according to definition.

Table no. 3 presents the correlations between the financial and non- financial information. For each of our variables (financial - ROE, ROA; and non- financial - Social DI and Environmental DI) we determine an average value. This value stands as reference in the first part of our analysis for testing the connection between financial ratios and the disclosure level of non-financial information. The same average value is considered in the second part of the analysis, where we investigate the integration of financial with social and environmental information.

Companies	ROE		ROA		Social DI		Environmental DI		Test	Result
AGRO TECH FOODS LTD	0.1189	Below Average	1.2859	Above Average	0.5500	Below Average	0.4500	Below Average	H01	No correlation
BATA INDIA	0.2322	Below Average	1.5905	Above Average	0.5000	Below Average	0.4000	Below Average	H01	No correlation
BHEL	0.0423	Below Average	0.0188	Below Average	0.9500	Above Average	0.8000	Above Average	H03	Indirect correlation
COROMANDEL INT. LTD.	0.1862	Below Average	0.7432	Above Average	0.7500	Above Average	0.5000	Below Average	H01	No correlation
DLF	0.0545	Below Average	0.9669	Above Average	0.8000	Above Average	0.5500	Below Average	H01	No correlation
GAIL	0.1043	Below Average	2.2956	Above Average	0.9000	Below Average	0.8500	Below Average	H01	No correlation
INDIAN OIL CORPORATION	0.0775	Below Average	2.7995	Above Average	0.9000	Below Average	0.8500	Below Average	H01	No correlation
MARUTI SUZUKI	0.1565	Below Average	7.8470	Above Average	0.9000	Below Average	0.8000	Below Average	H01	No correlation
NTPC	0.1260	Below Average	0.9903	Above Average	0.8500	Above Average	0.7000	Above Average	H01	No correlation
PI LTD	0.2756	Below Average	0.6462	Above Average	0.8000	Above Average	0.7500	Above Average	H01	No correlation
PIDILIT	0.2136	Below Average	0.4583	Above Average	0.7000	Above Average	0.4500	Below Average	H01	No correlation
RELIANCE INDUSTRIES LTD	0.1051	Below Average	6.6805	Above Average	0.9500	Below Average	0.8500	Below Average	H01	No correlation
TATA CHEMICALS	0.1055	Below Average	2.3722	Above Average	0.7500	Below Average	0.6000	Below Average	H01	No correlation
TATA STEEL	0.0965	Below Average	6.8640	Above Average	0.9000	Below Average	0.9000	Below Average	H01	No correlation
ULTRATECH CEMENT	0.1068	Below Average	6.8722	Above Average	0.9500	Below Average	0.8500	Below Average	H01	No correlation

There may be three types of correlations between the financial and non financial disclosure i.e. no correlation (H01), direct correlation (H02), indirect correlation (H03). The condition of direct correlation was met when both ROA and ROE were above average/below average, and this fact generated a disclosure index that was also above the average/ below average. This means increase in financial performance leads to the increase in non financial disclosure or vice-versa. The indirect relationship appeared when having contracts between financial ratios and non-financial information disclosure - either below average ROE and ROA with above average DI for social and environmental information, or the other way around. This implies that an increase in the financial performance leads to a decrease in non financial disclosure or vice-versa.

Our observations indicate that none of the company from 15 sample companies has direct correlation in financial & non financial disclosure. Only a single company Bharat Heavy Electricals Limited (BHEL) maintains an indirect correlation in which low rates for ROE and ROA conduct to high disclosure in Social and Environmental data. While all the other companies present no correlation between their financial scores and non financial information disclosure.

The second part of the analysis considers the integration level of the annual reports. We discuss the integration of financial and non- financial information starting from the three types of correlations:

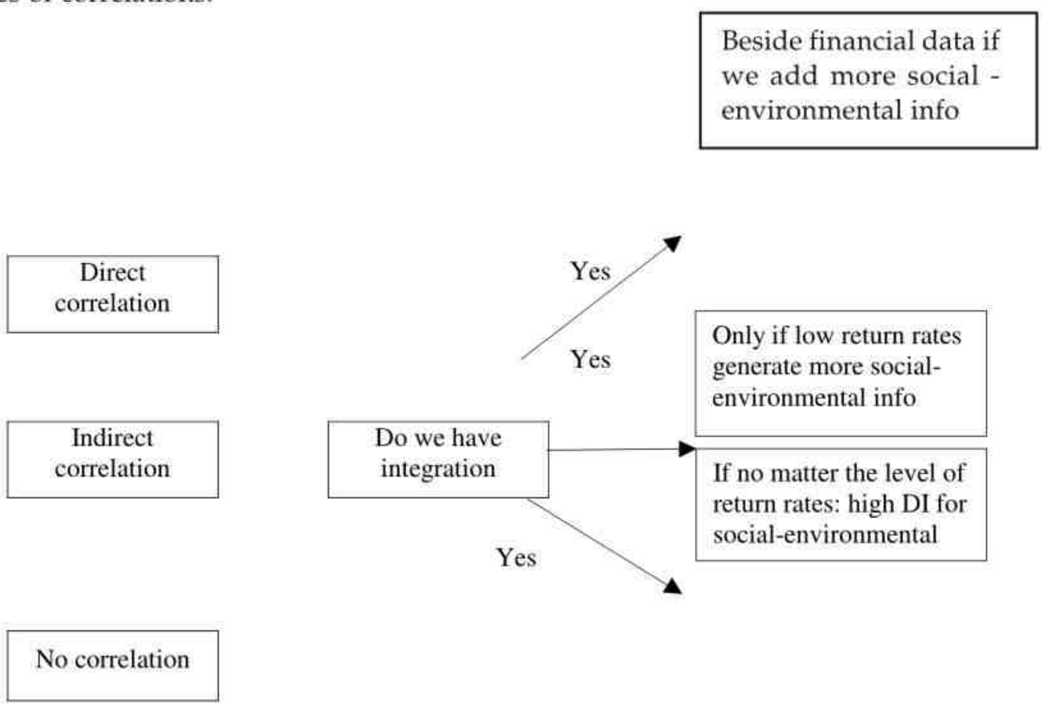

Figure no. 5 - Correlation between financial & non financial information and integration of financial & non financial information [Source: Dragu & Tudor (2013)]

Therefore we identified three main level of integration:

Table 3: High integration level

Companies	ROE		ROA		Social DI		Environ-mental DI		Test	Result
BHEL	0.0423	Below Average	0.0188	Below Average	0.9500	Above Average	0.8000	Above Average	H03	Indirect correlation
NTPC	0.1260	Below Average	0.9903	Above Average	0.8500	Above Average	0.7000	Above Average	H01	No correlation
PI LTD	0.2756	Below Average	0.6462	Above Average	0.8000	Above Average	0.7500	Above Average	H01	No correlation

Table 4: Medium integration level

Companies	ROE		ROA		Social DI		Environ-mental DI		Test	Result
COROMANDEL INT. LTD.	0.1862	Below Average	0.7432	Above Average	0.7500	Above Average	0.5000	Below Average	H01	No correlation
DLF	0.0545	Below Average	0.9669	Above Average	0.8000	Above Average	0.5500	Below Average	H01	No correlation
PIDILIT	0.2136	Below Average	0.4583	Above Average	0.7000	Above Average	0.4500	Below Average	H01	No correlation

Table 5: Low integration level

Companies	ROE		ROA		Social DI		Environ-mental DI		Test	Result
AGRO TECH FOODS LTD	0.1189	Below Average	1.2859	Above Average	0.5500	Below Average	0.4500	Below Average	H01	No correlation
BATA INDIA	0.2322	Below Average	1.5905	Above Average	0.5000	Below Average	0.4000	Below Average	H01	No correlation
GAIL	0.1043	Below Average	2.2956	Above Average	0.9000	Below Average	0.8500	Below Average	H01	No correlation
INDIAN OIL CORPORATION	0.0775	Below Average	2.7995	Above Average	0.9000	Below Average	0.8500	Below Average	H01	No correlation
MARUTI SUZUKI	0.1565	Below Average	7.8470	Above Average	0.9000	Below Average	0.8000	Below Average	H01	No correlation
RELIANCE INDUSTRIES LTD	0.1051	Below Average	6.6805	Above Average	0.9500	Below Average	0.8500	Below Average	H01	No correlation
TATA CHEMICALS	0.1055	Below Average	2.3722	Above Average	0.7500	Below Average	0.6000	Below Average	H01	No correlation
TATA STEEL	0.0965	Below Average	6.8640	Above Average	0.9000	Below Average	0.9000	Below Average	H01	No correlation
ULTRATECH CEMENT	0.1068	Below Average	6.8722	Above Average	0.9500	Below Average	0.8500	Below Average	H01	No correlation

We found that out of 15 annual reports, only 3 reports qualify for the high integration level, with all values of DI for social and environment information above the average (Table 3). In all the other cases, there are discrepancies between social and environmental information disclosure. If the social disclosure is high, the environmental information is less representative.

Medium integrated annual reports are the ones in which at least one of the two categories of non financial information should have above average value, irrespective of the financial ratios. From table 4 we can observe that only 3 annual reports have medium integration level.

Low integrated annual reports are the ones which have both DI's for the non financial information below average, irrespective of the financial ratios. The remaining 9 annual reports have low integration level (Table 5).

Conclusion

Corporate financial reports could not serve the present need of the stakeholders. So the worlds organizations came forward to develop a new style of reporting, which evolved the new trend in reporting i.e. integrated reporting. Present study empirically analyzed the annual reports of 15 Indian companies for the year 2014-15 in order to observe the correlation between their financial and non financial information disclosure and to examine the integration level in the annual reports. Results of part first of analysis shown that 14 from the 15 sample companies do not have any correlation between financial and non financial information presentation. While only a single company BHEL presents indirect correlation. In the part second of analysis we found that annual reports of 3 companies: BHEL, NTPC & PI Ltd. qualified for the high integration level. Annual reports of 3 companies: Coromandel International Ltd., DLF & PIDILIT have medium integration level and the remaining 9 companies' annual reports found low integration level. In the broad sense, we can say that, Indian corporation are presenting social as well as environmental information but the level of integration of corporate reports in India at the infancy stage.

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Annexure 1

List of Companies

S.No.	*Organization*	*Sector*	*Website*	*Report Denomination*	*Year*	*Environmental Effect*
1	AGRO TECH FOODS LTD	Edible Oils	www.atfoods.com	Annual Report	2014-15	High
2	BATA INDIA	Leather Products	www.bata.in	Annual Report	2014-15	High
3	BHARAT HEAVY ELECTRICALS LTD	Electricals	www.bhel.com	Annual Report	2014-15	High
4	COROMANDEL INTER-NATIONAL LTD.	Fertilizers	www. coromandel.biz	Annual Report	2014-15	High
5	DLF	Real Estate	www.dlf.in	Annual Report	2014-15	High
6	GAIL	Power	www.gail.nic.in	Annual Report	2014-15	High
7	INDIAN OIL CORPORATION	Refineries	www.iocl.com	Annual Report	2014-15	High
8	MARUTI SUZUKI	Automobile	www.marutisuzuki.com	Annual Report	2014-15	High
9	NTPC	Power	www.ntpc.co.in	Annual Report	2014-15	High
10	PI LTD	Pesticides	www.piindustries.com	Annual Report	2014-15	High
11	PIDILITE	Chemicals	www.pidilite.com	Annual Report	2014-15	High
12	RIL	Industry	www.ril.com	Annual Report	2014-15	High
13	TATA CHEMICALS	Petrochemicals	www.tatachemicals.com	Annual Report	2014-15	High
14	TATA STEEL	Steel	www.tatasteel.com	Annual Report	2014-15	High
15	ULTRATECH CEMENT	Cement	www. ultratechcement.com	Annual Report	2014-15	High

An Evidence of Labour Welfare Senario in India

Ramchandra Prasad Singh and Manoj Kumar Meet

Abstract

In today's highly competitive business scenario, the human resource is the most critical resource among all the resources any organization needs to produce. Every organization wants to achieve success and have desire to get constant progress in their daily business activities. An organization can have sustainable competitive advantages only when it possesses a unique human capital. All the other resources such as financial, technological or physical resources might prove wastage if the firm does not possess an excellent group of people who will be handling these resources. Labour welfare is of a great importance for developing efficient labour in India. It is the high time to introspect the availability and enforcement of welfare measures in India. This article is a step towards the same. Data regarding some basic labour welfare measures such as Rashtriya Swasthya Bima Yojana (RSBY), Employees' Provident Fund (EPF), National Child Labour Project (NCLP), Labour Inspection program, etc. have been taken in to consideration for making general inferences. The data taken into consideration reflects high degree of labour welfare initiative in the current decade in India.

Keywords: *Human Resource, Labour Welfare, Sustainable, Human Capital, National Child Labour Project.*

Introduction

Labour is one of the most critical factors of production. It plays vital role in achieving industrial growth and development in peace and harmony which is the main goal of employment and employability. For the proper growth and development of an economy, the labour environment should be conducive. Good governance in labour enforcement system can be introduced by bringing transparency and accountability. In today's highly competitive business scenario, the human resource is the most critical resource among all the resources any organization needs to produce. Every organization wants to achieve success and have desire to get constant progress in their daily business activities. An organization can have sustainable competitive advantages only when it possesses a unique human capital. All the other resources such as financial, technological or physical resources

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might prove wastage if the firm does not possess an excellent group of people who will be handling these resources. The current trend in the world today is highly competitive. Organizations regardless of their size, market share and technology are facing employees (workers) retention challenges most of which are labour welfare challenges. The human resource will become richer with passing time and experience. This of course does not happen automatically and the organization will have to invest in its human resources and offer welfare to them in order to transform them into true resource that will add value to the organization. Today, welfare of workers has been generally accepted by employers. Any state intervenes to "widen the area of applicability" only. The Committee on Labour Welfare (CLW), formed in 1969 to review the labour welfare scheme, described it as social security measures that contribute to improve the conditions under which workers are employed in India. Some recent reviews of literature reveals regarding labour welfare as follows:

Malik (2007) in his book discussed the various welfare measures to be provided to workers and employees under various Acts Viz., Mines Act, 1952, Factories Act, 1948, Environment (Protection) Act, 1986 etc. Aquinas (2007)33 in the book, "Human Resource Management" explained the intra-mural and extra-mural welfare benefits provided to employees. He stated that some welfare benefits are provided as per legislation while some other welfare benefits are provided voluntarily by management or as a result of bi-partite settlements between the Management and Trade Unions.

Scott Snell and George Bohlander (2007) in their book, "Human Resource Management" throw light on the various benefits especially social security benefits such as provident fund, gratuity, pension and insurance cover provided to employees.

Gary Dessler and Biju Varkkey (2009) in their book, "Human Resource Management" discussed the benefits and services provided to employees in India. They also discussed the benefits to be provided as per Central or State Law besides the discretionary benefits provided by employers.

John M. Ivancevich (2010) in his book, "Human Resource Management" stated that an employer has no choice about offering mandated benefits programs and can not change them in any way without getting involved in the political process to change the existing laws. According to him, the three mandated programmes are unemployment insurance, social security and workers compensation.

Aswathappa (2010) 37 in his book, "Human Resource Management" discussed the various types of benefits and services provided to employees in terms of payment for time not worked, insurance benefits, compensation benefits, pension plans etc. He also discussed the ways to administer the benefits and services in a better way.

REVIEWS OF LABOUR WELFARE ACTS

Employee State Insurance Act, 1948

The Employee State Insurance Act, [ESIC] 1948, is a piece of social welfare legislation enacted primarily with the object of providing certain benefits to employees in case of sickness, maternity and employment injury and also to make provision for certain others matters incidental thereto. The Act in fact tries to attain the goal of socio-economic justice enshrined in the Directive principles of state policy under part 4 of our constitution, in particular articles 41, 42 and 43 which enjoin the state to make effective provision for securing, the right to work, to education and public assistance in cases of unemployment, old age, sickness and disablement. The act strives to materialize these avowed objects through only to a limited extent. This act becomes a wider spectrum than factory act. In the sense that while the factory act concerns with the health, safety, welfare, leave etc of the workers employed in the factory premises only. But the benefits of this act extend to employees whether working inside the factory or establishment or elsewhere or they are directly employed by the principal employee or through an intermediate agency, if the employment is incidental or in connection with the factory or establishment.

The Employee State Insurance act was promulgated by the Parliament of India in the year 1948.To begin with the ESIC scheme was initially launched on 2nd February 1952 at just two industrial centers in the country namely Kanpur and Delhi with a total coverage of about 1.20 lakh workers. There after the scheme was implemented in a phased manner across the country with the active involvement of the state governments.

EMPLOYEES PROVIDENT FUND AND MISC. PROVISIONS ACT, 1952

An Act to provide for the institution of provident funds, pension funds and deposit linked insurance fund for the employees in the factories and other establishments. The Act extends to the whole of India except the State of Jammu and Kashmir.

TREND VALUES OF THE SUCCESS INDICATORS OF WELFARE

Rashtriya Swasthya Bima Yojana (RSBY)

Rashtriya Swasthya Bima Yojana (RSBY), literally "National Health Insurance Programme",is a government-run health insurance scheme for the Indian poor. It provides for cashless insurance for hospitalisation in public as well as private hospitals. The scheme started enrolling on April 1, 2008 and has been implemented in 25 states of India. A total of 36 million families have been enrolled as of February 2014. In the starting RSBY is a project under the Ministry of Labour and Employment. Now it is transferred to Ministry of Health and family welfare from April 1, 2015. The objective of the yojana is to Enhance Welfare and Social Security Provisions for Unorganised Sector Workers.

Success indicator	*Actual value for the yr 2011/12*	*Actual value for the yr 2012/13*	*Actual value for the yr 2013/14*	*Targeted value for the yr 2014/15*	*Projected value for the yr 2015/16*
Cumulative Number of Districts covered	396	440	440	450	450
Cumulative Number of Smart Cards issued Nos. (In Crore)	2.85	3.40	3.40	3.40	3.60
New Centres Opened	60	55	48	30	30
Increase in Bed Strength including Reserved Beds in State Government Hospitals	350	80	180	250	300
Personnel (Doctors)	392	280	280	350	350

Source: GOI, Ministry of Labour and Employment, 2013-13 and 2014-15

The above data in the tables reveals that Implementation of Rashtriya Swasthaya Bima Yojana (RSBY) and enhancing Efficiency in Implementing Employees' State Insurance (ESI) Scheme tends to quite satisfactory in the current decade.

Employees' Provident Fund (EPF)

Employee Provident Fund (EPF) is implemented by the Employees Provident Fund Organisation (EPFO) of India. An establishment with 20 or more workers working in any one of the 180+ industries (given here) should register with EPFO. Typically 12% of the Basic, DA, and cash value of food allowances has to be contributed to the EPF account. EPFO is a statutory body of the Indian Government under Labour and Employment Ministry. It is one of the largest social security organisations in the world in terms of members and volume of financial transactions undertaken. Till Oct 2014 every employee had a Provident Fund (PF) account number which was associated with the employer. Change of job meant another Provident Fund number. It involved transferring from one account number to another. Multiple account numbers have been a major area of concern as a majority of grievances of employees are related to transfer of funds from one account number to another. To address this problem EPFO has launched a Universal Account Number (UAN) driven Member Portal ,http://uanmembers.epfoservices.in, to provide a number of facilities to its members through a single window. Member has to activate his registration to avail various facilities such as UAN card download, member passbook download, updating of KYC information, listing all his member ids to UAN, file and view transfer claim. Our article UAN or Universal Account Number and Registration of UAN and FAQ on UAN number and Change of Job explain it in detail.

Success indicator	*Actual value for the yr 2011/12*	*Actual value for the yr 2012/13*	*Actual value for the yr 2013/14*	*Targeted value for the yr 2014/15*	*Projected value for the yr 2015/16*
Settlement of Pension Claims within 30 Days	51%	86%	90%	90%	90%
Settlement of PF Claims within 30 Days	56%	88%	90%	95%	95%
Percentage of Public Grievances Pending or more than15 Days (Settlement of Grievances within 15Days	83%	23%	15%	10%	10%

Source: GOI, Ministry of Labour and Employment, 2013-13 and 2014-15

Labour Laws Providing Relief and Benefit to the Worker

The Factories Act, Industrial Dispute and Wage Act provide for a vibrant labour inspection system. However, the labour inspection system is state based. The Ministry of Labour and Employment along with ministries specialized for certain industrial sectors (for example the Ministry of Power, Ministry of Mines) are responsible for formulating and administering laws and regulations relating to labour and employment. The national legislation provides inspectors the power to enter in workplace premises; examine; inquire or interview anyone; ask for or take copy of any prescribed register, record or other document; and take measures and photographs. The labour inspector is also authorized to dismantle or subject it to any process or test and take possession of any such article or substance that seems to cause danger to health and safety, and detain it for so long as is necessary for such examination. The objective of the Acts is Prevention and Settlement of Industrial Disputes and Strengthening Labour Laws Enforcement Machinery

Success indicator	*Actual value for the yr 2011/12*	*Actual value for the yr 2012/13*	*Actual value for the yr 2013/14*	*Targeted value for the yr 2014/15*	*Projected value for the yr 2015/16*
Percentage of Inspections Carried Out against Pre-Set Targets	100	100	95	100	100
Percentage of Compliance after Inspection	48	52	50	56	56
Claim Cases Filed under the Minimum Wages Act against the Defaulting Employers	3942	2193	2200	2300	2300

Source: GOI, Ministry of Labour and Employment, 2013-13 and 2014-15

It is quite evident from the table that cent per cent labour inspection is carried out on the basis of pre-set targets. Percentage of compliance after inspection is also has an increasing tendency, which indicates the increasing level of satisfaction from inspection. A decrease in Claim Cases Filed under the Minimum Wages Act against the Defaulting Employers indicates change in attitude of employers towards labour and labour welfare.

National Child Labour Project (NCLP)

In order to tackle the problem of child labour in India and Ministry of Labour and Employment took a three prong approach. First was to set up a legal framework for prohibition and regulation of child labour. Second was to use various development programmes to address the needs of working children. And third was to set up the National Child Labour Project (NCLP). The objective of this project is to eliminate child labour in hazardous industries by 2010. The complete elimination of labour is a gradual aim of the project.

Success indicator	*Actual value for the yr 2011/12*	*Actual value for the yr 2012/13*	*Actual value for the yr 2013/14*	*Targeted value for the yr 2014/15*	*Projected value for the yr 2015/16*
Children Enrolled in Special Training Centres	52000	28077	28000	28000	28000
Children from Special Training Centres Mainstreamed for Formal System of Education	60000	27639	42000	42000	42000

Source: GOI, Ministry of Labour and Employment, 2013-13 and 2014-15

Number of children enrolled in special training centres to direct them into the mainstream for formal system of education is a great step towards child right and child welfare.

Findings related to different Scheme under labour welfare

S No	Particulars	Findings (on Average)
1	On average, number of factory inspection conducted	As per factory Acts
2	On average, fraction of total labourers who have been allotted UAN	99%
3	On average, percentage of total labours who has availed Rashtriya Swasthya Bima Yojana	85%
4	Applicability of Apparentice Protsahan Yojana	100%

(Source of data is a survey conducted on Shramev Jayate Scheme by the author)

The above data indicates the basic labour welfare has attained almost its higher level which is evidence of applicability and enforcement of basic labour welfare acts. Thus, It may be concluded from the above discussion that level of some labour welfare measures are quite satisfactory and some are approaching to, at a very high speed. Though attaining 100% labour welfare is not a easy some task in India. It has to face a lot of challenges at different levels. Some of the challenges to labour welfare in India have been discussed below.

CHALLENGES TO LABOUR WELFARE IN INDIA

1. **Mindset/Perceptions:** The mindset of any society that a white-collar worker running fingers on personal computer that costs Rs 40,000 is somehow superior to a person who is handling a Rs 40 lakh or a Rs 4 crore computerized numerical machine (CNC) can't be considered rational but it can be a matter of laughing. The mindset, especially in India, of valuing education from a college more than the skill acquired from an industrial training institute (ITI) has to be changed on demand of time. This type of mindset comes from a generation which is suffering from superior complex and has no idea of importance of work, even those works which help in the daily life.

2. **Preference of youth:** As a general trend, pass outs from education system do not take admission in the ITIs as their first choice. Most students end up in ITI after exhausting all other options for higher education. This is because; blue collar work is not respected and regarded in the society. For meeting the skill needs of the industry and for enhancing employability of the youth, it is needed to attract more youth to it is by enhancing dignity of vocational training.

   The increasing number of private colleges and universities has reduced the challenges of Getting a degree.

3. **Lack of Regular Promotion:** It is the time when the corporate sectors should come forward to promote skill development. They should start creating ambassadors of workers who would be new heroes of the moment. It will be a step towards educating the society about skills and the importance of developing skills. The agenda of educating the society about skills should be driven by companies in the manufacturing arena

because it, directly, will help them.

4. **Lack of Recognizing Agency:** Mahindra's initiative that helps to develop entrepreneurship and ideas among the people if India. As a manufacturing company it will make immense sense to start recognizing skilled shop floor workers as the new heroes. Rise rhymes so well with this. The lack of such an initiative in America was the reason for the decline of manufacturing there.

5. **Lack of Initiative:** Much before the Chinese manufacturing leaders initiated steps towards skills, American manufacturing had already started declining, and the impact is visible. Quality wars: the triumphs and defeats of American business, a seminal book by Jeremy Main, talked about the decline of American manufacturing much before the Chinese phenomenon on pricing. But India is known for division of labour, which needs to be augmented.

6. **Insufficient Number of Training Institutes:** The Industrial Training Institutes (ITIs) in the country are the backbone of the vocational training system, which is the only source of supply of skilled manpower to manufacturing industry. There are 11,500 ITIs having about 16 lakh seats. But this is grossly inadequate for supplying skilled manpower to Indian industries. Only 10% of the workforce has got formal or informal technical training, where as only one fourth of it, is formally trained. There is also another big imbalance. The intake capacity of undergraduate engineering colleges was more than 16 lakh in India which was almost same as seating capacity of ITIs.

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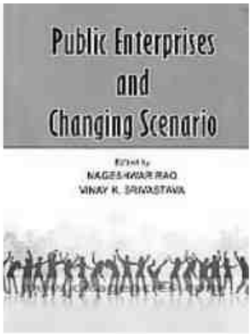
BOOK REVIEW



PUBLICE ENTERPRISES AND CHANGING SCENARIO

Edited by: Nageshwar Rao & Vinay K. Srivastava
Publisher: Research India Press
New Delhi

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The commemorative and comprehensive volume titled as "Public Enterprises and Changing Scenario" is a unique piece of academic literature, which has been published in the year 2014 by Research India Press, New Delhi. This edited book consisting 316 pages has been dedicated to the Great Management Guru Prof. Jagdish Prakash (Ex-Vice Chancellor of Allahabad University) on his 75th birth anniversary. The book draws upon the research insights, views and opinions of 49 academicians, scholars and practicing managers to discuss the various opportunities and challenges in the path of changing economic environment. Out of total 28 research papers and articles the authors consist of 7 different states of India. Maximum 8 papers are solely devoted to disinvestment of PSUs, while 6 papers are related to Public Private Partnership, 5 papers on HRM, 4 on finance, 5 in other general areas have been included in this edited book. In preface, the editors Prof. Nageshwar Rao (Vice-Chancellor of IGNOU, New Delhi) and Dr. Vinay K. Srivastava (Dean, ASM, Raffles University Neemrana) have tried to throw light on the life and academic achievements of their Supervisor Prof. Jagdish Prakash. Prof. P. N. Mishra, the senior most Professor and Director of IMS, DA University, Indore has rightly opined that when I am writing an article for his (Prof. Jagdish Prakash) commemorative volume, my feelings are trickling down on paper automatically. I pray to almighty to grant him long and healthy life ahead. Prof. H. K. Singh of Banaras Hindu University (BHU) and his wife Dr. Meera Singh of UP College, Varanasi in their co-authored paper titled as Public Services and Cash Transfer Subsidy, have highlighted the emerging problems and challenged faced by GOI in cash transfer subsidy scheme and specific recommendations have been included in the paper for improving this scheme related to LPG, fertilizer and kerosene subsidy. UIDAI's Aadhaar scheme suggested by Nandan Nilekani has also been critically analysed for adequate transfer mechanism in our country. After a long gap, a marvalleous reference book with highest academic potential has been published in the research field which can be equally useful to the public enterprise managers and governmental agencies. Only one limitation of this volume seems that empirical research papers are only few but originality of the ideas expressed by authors in other papers remove the practical boundaries. The case studies related to NTPC, ONGC, CIL, IRDA, SAIL, ITDC have been presented by respective authors Debashish Sur, R. K. Mishra, A. K. Mukerjee, S. P. Srivastava, Prashant Kumar, Aparna Raj and others in lucid way so that Ph.D. scholars may use these implications in attractive way. This book will be useful to the students, researchers, professors of management, commerce and economics for providing a holistic coverage of the allied areas of administration of public enterprises.

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3.	Printer's Name	Raffles University
	Nationality	Indian
	Address	Raffles University, Neemrana
4.	Publisher's Name	Alabbar School of Management, Raffles University
	Nationality	Indian
	Address	Raffles University, Neemrana
5.	Editor's Name	Dr Vinay K Srivastava
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RAFFLES UNIVERSITY
Japanese Zone, National Highway-8,
Neemrana-301705, Rajasthan, India

Design by Mahak