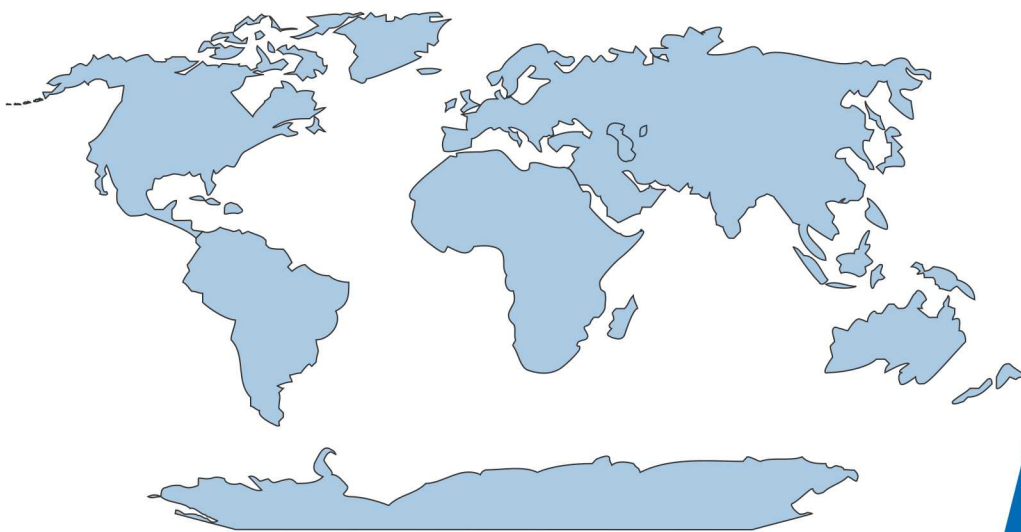


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PARENTAL AGGRESSION AND PARENTAL EDUCATION AS AGENTS OF PROBLEM BEHAVIOUR: A STUDY OF RURAL CHILDREN

Urooj-un-Nisa¹ & Dr. Humera Shafi²

ABSTRACT

The aim of the present study was to investigate the impact of parental aggression and parental education as agents of problem behaviour among rural children. The Universe of the Study was based on 200 parents and their 100 children from different rural areas of District Anantnag. Purposive Sampling was carried out to collect the data. Aggression Scale (A-Scale) developed by Pal, R. and Naqvi, T. (1986) was used to investigate Aggression among parents of rural children and Problem Behaviour Checklist (PBCL, 1999) by Veeraraghavan, V. & Dogra, A was used to investigate problem behaviour among rural children. The results showed no correlation between Parental Aggression (fathers') and Problem Behaviour among rural children but statistically significant correlation was found between Parental Aggression (mothers') and Problem Behaviour among rural children. Again no correlation was found between Parental Education (fathers' as well as mothers') and Problem Behaviour among rural children. Also significant difference was not found between Problem Behaviour among rural children with respect to their gender.

Keywords; Aggression and problem behaviour.

Parenting is the process of promoting and supporting the physical, emotional, social, and intellectual development of a child from infancy to adulthood. Parenting refers to the aspects of raising a child aside from the biological relationship (Martin, 2000). The most common partaker in parenting is the biological parent(s) of the child in question, although others may be an older sibling, a grand-parent, a legal guardian, aunt, uncle or other family member or a family friend (Robert, 2008). Parenting skills vary, and a parent with good parenting skills may be referred to as a good parent.

Parenting Styles refers to the manner in which parents raise their children. This can refer to the parents' levels of expectations, performance demands, attentiveness to rules, etc., as well as the style of discipline that the parent's utilize to enforce their expectations. Developmental psychologist Diana Baumrind identified three main parenting styles in early child development: authoritative, authoritarian, and permissive (Baumrind, 1967; Baumrind, 1971; Baumrind, 1978; McKay, 2006). These parenting styles were later expanded to four, including an uninvolved style. These four styles of parenting involve combinations of acceptance and responsiveness on the one hand and demand and control on the other (Santrock, 2007) just like in Authoritative parenting the parent is demanding and responsive, in Authoritarian parenting styles the parent is demanding but not responsive, in Permissive parenting the parent is responsive but not demanding and in Uninvolved parenting the parent is neither demanding nor responsive.

Though parenting style is the emotional climate in which parents raise their children, parenting strategies as well as behaviours or characteristics and ideals of what parents expect, whether communicated verbally and/or non-verbally, also play a significant role in a child's development. Children learn by example and often develop their parent's characteristics, which can show through behavior patterns at an early age. Parental influences, whether intentional or subconscious, can define a child's behavior patterns for a lifetime. Ideally, these influences are positive. However, parents are human and sometimes exhibit less than desirable characteristics that likewise manifest in their children (Berry, 2013)

Disruptive behaviors in early childhood (including oppositional, aggressive, and hyperactive behaviors) are often stable and predictive of negative mental health outcomes in later life, ranging from school failure to substance abuse and criminality (e.g., Campbell & Ewing, 1990; Loeber & Dishion, 1983; West & Farrington, 1973).

Aggression, in its broadest sense, is behavior, or a temperament, that is forceful, hostile or offensive. In other words aggression is an intention to cause harm or an act intended to increase relative social dominance. Aggression can take a variety of forms and can be physical or be communicated verbally or non-verbally (Akert, Aronson & Wilson, 2010).

OBJECTIVES

1. To assess Aggression among parents of rural children.
2. To assess Problem Behaviour among Rural children.
3. To study the effect of parental Aggression (fathers and mothers) on the behaviour of rural children.

4. To study the influence of parental education (fathers and mothers) on the behaviour of rural children.

HYPOTHESES

H₀₁ There is no significant correlation between parental Aggression (fathers) and Problem Behaviour among rural children.

H₀₂ There is no significant correlation between parental Aggression (mothers) and Problem Behaviour among rural children.

H₀₃ There is no significant correlation between parental Education (fathers) and Problem Behaviour among rural children.

H₀₄ There is no significant correlation between parental Education (mothers) and Problem Behaviour among rural children.

H₀₅ There is no significant difference in Problem Behaviour among rural children as far as their gender is concerned.

METHOD

Sample: The study is based on 200 parents and their 100 children from different rural areas of District Anantnag.

Tools Used

- **Aggression Scale (A-Scale):** This scale was developed by Pal, R. and Naqvi, T. (1986) and it consists of 30 items. The scoring is done on a five point scale on the positive dimension and a zero point on the negative dimension. According to this scale, the one who scores high is described as having high aggression and vice- versa. The validity and reliability of this scale is adequate.
- **Problem Behaviour Checklist (PBCL):** This Checklist was developed by Veeraraghavan, V. and Dogra, A. (1999) and has been devised to identify the emotional and conduct problems of children. It consists of 58 items which are scored on three point Likert type scale. Its index of reliability is 0.85 and its validity is also adequate.

STATISTICAL ANALYSIS

The data was analyzed using various statistical techniques such as mean and SD. Further Pearson's product moment correlation and point Bi-serial correlation were used to find correlations.

Results & Interpretation

Table 1: shows frequency distribution of Aggression among parents (Fathers) of rural children (N = 100).

Variable	Clean		Low		Average		High		Saturated	
	Frequency %		Frequency %		Frequency %		Frequency %		Frequency %	
Aggression	2	2	6	6	47	47	41	41	4	4

From the above data it is clear that 2% of the sample lies at the clean level of Aggression, 6% lies at the low level of Aggression, 47% lies at the average level of Aggression, 41% lies at the high level of Aggression and remaining 4% of the sample lies at the saturated level of Aggression.

Table 2: shows frequency distribution of Aggression among parents (Mothers) of rural children (N = 100).

Variable	Clean		Low		Average		High		Saturated	
	Frequency %		Frequency %		Frequency %		Frequency %		Frequency %	
Aggression	4	4	11	11	42	42	37	37	6	6

From the above data it is clear that 4% of the sample lies at the clean level of Aggression, 11% lies at the low level of Aggression, 42% lies at the average level of Aggression, 37% lies at the high level of Aggression and remaining 6% of the sample lies at the saturated level of Aggression.

Table 3: shows frequency distribution of Problem Behaviour among rural children (boys) (N=54).

Variable	Low Problem Behaviour		Moderate Problem Behaviour		High Problem Behaviour	
	Frequency	%	Frequency	%	Frequency	%
Problem Behaviour	22	27.05	30	48.23	2	24.70

From the above data it is clear that 22% of the sample lies at the low level of Problem Behaviour, 30% lies at the moderate level of Problem Behaviour and remaining 2% of the sample lies at the high level of Problem Behaviour.

Table 4: shows frequency distribution of Problem Behaviour among rural children (girls) (N=46).

Variable	Low Problem Behaviour		Moderate Problem Behaviour		High Problem Behaviour	
	Frequency	%	Frequency	%	Frequency	%
Problem Behaviour	13	27.05	28	48.23	5	24.70

From the above data it is clear that 13% of the sample lies at the low level of Problem Behaviour, 28% lies at the moderate level of Problem Behaviour and remaining 5% of the sample lies at the high level of Problem Behaviour.

Table 5: showing correlation between Parental Aggression (Fathers) and Problem Behaviour among rural children

Variable	N	Mean	SD	r =
Parental Aggression (Fathers)	100	85.47	14.94	0.03^{NS}
Problem Behaviour	100	102.2	19.53	

NS = Not Significant

Table 5 reveals the correlation coefficient of Parental Aggression (fathers) and Problem Behaviour among rural children. The result reveals that there is not statistically significant correlation between Parental Aggression (fathers) and Problem Behaviour as correlation coefficient ($r = 0.03$) is not significant even at $p=0.05$ level of significance. In the light of above empirical evidences the hypothesis no. H_{01} which states "*There is no significant correlation between parental Aggression (fathers) and Problem Behaviour among rural children*" stands accepted.

Table 6: showing correlation between Parental Aggression (Mothers) and Problem Behaviour among rural children

Variable	N	Mean	SD	r =
Parental Aggression (Mothers)	100	82.2	20.27	0.330*
Problem Behaviour	100	102.2	19.53	

*Significant at 0.05 level.

Table 6 reveals the correlation coefficient of Parental Aggression (mothers) and Problem Behaviour among rural children. The result reveals that there is statistically significant correlation between Parental Aggression (mothers) and Problem Behaviour as correlation coefficient ($r = 0.330$) significant at $p=0.05$ level of significance. In the light of above empirical evidences the hypothesis no. H_{02} which states "*There is no significant correlation between parental Aggression (mothers) and Problem Behaviour among rural children*" stands rejected.

Table 7: showing correlation between Parental Education (Fathers) and Problem Behaviour among rural children

Variable	N	$r_{pbis} =$
Parental Education (Fathers)	Lit. = 63 Ill. = 37	0.06 ^{NS}
Problem Behaviour	100	

NS = Not Significant

Table 7 reveals the correlation coefficient of Parental Education (fathers) and Problem Behaviour among rural children. The result reveals that there is not statistically significant correlation between Parental Education (fathers) and Problem Behaviour as correlation coefficient ($r = 0.06$) is not significant even at $p = 0.05$ level of significance. In the light of above empirical evidences the hypothesis no. H_{03} which states “*There is no significant correlation between parental Education (fathers) and Problem Behaviour among rural children*” stands accepted.

Table 8: showing correlation between Parental Education (Mothers) and Problem Behaviour among rural children

Variable	N	$r_{pbis} =$
Parental Education (Mothers)	Lit. = 60 Ill. = 40	0.18 ^{NS}
Problem Behaviour	100	

NS = Not Significant

Table 8 reveals the correlation coefficient of Parental Education (mothers) and Problem Behaviour among rural children. The result reveals that there is not statistically significant correlation between Parental Education (mothers) and Problem Behaviour as correlation coefficient ($r = 0.18$) is not significant even at $p = 0.05$ level of significance. In the light of above empirical evidences the hypothesis no. H_{04} which states “*There is no significant correlation between parental Education (mothers) and Problem Behaviour among rural children*” stands accepted.

Table 9: showing comparison of mean scores of Problem Behaviour among rural children with respect to their gender

Variable	N	Mean	SD	df	t-value
Problem Behaviour	Boys=54	98.96	19.25	98	-1.81 ^{NS}
	Girls=46	106.0	19.38		

NS = Not Significant

Table 9 presents an overview of the t-values of Problem Behaviour among rural children with respect to their gender. As depicted by the table, Problem Behaviour among rural children with respect to their gender does not differ significantly as the t-values are insignificant even at 0.05 level of significance. In the light of above empirical evidences the hypothesis no. H_{05} which states “*There is no significant difference in Problem Behaviour among rural children as far as their gender is concerned*” stands accepted.

DISCUSSION & CONCLUSION

The present study was aimed to examine parental aggression and parental education as agents of problem behaviour among rural children.

- Findings revealed that 2% of the sample (Fathers’ of rural children) lies at the clean level of Aggression, 6% lies at the low level of Aggression, 47% lies at the average level of Aggression, 41% lies at the high level of Aggression and remaining 4% of the sample lies at the saturated level of Aggression. Findings also revealed that 4% of the sample (Mothers’ of rural children) lies at the clean level of Aggression, 11% lies at the low level of Aggression, 42% lies at the average level of Aggression, 37% lies at the high level of Aggression and remaining 6% of the sample lies at the saturated level of Aggression.

- Regarding Problem Behaviour in children (boys) it was found that 22% of the sample lies at the low level of Problem Behaviour, 30% lies at the moderate level of Problem Behaviour and remaining 2% of the sample lies at the high level of Problem Behaviour. And among girls it was found that 13% of the sample lies at the low level of Problem Behaviour, 28% lies at the moderate level of Problem Behaviour and remaining 5% of the sample lies at the high level of Problem Behaviour.
- The results revealed that there is not statistically significant correlation between Parental Aggression (fathers) and Problem Behaviour among rural children. This finding is consistent with the study done by Aunola & Nurmi (2005) in which no associations were found between the levels of fathers' parenting styles and children's level and linear trends of internal or external problem behaviors.
- The results also revealed that there is statistically significant correlation between Parental Aggression (mothers) and Problem Behaviour among rural children. This finding is consistent with the study conducted by Stormshak, Bierman, McMahon & Lengua (2000) in which Physically aggressive parenting was linked more specifically with child aggression and in general, parenting practices contributed to the prediction of oppositional and aggressive behavior problems in children.
- Findings revealed that there is not statistically significant correlation between Parental Education (fathers' as well as mothers') and Problem Behaviour among rural children. This finding is in accord with the study conducted by Scott, Doolan, Beckett, Harry, & Cartwright (2010) in which it was found that negative parenting whether measured by was found to be clearly associated with child antisocial behaviour. The association between negative parenting and child antisocial behaviour still held after controlling for demographic factors including ethnicity, parental education, and being a single parent family.
- Again any significant difference was not found between Problem Behaviour among rural children with respect to their gender.

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BANKING DEVELOPMENT IN INDIA: RECENT INNOVATIVE CHANGES AND THE CHALLENGES FACING BY BANKING SECTOR

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INTRODUCTION

Today, we are having a fairly well developed banking system with different classes of banks –public sector banks, foreign banks, private sector banks –both old and new generation, regional rural banks and co-operative banks with the Reserve Bank of India as the fountain Head of the system. In the banking field, there has been an unprecedented growth and diversification of banking industry has been so stupendous that it has no parallel in the annals of banking anywhere in the world. The banking industry has experienced a series of significant transformations in the last few decades. Among the most important of them is the change in the type of organizations that dominate the landscape. Since the eighties, banks have increased the scope and scale of their activities and several banks have become very large institutions with a presence in multiple regions of the country.

The Banking sector has been immensely benefited from the implementation of superior technology during the recent past, almost in every nation in the world. Productivity enhancement, innovative products, speedy transactions seamless transfer of funds, real time information system, and efficient risk management are some of the challenges derived through the technology. Information technology has also improved the efficiency and robustness of business processes across banking sector. India's banking sector has made rapid strides in reforming itself to the new competitive business environment. Indian banking industry is the midst of an IT revolution. Technological infrastructure has become an indispensable part of the reforms process in the banking system, with the gradual development of sophisticated instruments and innovations in market practices.

BANKING DURING VEDIC PERIOD

Vedic Civilization was also flourished during 2000 B.C. It was in Rig-Veda that moneylenders lent money on interest. Vaishis and Mahajans were moneylenders for prescribed period of time. Even during the era of Ramayana and Mahabharata the banking had become a full fledged activity. India was not a stranger to the conception of banking “Loans and usury were well understood in those day and Rishies (Who we should always remember were Worldly men in those day and not hermits or anchorites) occasionally laments their state of indebtedness with the simplicity of punitive times.

History of India is traced long back to Indus valley Civilization .Indus valley civilization flourished during 4000- 2500 BC Mohars and pots got in Egypt and Mesopotamia are same alike Mohars and pots in Indus valley civilization. The people of Indus valley had big and small scales for measurement. There were small and big weight which was helpful in exchanging the goods during trade .Utterly it can be said goods were exchanged with precious metal such as Gold, Silver, Tin, Copper, Coral, Pearl and other precious gems. So it is evidence of financial system of states as well as borrowing and lending activities prevailing, banking during medieval period

BANKING DURING MEDIEVAL PERIOD

Medieval; period of India is considered from 1000A.D. to 1707A.D. This was the time of many Mughal emperors. There was hardly any impact on financial and banking activities during Muslim rulers. Islam prohibits for lending money on interest. Receiving or paying interest was treated anti-Islamic activity. How Hindus are were doing the business of money lending. There were small indigenous bank and money lenders who were providing loans to individuals and traders.

Indigenous bankers played a vital role in lending money, financing of foreign trade and commerce. Also profitable business of money changing. People who performed banking function known as Seths, Sharff, Chettiars etc. according to the regions. They represented Nagar Seths or Town Bankers in Principal towns besides money lending business also instrumental in transfer of funds from place to place and performed money collection business of Hundies. Hundies a commonly accepted mode of funds transfer from commercial transaction between two places.

Modern banking activities started after Britishers came to India. The history of modern banking in India dates back to the last quarter of 18th century when the English Agency Houses combined banking their trading activities. The earliest European bank was started by then in 1770 in the name of “Bank of Hindustan. This was

followed by setting up of the Bengal Bank in 1784, General Bank of India in 1786. This entire bank failed sooner or later due to various reasons.

In order to cater the needs of foreign rulers a number of quasigovernment banking institution were established. They included Presidency Bank of Bengal the government of the East India Company took interest in having its own bank. The government of Bengal took the initiative and the first presidency bank was established.

When the American Civil War stopped the supply of cotton to Lancashire from the Confederate States, promoters opened banks to finance trading in Indian cotton. With large exposure to speculative ventures, most of the banks opened in India during that period failed. The depositors lost money and lost interest in keeping deposits with banks. Subsequently, banking in India remained the exclusive domain of Europeans for next several decades until the beginning of the 20th century.

The Joint Stock Company Act, 1850 was the first legislative enactment in the country to mould the Corporate Sector in to an organized system. The year 1860 formed a new era to the history of banking industry in India when the Indian merchants in Calcutta established the Union Bank in 1859, but it failed in 1848 as a consequence of the economic crisis of 1848-49.

Foreign banks too started to arrive, particularly in Calcutta, in the 1860s. The Comptoir d'Escompte de Paris opened a branch in Calcutta in 1860, and another in Bombay in 1862.

The Allahabad Bank, established in 1865 and Bank of Upper India, which was established in 1863, and which survived until 1913, when it failed, with some of its assets and liabilities being transferred to the Alliance Bank of Simla.

HSBC Bengal in 1869. Calcutta was the most active trading port in India, mainly due to the trade of the British Empire and so became a banking center. the Oudh Commercial Bank, formed in 1881, followed by the Ajodhya Bank in 1884, the Punjab National Bank in 1894 and Nedungadi Bank in 1899. Thus, there were five Banks in existence in the 19th century. During the period 1901-1914, twelve more banks were established, prominent among which were the Bank of Baroda (1906), the Canara Bank (1906), the Indian Bank (1907), the Bank of India (1908) and the Central Bank of India (1911).

During 1913-36, 481 banks and in 1937-48, 620 banks were failed in country. Imperial Bank of India in 1921 Reserve Bank of India in April, 1935 as the Central Bank of the country. SBI (1955) July 19, 1969 nationalized the 14 largest commercial banks Regional Rural Bank (RRBS) in 1975 and NABARAD in 1982.

Later the Government Nationalized 6 more commercial private sector banks with deposit liability of not less than Rs. 200 corers on 15th April 1980. Andhra Banks

- Corporation Bank
- New Bank of India
- Oriental Bank of Commerce
- Punjab and Sind Bank
- Vijay Bank

NABARAD in 1982

OBJECTIVES

- To study about the development Indian Banking system.
- To introduce the recent changes in banking sector
- To explain the challenges faces by Indian banking sector in recent time.

RECENT CHANGES IN INDIAN BANKING SECTOR

INTERNET BANKING

The shift towards internet banking is fuelled by the changing dynamics in India. By 2020 the average age of India will be 29 years and this young consumer base is internet savvy and wants real time online information. Indian banks therefore need to aspire high and move toward implementing a world class internet banking capability Urban areas had a total of 205 million internet users in October 2013 that accounts for 40% growth, while rural India have 68 million users and a growth rate of 58%

BUSINESS INTELLIGENCE

India's banking industry is on the cusp of a major transformation, with new banking licenses expected to bring in more players in an already competitive environment. In such an environment, banks across India are

increasingly adopting business intelligence (BI) and analytics to drive their overall profitability. RBI has also encouraged banks to adopt BI to increase transparency and control over the banking business. The Automated Data Flow (ADF) initiative has been a strategic step in this direction, seeking to ensure submission of correct and consistent data from banks' systems to the RBI without any manual intervention

IT IN BANKING

Indian banking industry, today is in the midst of an IT revolution. A combination of regulatory and competitive reasons has led to increasing importance of total banking automation in the Indian Banking Industry. The bank which used the right technology to supply timely information will see productivity increase and thereby gain a competitive. To compete in an economy which is opening up, it is imperative for the Indian Banks to observe the latest technology and modify it to suit their environment. Information technology offers a chance for banks to build new systems that address a wide range of customer needs including many that may not be imaginable today. Nowadays we are hearing about e-governance, e-mail, e-commerce, e-tail etc. In the same manner, a new technology is being developed in US for introduction of e-cheque, which will eventually replace the conventional paper-cheque. India, as harbinger to the introduction of e-cheque, the Negotiable Instruments Act has already been amended to include; Truncated cheque and E-cheque instruments.

REAL TIME GROSS SETTLEMENT (RTGS)

Real Time Gross Settlement system, introduced in India since March 2004, is a system through which electronics instructions can be given by banks to transfer funds from their account to the account of another bank. The RTGS system is maintained and operated by the RBI and provides a means of efficient and faster funds transfer among banks facilitating their financial operations. As the name suggests, funds transfer between banks takes place on a 'Real Time' basis. Therefore, money can reach the beneficiary instantaneously and the beneficiary's bank has the responsibility to credit the beneficiary's account within two hours.

ELECTRONIC FUNDS TRANSFER (EFT)

Electronic Funds Transfer (EFT) is a system whereby anyone who wants to make payment to Another person/company etc. can approach his bank and make cash payment or give Instructions/authorization to transfer funds directly from his own account to the bank account of the receiver/beneficiary. Complete details such as the receiver's name, bank account Number, account type (savings or current account), bank name, city, branch name etc. should be furnished to the bank at the time of requesting for such transfers so that the amount reaches the beneficiaries' account correctly and faster. RBI is the service provider of EFT. Electronic Clearing Service (ECS)

AUTOMATIC TELLER MACH (ATM)

Automatic Teller Machine is the most popular device in India, which enables the customers to withdraw their money 24 hours a day 7 days a week. It is a device that allows customer who has an ATM card to perform routine banking transactions without interacting with a human teller. In addition to cash withdrawal, ATMs can be used for payment of utility bills, funds transfer between accounts, deposit of cheques and cash into accounts, balance enquiry etc.

TELE BANKING

Tele Banking facilitates the customer to do entire non-cash related banking on telephone. Under this device Automatic Voice Recorder is used for simpler queries and transactions. For complicated queries and transactions, manned phone terminals are used.

ELECTRONIC DATA INTERCHANGE (EDI)

Electronic Data Interchange is the electronic exchange of business documents like purchase order, invoices, shipping notices, receiving advices etc. in a standard, computer processed, universally accepted format between trading partners. EDI can also be used to transmit financial information and payments in electronic form.

CONTRIBUTION IN GDP

The growth of the banking sector in terms of percentage contribution to the GDP has remained mostly uniform over FY 06-10. The banking sector is currently growing at approximately the same rate as the country's economy. Another important parameter for assessing the performance of the banking.

MAXIMUM BANKING BUSINESS BY PUBLIC SECTOR BANKS

Banking in India is moderately consolidated, with the top 10 players accounting for approximately 60 per cent of the total industry. The Indian banking sector is majorly dominated by public sector banks

LATEST CHANGES

A STIFF opposition by the Reserve Bank of India (RBI) and an uninterested approach by the Finance Ministry over financial sector reforms recommended by the Financial Sector Legislative Reforms Committee (FSLRC) have prompted President Pranab Mukherjee to make an unusual intervention and take up the issue with Prime Minister Narendra Modi. The committee, chaired by Justice (Retd) B N Srikrishna, which submitted its report on March 22, 2013, suggested dramatic changes to the financial sector's regulatory architecture. These include putting in place an Indian Financial Code that will replace the bulk of existing laws and creating a single regulator for pension, equity, insurance and commodities markets. The RBI will continue with its present mandate of deciding the monetary policy and monitoring and supervising banks and payment systems. The FSLRC was set up by the Congress-led UPA government on March 24, 2011, when Mukherjee was the Union Finance Minister. The committee took two years to finalize the report and submitted it to P Chidambaram, who returned as Finance Minister on July 31, 2012, after Mukherjee became President. Chidambaram remained the Finance Minister till the end of this government's term. Modi has now asked Finance Ministry to explain the inordinate delay in implementing the recommendations of the Srikrishna committee.

Jan Dhan Yojana reflects poverty as 74% accounts hold zero balance

According to figures provided by the finance ministry in response to a Right to Information query, 5.3 crore Jan Dhan bank accounts had zero balance as on November 7.

Pay Rs 20 more for ATM use at these banks

The new limits and rates by SBI, HDFC Bank and Axis will be applicable to transactions done in Mumbai, New Delhi, Chennai, Kolkata, Bangalore and Hyderabad.

UAN aims to make EPF account transfers smoother

The UAN is a 12-digit 'portable' number allotted to each member which gives them control of their EPF account and minimizes the role of employer in such matters.

More Power for India's Banks over Big Defaulters

Now banks have more power to recoup money from defaulters to rebalance a system that's skewed in favor of large companies. The central bank is looking into allowing lenders more flexibility for debt restructuring. The process gives borrowers a moratorium on payments, longer maturities and lower interest rates, while allowing banks to prevent an increase in non-performing assets.

HRM MANAGEMENT

Improving quality of human resources for working efficiently under the latest technological developments in Indian banking.

RECENT CHALLENGE FACE BY INDIAN BANKING SYSTEM:

Change is the only constant feature in this dynamic world and banking is not an exception. The changes staring in the face of bankers relates to the fundamental way of banking-which is going through rapid transformation in the world of today. Adjust, adapt and change should be the key mantra. The major challenge faced by banks today is the ever rising customer expectation as well as risk management and maintaining growth rate. Banks today are facing rapid and irreversible changes across technology, customer behavior and regulation. The net effect is that the industry's current shape and operating models are not longer sustainable into the future.

THE NON PERFORMING ASSETS

The best indicator of the health of the banking industry in a country is its level of NPAs. (NPAs) of banks were pegged at 2.9 per cent in the fourth quarter of 2011, and are expected to rise to 3.5 per cent by 2012. All these factors might hamper the performance of the Indian banking sector.

STRIKES

PS banks' staff on strike, private banks remain open

The staff of public sector banks had gone on a nationwide strike for two days beginning February 10 after discussions with the IBA failed. This strike starts again and again and affected the banking business. A lot of business suffers due to this. Banking More than 8,00,000 employees of PS banks went on a day's strike to seek a salary hike and for other benefits.

FACES INCREASING PRESSURE TO CUT RATES

- The Indian credit system is unhealthy and rests on an uneven sharing of risks and profits that overprotects big borrowers and forces state-controlled banks to absorb losses in downturns without profiting in good times, the sanctity of the debt contract has been continuously eroded

in India in recent years, not by small borrower but by the large borrowers. Risk management framework is a key strength for sustainable growth of banks. How have we performed in this area?

GLOBAL EXPANSION OF INDIAN BANKING

The idea of creating bigger banks to take on competition sounds attractive but one must realise even the biggest among Indian banks are small by global standards. The lack of global scale for Indian banks came into sharp focus during the recent financial crisis which saw several international banks reneging on their funding commitments to Indian companies, but local banks could not step into the breach because of balance sheet limitations.

COMPETITION

Globalization has brought competition from international banks. In order to compete with new entrants effectively commercial banks need to possess strong balance sheets which indicate the real strength of the bank. The entry of new private sector banks and foreign banks equipped with latest technology and technology - driven product lines have really sensitized the ordinary customers of the banking services to the need for quality in terms of innovative products as well as delivery process. These banks are aggressively targeting the retail business and consequently grabbing the market share of public sector banks.

CONSOLIDATION

Consolidation of operations continues to remain an important factor for banks as they seek to improve their level of efficiency and correspondingly profitability. Consolidation in the banking industry has remained crucial to ensuring technological progress, excess retention capacity, emerging opportunities and deregulation of various functional and product restrictions.

Consolidation is unavoidable if Indian banks are to become a force to reckon with in the near future. One must keep in mind that the largest bank of China is five times the size of the five largest banks of India. The consolidation process also has its fair share of challenges. Banks were unanimous in their assertion that HRD (Human Resource Development) was one of the major issues faced by them.

MERGERS AND ACQUISITIONS

In the recent past there has been a lot of talk about Indian Banks lacking in scale and size. The State Bank of India is the only bank from India to make it to the list of Top 100 banks, globally. Most of the PSBs are either looking to pick up a smaller bank or waiting to be picked up by a larger bank.

COMPETITION IN RETAIL BANKING

The entry of new generation private sector banks has changed the entire scenario. Earlier the household savings went into banks and the banks then lent out money to corporate. Now they need to sell banking. The retail segment, which was earlier ignored, is now the most important of the lot, with the banks jumping over one another to give out loans. New banks are set to enter banking sector. Further, banks are facing increasing competition from non-banks including NBFCs, MFIs and tech companies. Financial sector reforms have brought about significant structural changes and created several *type of completion* a manifestation of this development is reflected in the increase in bank competitiveness. The share of public sector banks (PSBs) in total banking assets, which was 90 per cent on the eve of reforms in 1991 has since declined to around 72 per cent, a decline of roughly 18 percentage a year.

RISK MANAGEMENT

Globalization and liberalization are forcing banks to take more risk to compete effectively in the global market place. One of the important risks is compliance risk. It is the risk to comply with laws, rules and standards such as market conduct, treating customers fairly, etc. To mitigate this risk, banks should develop compliance culture in their organization. It is not only the duty of compliance specialists, but banks can also manage compliance risk by putting in place compliance functions that are in consistence with compliance principles. Liquidity risk arises when banks unable to meet their obligations when they become due. To manage the mismatch of assets and liabilities, banks should analyze the accounting data both on static as well as dynamic basis. Deposits of higher value are the most important item to be monitored regularly, as sudden withdrawal of these deposits might cause liquidity problem for bank. Also incentives to these deposits in the time of falling rates could create strain on liquidity.

BASEL III IMPLEMENTATION

The implementation of Basel III framework will throw various challenges for banks. In particular, the adoption of Basel III capital requirements by Indian banks would push down their return on equity (RoE) to an extent.

Investors have a wider choice and the stocks of the manufacturing sector may be preferred to banking sector stocks and, as such, it may perhaps be difficult to convince the investor community to invest in Indian banks in the short-term. It is, however, expected that by looking at the benefits of implementation of Basel III capital requirements by way of increasing resilience of the banking system, investors will get adjusted to the new reality. This issue also needs to be seen in a historical perspective to understand the fact that Indian banks have successfully transited in the past from the regime of no regulatory requirement for capital to progressively tighter capital requirements and it would be logical to expect that Indian banks would be able to navigate the current phase as well. Nevertheless, it needs to be recognized that while moderation of growth in RoE is inevitable, the key to cushion this impact is to optimize capital and augment efficiency.

On June 9, 2014, the Reserve Bank issued guidelines for the implementation of the Liquidity Converge Ratio (LCR), which is a part of the Basel III framework on Liquidity Standards. In India, the LCR will be introduced in a phased manner starting with a minimum requirement of 60 per cent from January 1, 2015 and reaching minimum 100 per cent on January 1, 2019. Further, Government securities in excess of minimum SLR requirements and the Government securities within the mandated SLR requirement to the extent allowed by the Reserve Bank under Marginal Standing Facility (MSF) are permitted to be treated as Level 1 assets for the computation of LCR. Adoption of liquidity standards under Basel III may induce changes in funding preferences of the Indian banks reflecting the fact that availability of and access to quality liquid assets may be a challenge going forward when the LCR requirement increases incrementally.

CAPITAL MOBILIZATION

The process of phased adoption of Basel III capital norms, Indian banks in general have a relatively comfortable capital adequacy position to begin with. Rising required amount of capital going forward would be, however, a challenge, to which I turn now. The Reserve Bank issued final guidelines on implementation of Basel III capital regulations on May 2, 2012. The guidelines became effective from April 1, 2013 in phases and will be fully implemented as on March 31, 2019. Though there are various estimates about the additional capital mobilization by the PSBs arising out of the phased implementation of Basel III capital requirements, one thing is clear that the required magnitude of capital in the run up to the full implementation will be substantial. During the last four years, the Government has infused ` 586 billion in the PSBs. The Government has made a provision of `112 billion in the interim budget for 2014-15. PSBs hold more than 70 per cent of the banking assets. Therefore, capital infusion from the Government of this order may not be sufficient. It is also important to note that there has been over reliance on the Government to infuse equity despite headroom available for the management of the banks to raise equity from markets. There have not been concerted efforts made by PSBs to shore up their equity capital base from the markets, keeping in view the Basel III capital adequacy requirements. Their internal generation of capital has suffered mainly due to sharp deterioration in the asset quality possibly due to /adverse selection of assets. The growing pressure on asset quality of PSBs and the threat of rating downgrades will further add pressure on the equity of banks. Further, there would be further requirement of capital based on supervisory review and evaluation process under Basel Pillar II framework.

Nayak Committee has made some major observations According to the Committee, there is a need to upgrade the quality of board deliberation in PSBs to provide greater strategic focus. Further, there are seven themes which appear critical to their medium-term strengths comprising Business Strategy, Financial Reports and their Integrity, Risk, Compliance, Customer Protection, Financial Inclusion and Human Resources.

CUSTOMER RELATIONSHIP MANAGEMENT

Security concerns recent time bank ATM facility is not so safe every day one or two ATM broke down by thefts

Technological obsolescence

Penetration of IT in rural areas

Employee retention

Lack of adequate Finance -

Large number of transaction and branches

Increasing Customer expectation

CONCLUSION

The development of banking in India at slow rate in starting time period and not so well developed. In ancient time norms, customers, services and transaction were also very lower. The banking today is redefined and re-engineered with the use of Information Technology and it is sure that the future of banking will offer more sophisticated services to the customers with the continuous product and process innovations. Thus, there is a

paradigm shift from the seller's market to buyer's market in the industry and finally it affected at the bankers level to change their approach from "conventional banking to convenience banking" and "mass banking to class banking". The shift has also increased the degree of accessibility of a common man.

Challenges Faced by Banks, vis-à-vis, IT Implementation It is becoming increasingly imperative for banks to assess and ascertain the benefits of technology implementation. The fruits of technology will certainly taste a lot sweeter when the returns can be measured in absolute terms but it needs precautions and the safety nets. The increasing use of technology in banks has also brought up 'security' concerns. To avoid any mishaps on this account, banks ought to have in place a well documented security policy including network security and internal security.

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QUALITY OF COMMUNITY LIFE OF THE PERSONS WITH DISABILITIES IN KARAIKAL DISTRICT, PUDUCHERRY UNION TERRITORY

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ABSTRACT

The purpose of this study is to measure the Quality of community life of the persons with disabilities in Karaikal District, Puducherry Union Territory. The findings of the study suggest some practices which could be followed by the local government, community and persons with disabilities to improve the Quality of community life of Persons with Disabilities. Quality of community life means the quality of life of a person in his/her community. The researcher has used the Quality of Community life scale developed by ICMR for this study. The respondents of this study comprise the orthopedically disabled and visual challenged aged between 20 to 60 and having a sixty percent disability and above.

The study is quantitative in nature and descriptive research design was adopted. Cluster sampling was followed to select the respondents from the sampling population. And the sample size is 232. It was found that there is a significant difference between marital status and quality of community life and there is a significant difference between age and quality of community life. Based on the results, the researcher has come up with a few suggestions for the better quality of community life of the Persons with Disabilities.

Keywords: Quality of Community Life, Persons with Disabilities, orthopedically disabled, visually challenged

INTRODUCTION

More than a billion people are estimated to live with some form of disability, or about 15% of the world's population (based on 2010 Global Population estimates by UN). This is higher than previous World Health Organization estimates, which date from the 1970s and suggested around 10% (World Report on Disability, 2011).

Dr. Margaret Chan, the Director – General of WHO in her preface to World Report on Disability (2011), says that the Persons with disabilities have poorer health outcomes, lower education achievements, less economic participation and higher rates of poverty than people without disabilities. This is partly because people with disabilities experience barriers in accessing services that many of us have taken for granted, including health, education, employment, and transport as well as information. These difficulties are exacerbated in less advantaged communities.

The Constitution of India ensures equality, freedom, justice and dignity of all individuals and implicitly mandates an inclusive society for all including persons with disabilities. In the recent years, there have been vast and positive changes in the perception of the society towards persons with disabilities. It has been realized that a majority of persons with disabilities can lead a better quality of life if they have equal opportunities and effective access to rehabilitation measures (National Policy for PWD, 1993).

DISABILITY

According to World Report on Disability (2011), disability is complex, dynamic, multidimensional, and contested. Over recent decades, the disabled people's movement together with numerous researchers from the social and health sciences have identified the role of social and physical barriers in disability. The transition from an individual, medical perspective to a structural, social perspective has been described as the shift from a "medical model" to a "social model" in which people are viewed as being disabled by society rather than by their bodies.

MEDICAL MODEL OF DISABILITY

The Medical model, which dates back to enlightenment ideals, is as caused by a disease or a bodily disorder. A person is disabled because he or she has been ill, or because he or she has suffered a trauma. This model defines disability as a health problem, a disease, to be addressed by doctors and rehabilitation specialists who pursue better treatments and cures for disabling conditions. The focus is on changing disabled people so they can perform more efficiently in a society that has been constructed by and according to non-disabled people. After the polio epidemics, survivors were encouraged to use crutches and braces to enable them to continue to walk, even in instances where a wheelchair would have provided the survivor greater ease of mobility. This model was embodied in the classification of impairments, disabilities and handicaps developed by the World Health Organization (WHO) in 1980.

Drawbacks of Medical Model

The Medical model has been criticized for reducing disability to a particular individual's problem, and as leading only to medical action (treatment and rehabilitation). Against this model, some activists have developed what is called the 'social' model.

SOCIAL MODEL OF DISABILITY

This model focuses on the role of society in gaining equality for all its citizens including people with disabilities without them being seen as people with 'special needs'. Within this model, society has a responsibility to address barriers that prevent the participation of persons with disabilities. This model was embodied in the International Classification of Functioning, Disability and Health (ICF), developed by the World Health Organization (WHO) in 2001.

THE QUALITY OF COMMUNITY LIFE

The Social Model of Disability the focus shifts from fixing individuals to eliminating socially constructed barriers (meaning everything from prejudice to physical access barriers). The social model moves disability into the field of community development. Disabled people are perceived as active and equal participants of society, contributing to the development process. And so it is very much relevant to study the Quality of community life of Persons with Disabilities.

WHO / SEARO has been concerned with the development of indicators of quality of life; WHO / UNICEF inter-country workshops during 1980's emphasized the need of studying communities, which was re-emphasized by Regional Coordinating Group for Mental health Programme in September 1986. It was observed that little work had been done on indicators of quality of community life. The meeting also observed that it would be futile to scientifically study the community intervention programmes without developing indicators of quality of community life. ICMR and WHO have already developed Subjective Well-being Inventory for studying the quality of individual's life. ICMR has also developed Home Risk Card to study the quality of family life. As a logical sequence ICMR undertook this research project to develop an instrument to study Quality of Community Life (QOCL).

DEVELOPMENT OF THE TOOL

The Task Force study on Measures of Quality of Community Life (QOCL) was undertaken by Dr.Shuba Kumar at Chennai and Dr.A.K.Agarwal at Lucknow in 1994 to 1997.

The concepts relevant to community life were identified by conducting a comprehensive ethnographic study in Chennai, South India, and Lucknow, North India. The sample of ethnographic study included widely divergent socio economic groups comprising of a representative segment of rural community, urban colonies, and urban slums (authorized and unauthorized). The concepts identified during this study were subsequently transformed into questionnaires by both the centers independently. The respective questionnaires were administered to 500 respondents each drawn from above-mentioned residential areas at the two centers.

The data so-collected was factor-analyzed to study meaningful clustering of items. Items found to be less sensitive or less relevant to community life were dropped. The analysis based on consideration of factor loadings resulted into a reduction of number of items and to a questionnaire of 80 items. This questionnaire was again field-tested by administering it on 600 respondents each at the two centers. The data so obtained was factor-analyzed using combined data of the two centers to identify the factors relating to community life.

To make the instrument appreciably precise attempt was made to select only three questions for each factor having the highest factor loadings. The final questionnaire therefore consists of only thirty-three items found to be most relevant to the quality of community life. To establish the Internal Consistency of the Questionnaire, Squared Multiple correlation of each item with all other items was computed. It was found that each item has a significant correlation with all the remaining items of the questionnaire.

Two types of validity have been established: Factor Validity and concurrent Validity. The separate factor analysis for two center yield similar factor supporting the robustness of factorial structure. Concurrent validity can be shown by correlating scores on QOCL with scores on related measures such as infrastructure facilities and Home Risk Card. Correlation analysis shows that score on QOCL has significant correlation with these Parameters.

STATEMENT OF THE PROBLEM AND SIGNIFICANCE OF THE STUDY

According to the study conducted by the Department of Social Work, Pondicherry University in 2011, there were 1530 persons with disabilities in Karaikal District. From that they have randomly selected 383

beneficiaries and they have collected data from them using structured interview schedule. Through this study they found that one out of three respondents are illiterate and one out of six respondents have awareness on the disability legislations in India and the reservations in government jobs, and One third of the respondents do not have awareness about the government Schemes for them.

Across the world, people with disabilities have poorer health outcomes, lower education achievements, less economic participation and higher rates of poverty than people without disabilities. This is partly because people with disabilities experience barriers in accessing services that many of us have long taken for granted, including health, education, employment, and transport as well as information. This study tries to study the quality of community life of the Persons with Disabilities in order to suggest steps to create an inclusive Society in which the Persons with Disabilities able to live a life of health comfort, and dignity.

OBJECTIVE OF THE STUDY

The main objective of the research is to measure the Quality of Community Life of persons with Disabilities in Karaikal District, Puducherry Union Territory.

RESEARCH METHODOLOGY

The researcher has used quantitative method for this study and adopted Descriptive Research Design. According to the information received from Social Welfare Department of Karaikal on 10/04/12 there are 2525 Persons with Disabilities enrolled in Social Welfare Department of Karaikal District. All these 2525 will constitute the universe of this study. After implementing inclusion and exclusion criteria the researcher selected 551 Persons with Disabilities. The sample size was calculated with a sampling error of 5% and so the sample size is 232.

The researcher used Probability sampling for this study. Cluster Sampling was adopted to select the respondents from the population. The whole Karaikal District was divided into five zones (already existing for the use of Social welfare department alone). 46 samples were collected from three Zones and 47 samples were collected from other two zones.

INCLUSION CRITERIA

The Persons with Disabilities who are aged between 20 to 60 years having disability 60% and above and who have orthopedic and visual impairment in Karaikal District.

EXCLUSION CRITERIA

Persons with Disabilities who are below 20 years and above 60 years and who is not either visually challenged or orthopedically disabled and who have below 60% of disability within the age group of 20 to 60 years in Karaikal district will be considered as excluded in the process of sample selection in this study.

TOOLS OF DATA COLLECTION

For this study the researcher has used the Quality of community life – Scale developed by ICMR, and an interview schedule about socio-demographic characteristics.

HYPOTHESES

- 1) Men with disabilities have better quality of community life than women with disabilities.
- 2) There will be a significant difference between the Type of disability and Quality of Community life
- 3) There will be a significant difference between the marital status and Quality of Community life.
- 4) There will be no significant difference between the Religion and Quality of Community life
- 5) There will be a significant difference between the Caste and Quality of Community life.
- 6) There will be a significant difference between the educational status and Quality of Community life.
- 7) Elderly persons will have lesser quality of community life when compared with younger ones.

The descriptive statistics of demographic variables (Table no.1)

Demographic Variables	Details	Frequency	Percent
Age of the respondents (in Years)	20 to 30	69	29.7
	31 to 40	45	19.4
	41 to 50	46	19.8
	51 to 60	72	31.0

Sex	Male	130	56.0
	Female	102	44.0
Religion	Hindu	193	83.2
	Muslim	22	9.5
	Christian	17	7.3
Caste	SC	75	32.3
	OBC	152	65.5
	General	05	2.2
Educational status	Illiterate	76	32.8
	Primary	44	19.0
	High school	88	37.9
	Higher secondary	07	3.0
	UG	11	4.7
	PG	06	2.6
Occupation	Not working	147	87.3
	Daily Wages	37	6.9
	Monthly payment	25	3.9
	Own business	19	2.0
	Studying	04	1.7
Marital status	Unmarried	73	31.5
	Married	136	58.6
	Separated	05	2.2
	Widower	05	2.2
	Widow	13	5.6
Housing status	Own	193	83.18
	Rented	39	16.82
Type of house	Pucca	100	43.1
	Tiled	38	16.4
	Hut	12	5.2
	Thatched	82	35.3
Type of family	Nuclear	181	78.0
	Joint	51	22.0
Toilet	Yes	106	45.7
	No	126	54.3

Drinking water	Yes	232	100
	No	0	0
Electricity	Yes	228	98.3
	No	04	1.7
Habit of saving	Yes	27	11.6
	No	205	88.4

The above table shows that 31.0 % of the respondents are from the age group of 51-60 years. 56% of the respondents are male. 83.2% of the respondents are Hindu. 65.5% of the respondents belong to OBC category. 32.8 % of the respondents are illiterate. 87.3% of the respondents do not have any job. 31.5 % of the respondents are unmarried. 83.18 % of the respondents reside in own house. 35.3 % of the respondents are living in Thatched house. 78 % of the respondents are living in nuclear family. 54.3 % of the respondents do not have toilets. 100% of the respondents have good drinking water facility. 98.3 % of the respondents have electricity facility. 88.4 % of the respondents do not have the habit of saving.

The disability details of the respondents (Table no.2)

Disability details	Details	Frequency	Percent
Age of disability onset	By birth	39	16.8
	1-2 yrs	81	34.9
	3-18 yrs	46	19.8
	19-60 yrs	66	28.4
Type of disability	Visually challenged	38	16.4
	Orthopedically challenged	194	83.6
Percentage of disability	60%-65%	130	56.0
	66%-85%	66	28.4
	86%-100	36	15.5
Pension amount (INR)	1100	113	48.7
	1400	83	35.8
	1750	36	15.5

The above table shows that 16.8 % of the respondents are born with disability. 83.6 % of the respondents are orthopedically challenged. 56.0 % of the respondents have 60%-65 % of disability. 48.7 % of the respondents are getting Rs.1100 as disability pension.

QUALITY OF COMMUNITY LIFE

Descriptive Statistics for Quality of Community Life (Table No. 3)

Factors in QOCL	Mini.	Max.	Min. possible score	Max. possible score	Mean	Std. Deviation
QOCL Colleagues	3	9	3	9	3.29	3.28
QOCL Community Effort	3	9	3	9	5.53	1.71
QOCL Relatives	3	9	3	9	6.06	1.95

QOCL Family	3	9	3	9	8.18	1.42
QOCL Neighbours	3	9	3	9	6.73	1.41
QOCL Friends	3	9	3	9	5.52	1.98
QOCL Medical and Other Facility	3	9	3	9	7.40	1.67
QOCL Social Discrimination	5	9	3	9	8.79	0.58
QOCL Social Contact	3	9	3	9	7.54	1.54
QOCL Law and Order	4	9	3	9	6.19	1.46
QOCL Caste and Religion	5	9	3	9	8.84	0.57
Overall Quality of Community Life	57	94	33	99	74.07	8.76

The above table no. 3 shows the descriptive statistics for Quality of Community Life of respondents, mean, standard deviation and minimum possible, maximum possible, minimum and maximum value scored for the subscales and total scale is represented.

Quality of Community Life for colleagues was found to be low ($M=3.29 \pm 3.28$). Quality of Community Life for community effort was found to be moderate ($M=5.53 \pm 1.71$). Quality of Community Life for relatives was found to be high ($M=6.06 \pm 1.95$). Quality of Community Life for family was found to be very high ($M=8.18 \pm 1.42$). Quality of Community Life for neighbors was found to be high ($M=6.73 \pm 1.41$). Quality of Community Life for friends was found to be moderate ($M=5.52 \pm 1.98$).

Quality of Community Life for medical and other facility was found to be high ($M=7.40 \pm 1.67$). Quality of Community Life for social discrimination was found to be very high ($M=8.79 \pm 0.58$). Quality of Community Life for social contact was found to be high ($M=7.54 \pm 1.54$). Quality of Community Life for law and order was found to be high ($M=6.19 \pm 1.46$). Quality of Community Life for caste and religion was found to be very high ($M=8.84 \pm 0.57$). Overall Quality of Community Life found to be high ($M=74.07 \pm 8.76$).

Independent sample T-Test result for Sex and Quality of Community Life.

Null hypothesis (H_{01})

There will be no significant difference between Sex and Quality of Community Life.

Alternate hypothesis (H_{a1})

Men with disabilities will have better Quality of Community Life than women with disabilities.

T-test for Sex and Quality of Community Life (Table No. 4)

Sex of the respondents	N	Mean	Std. Deviation	t	df	P value
Male	130	75.30	9.838	2.433	230	0.016
Female	102	72.51	6.898			

The above table shows the t-test value for Sex and Quality of Community Life $t(230) = 2.433$, $p = 0.012$. p value is less than 0.05 therefore there is a significant difference between sex and Quality of Community Life. The table also shows that the mean value for female is less than the mean value for male, and so the null hypothesis is rejected and the alternate hypothesis is accepted. Therefore it is interpreted as men with disabilities have better Quality of Community Life than women with disabilities.

Independent sample T-Test result for Type of disability and Quality of Community Life

Null hypothesis (H_{02})

There will be no significant difference between the Type of disability and Quality of Community Life

Alternate hypothesis (H_{a2})

There will be a significant difference between the Type of disability and Quality of Community Life

Independent sample T-Test for Quality of Community Life and Type of disability (Table No. 5)

Type of disability	N	Mean	Std. Deviation	t	df	P value
Visually Challenged	38	71.50	8.680	-1.992	230	0.048
Orthopedically disabled	194	74.58	8.712			

From the above table shows $t(230) = -1.992$, $p=0.048$ which is less than 0.05 and so there is significant difference between type of disability and Quality of Community Life. As per the table the visually challenged have less Quality of Community Life when compared with orthopedically disabled. Therefore the null hypothesis is rejected and the alternate hypothesis is accepted.

ANOVA test results for Quality of Community life with marital status, religion, age, caste and educational status (Table no. 6)

Dependent Variables	Independent variable	Details	N	Mean	SD	F	Sig.
QOCL	Marital status	Unmarried	73	75.63	8.77	4.384	0.014
		Married	136	74.00	8.60		
		Separated/widow	23	69.52	8.39		
QOCL	Religion	Christian	22	76.18	9.194	0.748	0.474
		Hindu	193	73.91	8.702		
		Muslim	17	73.24	9.038		
QOCL	Caste	SC	75	75.05	9.348	0.814	0.444
		OBC	152	73.63	8.300		
		GEN	05	72.20	13.629		
QOCL	Educational status	Illiterate	76	69.54	7.719	13.260	0.000
		Primary	44	74.48	8.157		
		High and higher secondary	95	76.57	8.029		
		UG and above	17	79.35	10.344		
QOCL	Age	20 to 30	69	77.54	7.535	14.112	0.000
		31 to 40	45	77.22	8.772		
		41 to 50	46	72.76	7.729		
		51 to 60	72	69.62	8.411		

Null Hypothesis (H_0) : There is no significant difference between marital status and quality of community life

Alternate hypothesis (H_a) : There is a significant difference between marital status and quality of community life

Null Hypothesis (H_0) : There is no significant difference between religion and quality of community life

Alternate hypothesis (H_a) : There is a significant difference between religion and quality of community life

Null Hypothesis (H_0) : There is no significant difference between caste and quality of community life

Alternate hypothesis (H_a) : There is a significant difference between caste and quality of community life

Null Hypothesis (H_0) : There is no significant difference between educational status and quality of community life

Alternate hypothesis (H_a) : There is a significant difference between educational status and quality of community life

Null Hypothesis (H_0) : There is no significant difference between age and quality of community life

Alternate hypothesis (H_a) : There is a significant difference between age and quality of community life

Post Hoc Test for Marital Status and Quality of Community Life (Table no. 7)

Duncan			
Marital status	N	Subset for alpha = 0.05	
		1	2
Separated/ Widow/ Widower	23	69.52	
Married	136		74.01
Unmarried	73		75.63
Sig.		1.000	.366

Means for groups in homogeneous subsets are displayed.

The table no.6 shows that $F = 4.384$, $p = 0.014$ for marital status and quality of community life which is less than 0.05. Therefore there is a significant difference between marital status and Quality of Community Life. In order to know exactly which means are significantly different the researcher used Duncan test for Quality of community life and marital status which shows the homogeneous subset (table.7). The Duncan post hoc test shows the major differences among the means. It organizes the means of the three groups into "homogeneous subsets". Subsets of means that do not differ from each other at $p < 0.05$ go together, and subsets that do differ go into separate columns. According to Duncan test the group Separated/ widow/ Widower comes in one column and the groups Married and Unmarried comes in another column. Which means the group married and unmarried do not differ from each other at $p < 0.05$ and so they go together, and the group Separated/ widow/ Widower differ from other groups at $p < 0.05$.

Therefore the null hypothesis is rejected and the alternate hypothesis is accepted (H_{a3}). It is to be interpreted that there is a significant different among Marital Status and Quality of Community Life.

Table no.6 shows $F = 0.748$, $p = 0.474$ for religion and Quality of community life. The p value is greater than 0.05 and so the alternate hypothesis is rejected and the null hypothesis is accepted (H_{04}).

Table no. 6 shows $F = 0.814$, $p = 0.444$ for caste and quality of community life , p value is greater than 0.05 and so the alternate hypothesis is rejected and the null hypothesis is accepted(H_{05})

Post Hoc test for Age and Quality of Community Life (Table no. 8)

Duncan				
Age group	N	Subset for alpha = 0.05		
		1	2	3
51-60	72	69.62		
41-50	46		72.76	
31-40	45			77.22
20-30	69			77.54
Sig.		1.000	1.000	.839

Means for groups in homogeneous subsets are displayed

According to table no. 6 the p value is 0.000 for quality of community life and age, which is much lesser than 0.05 and so there is significant difference between Age and Quality of Community Life. In order to know exactly which means are significantly different the researcher used Duncan test which shows the homogeneous subset (table no. 8). The Duncan test clearly shows that the age group 51-60 and the age group 41-50 and the age groups 31-40 and 20-30 are differ from each other at $p < 0.05$ and they show up in different columns. The age groups 31-40 and 20-30 show up in same column which means these two groups do not differ from each other at $p < 0.05$. The Duncan test clearly shows that the younger ones have better Quality of Community Life than the elderly persons.

Therefore the null hypothesis is rejected and the alternate hypothesis is accepted (H_{a7}). It is to be interpreted as elderly persons have lesser Quality of Community Life when compared with younger ones.

Post Hoc test for Educational Status and Quality of Community Life (Table no. 9)

Duncan

Educational status	N	Subset for alpha = 0.05		
		1	2	3
Illiterate	76	69.54		
Primary	44		74.48	
High and higher secondary	95		76.57	76.57
UG and above	17			79.35
Sig.		1.000	.264	.137

The above table no. 6 shows that p value is 0.000 for educational status and quality of community life, the p value is much lesser than 0.05 and so there is a difference between the educational status and quality of community life. In order to know exactly which means are significantly different the researcher used Duncan test which shows the homogeneous subset (table no.9). The Duncan test clearly shows that the group illiterate, Primary, high and higher secondary, UG and above differ from each other at $p < 0.05$. The group high and higher secondary show up in both columns indicating that the group do not differ from the other two groups at $p < 0.05$.

Therefore the null hypothesis is rejected and the alternate hypothesis is accepted. It is interpreted as there is a significant difference between Educational Status and Quality of Community Life.

RECOMMENDATIONS

- Increasing the employment opportunities for the persons with disabilities.
- Special vocational trainings should be given to the women with disabilities according to their interest in their community itself.
- Educational status of the persons with disabilities increases their Quality of Community Life .Through education they not only gain knowledge but it helps them to gain independence from their family or care givers.
- Inclusive education should be properly implemented in all the schools with special teachers in order to stop the denial of education to the children with special needs.
- Majority of the persons with disability do not have toilets in their area so the state government should take necessary steps to build public toilets and make arrangements for the proper maintenance of the toilets. In every public toilet there should be one disabled friendly toilet.
- Promotion of self-help groups for the persons with disabilities will play major role in reducing their isolation, providing mutual support and increasing their participation in community life.
- More volunteer organisations should be encouraged to work for the welfare of the persons with disability.
- Research activities on the issues of the persons with disability should be encouraged.
- Most of the persons with disability do not have the habit of savings; government can take necessary steps with the help of bank and post office to have attractive saving schemes for persons with disabilities.

CONCLUSION

The main problem of the Persons with disabilities is not the impairment they have but the lack of an enabling environment. Most of the persons with disability find it difficult to cope with their everyday life. If an enabling environment is provided to the persons with disabilities then the impairment need not be an obstacle to success. It is not only Government and NGOs should work for the welfare of the persons with disability but it is important that the institutions like family, state, NGOs, higher educational institutes, research institutes, policy makers and civil society should work together for the welfare of the persons with disabilities and to make this world disabled friendly. If the world becomes disabled friendly then the impairment will not be disabling factor.

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CONSORCIO ARA CASE ANALYSIS TO THE PROBLEM OF HOUSING SECTOR IN MEXICO

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ABSTRACT

The article talks about the strategies that led Consorcio Ara to maintain growth, although the outlook for housing in Mexico is going through a difficult situation. The strategies are evaluated through the landscape of the industry, where they take into social implications of the problem as well as economic aspects that affected most of the companies in the industry. Strategies for success in this business versus strategies that took most of the companies engaged in housing construction are analyzed through quantitative method with reference data from public institutions, for give to the situation solid arguments for the final conclusion.

Keywords: Strategies, industry, diversification.

1. INTRODUCTION

This article analyzes the strategies of Consorcio Ara with an overview of the real estate industry in Mexico, which affect both private and public institutions. An analysis based on the quantitative method is conducted to analyze the strategies adopted by other companies competing in the housing industry and thus, the strategies of Consorcio Ara. This analysis includes both qualitative data affecting the housing industry as the location of the same, the qualities of the houses that were within government strategies to subsidize the industry.

Further more, the quantitative analysis performed is based on data collected by Consorcio Ara. With these data was performed micro economic industry analysis with reference to some examples of Varian(2010) to allow appropriate screening of the company strategies. Another important aspect which is based on this analysis is game theory, in which the company strategies are analyzed together with others, to see if they are working properly for their own benefit and for the benefit of the government.

2. BACKGROUND OF THE PROBLEM

The housing market is currently facing a crisis that represents more than 36 million of Mexicans do not have a decent place to live. This means that they lack basic services such as potable water, electricity, good quality materials, so as a sufficient living space. There is also one deficit of 9 million homes in the country, contrasting with 5 million homes currently found abandoned, representing 14% of the housing stock. This is due to various causes. First, there are supports from the previous government grants for construction of low cost housing, wherein was not restricted the location of these houses in order that private initiative supported the government to urbanization in some areas. This caused the supply of social housing to increase in remote areas of the country's urban areas.

Because of this, many construction firms gambled to adopt model which existed support after the market crisis of the housing bubble in 2009. However in 2012, the government announced that this support would change, which suggested to most of the construction firms that were going to increase the supports granted to such type of housing. With this many construction enterprises requested bridge-credits to the banks, and this continued to build another large amount of social housing in remote areas from urban areas.

Even with this deficit of housing and less affordable rates, a lot of these homes were not bought and many others were abandoned. Because large distances to urban areas were coming accompanied by high costs of transportation to basic services, as well as the employment of people who had the financial ability to purchase these homes, the problem of housing is not easy to solve. Added to this and in contrast to the predictions of several constructions, in 2013 the government announced the new housing policy of Mexico, which is focused on providing rural communities with basic services and promote development orderly urban areas as through three basic actions are:

- A. Orientation of building vertical properties where developers can bid more square meters.
- B. Development within urban areas, in order to reduce travel times for people.
- C. Position to build sustainable housing.

Besides what has been said in previous paragraphs, other reasons that caused the demand for social housing to decrease are:

- A. One, in the wake of the workers now they have the ability to access co-financing, the amount consumed by these households has increased.
- B. Two, the supply of social housing is generally outside the cities, and not satisfying consumer preferences right now that are primarily focused on accessibility to urban services as well as workspaces.
- C. Three, related to the previous reason, is that the location of such housing has no relation with the activity of people who typically demand such homes.

Because of the landscape that has faced in the last years of construction, most of these companies having no liquidity fell in defaults of payments from bridge credits. Now this type of credits is restricted a minimum amount of construction companies. In addition, many construction companies have been presenting losses, including companies listed on the Mexican Stock Exchange as seen in the graph below, which shows the historical returns of the index in habits.



Figure 1. Graphic habitat in real time Source: Investing (21 May 2014).

This can be seen reflected even in the credits offered by private industry, as the demand for these credits in their majority is aiming for average households and residential. As shown in the following table the demand for these credits has increased in the last years. Similarly, changes in the demand for housing also can be reflected in INFONAVIT loans, since loans for social housing types as well as loans for residential housing have declined. However, the decline of loans for residential dwellings decreased by only 1.31%, but loans for such housing in the private sector increased by 10.55%. As well as lending for middle income housing to average households, granted by this institution were the only ones with a positive variation of 2.08%.

Table 1. Loans for the acquisition of whole housing. INFONAVIT

Type of housing	2012	2013	Percentage of variation	Number of variation
Social interest	300204	248321	-17.28%	-51883
Medium	20293	5588	2.08%	422
Residential and residential plus	5662	5588	-1.31	-74
Total	326159	274624	-15.80%	-51535

Source: Own elaboration with data from INFONAVIT. Consultation in June 2014.

This does not mean that the need for new social housing has declined, but that people prefer homes who are located in urban areas rather than homes outside the cities. These results in an increase in demand for credits for used housing, credit for the construction nor remodeling credits for housing. In short, homes located within urban areas are preferred, being most of these homes of vertical type, in addition to housing developments of residential and medium, people who are able to purchase this type of housing is now preferring to pay a little more to have the convenience of being able to move from one place to another by sacrificing on one hand the cost of living in urban areas. However this type of developments is insufficient.

3. DELIMITATION OF THE PROBLEM

As the outlook for housing in Mexico industry already mentioned, it has been difficult in recent years, despite the government's efforts to support the sector, not yet been reflected in positive results in most of the companies working in this field. Torres (2013) said that although the outlook for the housing industry has not been very

attractive for most of the construction enterprises, some companies have reported earnings, as Ruba and Cadu reported growth in revenue of 34.88% and 5.7% respectively.

As for the 6 companies listed on the BMV (ARA, GEO, Hogar, Homex, SARE and URBI), Consorcio Ara is currently the only company that pays dividends, despite the housing market crisis that currently exists. In the following lines it is analyzed the strategies implemented by this company not to be affected by the crisis that currently lives and continue to pay dividends despite the difficult situation of the real estate market.

The research question is as follows: What strategies carried out by Consorcio Ara created development for this business in the middle of the housing market crisis in Mexico?

4. JUSTIFICATION RATIONALE

The lack of proper analysis of the market, and as a result of this the lack of implementation strategies aimed at diversification, are the reasons why sales declined on the major part of companies in the housing industry. In contrast to the above, some construction companies implemented proper analysis of the industry and as a consequence of this, implemented strategies without market focus. Among this group of companies, is Consorcio Ara, that even when it was the one who reported a higher level of growth and greater profit margin within the larger group of competition companies in Mexico, which is reported greater profit margins.

The importance of an analysis of success stories in the real estate sector is that this sector generates various production chains; also in 2010 this sector generated 3.5% of national GDP, besides that created employment for 350,974 people.

5. ASSUMPTION

The market focus of Consorcio Ara as a strategy kept the company with positive results in sales in the middle of the housing market crisis situation in Mexico.

6. CONCEPTUAL THEORETICAL FRAMEWORK

The theory based on industry provides the tools for proper management of the company entirely by market contexts that determine the profitability of a company within an industry, as well as the key actions that companies can implement to stay solid in situations not planned to develop or survive. The success of Consorcio Ara to the realtor market crisis results from a proper analysis of its position within the real estate industry. In this article the company is analyzed through five forces model of Porter (1980) and as the implementation of a generic strategy focusing on different market niches which were key to the development of the company in a difficult situation in this industry.

Based on the foregoing, Peng (2010) sustains that the goal of the economics of an industrial organization is not so much to support companies to compete with each other, but support to policy makers better to understand how companies compete for so regulate them properly. This applies to the case of the housing industry, since it is known that most demanded type of housing in the country, is the social interest housing type, also known to be considered an elastic good because demand increases when prices are lower.

However, the strategic variable in the housing industry is distance. So, when in the past six years the government launched the "National Housing Pact" what was sought was that builders build more social housing. So, subsidies are granted to encourage the purchase of such housing, with unchecked location restrictions. Thanks to these subsidies most builders began building homes outside urban areas in large numbers, but forgot that the strategic variable is the location of industry. This caused that most of these houses did not were sold, and there are currently 5 million empty houses by this situation. Returning to the five forces model of Porter (1980), this model states that the performance of a firm in an industry depends on the degree of competition between the five forces are:

- A. Intensity of rivalry among competitors.
- B. Threat of potential inputs.
- C. Bargaining power of suppliers.
- D. Bargaining power of buyers.
- E. The threat of substitutes.

Reviewing the housing industry through the five forces, it can find the reason that some companies were successful and others not to face the housing market crisis in Mexico. The first one sustains that the number of competitors is crucial. The more competitors there will be in the market, the largest the degree of dependence between them and therefore the degree of rivalry between them will be less. In the case of the housing industry,

according to the latest economic census conducted by the INEGI(2009), accounts that today in the housing industry there are 3, 216 companies engaged in residential construction, what makes to think that because there are a large number of companies there is not great rivalry between them.

However, although a large number of companies, few companies have the economic capacity to build a lot of houses, but this does not change the degree of rivalry between them. It is a good that consumers do not buy regularly, compared with the goods for basic necessities. But not being a good that the consumer purchases regularly, the consumer tends to analyze the characteristics of the goods before making a purchase and, like a car, if the customer is not satisfied with the first purchase, it is safer not to buy again.

The second of the forces of Porter(1980) states that the easier is the entrance to the industry for the companies, the greater is the degree of competition between them. In the case of the housing industry, market entry is easy, because any one who has enough capital to build houses can do so without any restriction. However, not everyone has the capital to launch large numbers of homes on the market. In addition, companies throwing large quantities to market leverage economies of scale so the price of houses can result cheaper than small builders. Although this makes the entry into the industry to be relatively easy, there is not a high degree of rivalry among firms.

The third Porter's force speaks of bargaining power with providers. In the case of the housing industry, the providers do not exercise great power over big business and some of them have their own cement plant, as in the case of Consorcio Ara. Other companies have established some partnerships, in the case of large companies as mentioned above; they tend to take advantage of economies of scale as they generate cost savings compared to small builders.

The fourth Porter's force, which is the bargaining power with buyers, is important in the housing industry with the fifth force. As the fourth force an industry is not very attractive to buyers if the products are not very differentiated or are of less cost to the customer, but mainly states that if customers are more organized among themselves, they tend to be organized so that the costs are lower. Furthermore, fifth force states that an industry is not attractive if there are many substitutes.

In the case of the housing industry the last two forces are important, because when a customer decides to buy a house is because he has already analyzed several options. Customers usually buy the house according to the price of this and the characteristics of the same. An important factor when purchasing a home is the credit, because buying a home is usually done on the credit. If institutions provide facilities to access higher amounts of credit, the customer prefers to buy more expensive houses, and in terms of features such as the strategic variable is the location previously commented. Thus, the best located housing, the more likely that can be purchased quickly.

Substitutes in the case of the housing industry products may be influenced by the types of credit, i.e., at the moment when a person wants to buy a home, his options are to buy a new home, buying a used house, rent a home, remodel a home or build a home. According to the model of the five forces of Porter(1980), the housing industry appears to be a market in which there is a great rivalry among competitors and where the price war is not some thing that occurs frequently at least for developers of housing, especially for those who have the capital to build large amounts of housing.

7. CONTEXTUAL FRAMEWORK

Consorcio Ara is a company dedicated to the construction and sale of housing developments and leasing of shopping centers in Mexico. It began operating in the BMV (Mexican Stock Exchange) in 1996, and since its founding in 1977 currently has presence in 16 states of the country, which have sold over 36 years of experience, 296,000 households, besides currently lease plus 8 commercial centers. Its main market is focused on residential and medium residential class, especially the vertical type, which makes this company stand apart from most of its competitors, which mainly focus on affordable housing because of the subsidies that the government provides for the sale of such housing.

Consorcio Ara is searching mainly to focus on a niche market (middle to upper class) through differentiation of its homes, as seen in their mission and vision as a company. Mission: To develop homes and communities to the lifestyles of Mexico where it is proud to live. Vision: To be the most reliable, cost effective and innovative real estate developer in Latin America. Even after the housing market crisis, it can be said that Consorcio Ara has a solid financial structure as it is currently the only builder of BMV that is paying dividends. It has the best credit rating in the housing industry in Mexico: Standard & Poors "mx A" and Moody "A2.mx". In addition, the

company has its own cement plant, which works and manufactures cement only for the residential building company, and which is able to reduce its costs to provide housing to a lower price than if the cement is bought.

8. REVIEW OF LITERATURE

Carrión (2008) comments that in the housing market crisis there are other factors besides location plans of houses or rather plan for controlled urban development. What he comments are that is useless that government grants subsidies for the acquisition of homes, even when they are found in urban areas. If there is not looking for ways to encourage job creation, because in many cases, many mortgage credits are granted and for the lack of employment generation, these are not paid, then it falls back into a bigger problem. Trill (2001) comments that the quality and accessibility, as well as the availability of housing are increasingly an important issue in most countries. This has increased in the last twenty years due to the coincidence of the role of housing in the business cycle and partner, so its integration into public policy should be a topic most studied each time.

The opinion of Szalachman (2000) is very important because it emphasizes that the design of an adequate housing policy depends on accurate estimates of the amount of existing homes and the entire population. But without neglecting the existing homes that meet the minimum quality standards that will enable families to have a decent quality of life. These two aspects are defined as the quantitative deficit and qualitative deficit. Villa (1999) through an analysis of subsidies for housing in Colombia, where the government demanded builders a certain quality in the same, which made that these, could not maintain accessible prices to the low income population.

In conclusion, Villa sustains that there is a difficulty in producing a significant impact on housing for the poor population. Thus, here commended making some increases in the size of the improvements for families who are in extreme poverty. Perez (2009) said that one of the causes of prolonged housing market crisis are because both private companies and governments have been mainly directed to finance operations more oriented to have capital gains than to produce goods and services associated with a better quality of life of the population.

10. METHOD

The method chosen for the analysis of the situation of Consortia in the housing industry in Mexico to the market crisis situation that currently exists is the quantitative method, with the most recent data of public institutions with support of some microeconomic analysis. The reason why this method is chosen is because through this, it can occur judgments about the market, as there are multiple factors involved in strategies that take into account a company to compete in the market.

11. DATA ANALYSIS

Consortio Ara is a national company, which competes in a competitive market structure, as there are a large number of competitors, which at the end of 2013 totaled approximately 2,500 developers, according to the Single Housing Register (Registro Único de Viviendas). However, in Mexico the most construction companies and developers working on projects of 50 to 500 households, and only a small part involved in projects of over 10,000 homes. In 2013 according to data from Single Housing Register (Registro Único de Viviendas), out of 2,500 developers that enrolled households in the Single Housing Register (RUV), which operate nationally have the highest participation 47.26% in terms of revenue and number of homes sold.

This was analyzed with information from the last economic census conducted by the INEGI (2009), which shows that the number of companies engaged in the construction of houses in that year was 3,216 (2009), of which 63% of all production belongs to large companies totaling 368 companies. With these data it was estimated the IHH, in which the result was 5368, which confirms that the structure is an oligopolistic market structure, even when a large number of participants, since, as commented above most of the total production is made by the largest firms.

According to the latest economic census conducted by the INEGI (2009), 3,216 companies are engaged in the construction of houses, and of these, 368 companies are classified as large. Of these 368 large, 6 companies are listed on the Mexican Stock Exchange (Bolsa Mexicana de Valores) and housing construction. These companies are ARA, GEO, HOME, Homex, SARE and URBI. As for social housing and Prosa, Ara's main competitors are Corporación GEO, URBI, Homex, JAVIER and SEDASI. The latter, SEDASI is not listed on the BMV. As for medium type and residential households, the key competitors of Consortio ARA, are mostly small developers, which change according to their region, as they usually offer more personalized dwellings, together with JAVIER and SARE.

As for small developers, they are mostly a great number of companies. Although they are large considering the number of employees, do not release large quantities to the market and therefore they are not considered the main competitors of ConsorcioAra, unless compared each company per State, where maybe it can locate different company names as regional competitors of ConsorcioAra. Some of these companies are registered in the Mexican business Information System.

The potential market ConsorcioAra is located with in the population that meets the characteristics to acquire a mortgage credit. Thus, most of the homes are purchased entirely by mortgage credits. The main features to acquire a mortgage credit in Mexico are:

- A. Population between 20 and 64 years.
- B. According to the last population and housing census, which was conducted in 2009, the population between 20 and 64 is 60,458,311 inhabitants, which corresponds to 53% of the total population.
- C. Population that receives a fixed income: According to the latest National Survey of Occupation and Employment, the number of inhabitants occupied by the first quarter of 2014 is 49,305,839 people, equivalent to 35.87% of the total population. Table 1 shows the number of persons employed according to the level of revenue (number of minimum wages earned per month).
- D. Population affiliate INFONAVIT, FOVISSSTE, or other institution as PEMEX, CFE, etc. From the economically active population (PEA), 19.3% affiliated to any institution as INFONAVIT, FOVISSSTE, PEMEX, CFE, etc.

As the focus of Consorcio Ara previously commented are medium and residential housing. So to define the target market of Consorcio Ara the number of economic active population (PEA) that perceives higher income of five minimum wages, which is 3,635,001 multiplied by 19.3% which is the population that is affiliated with some kind of institution, the result is 654,564 inhabitants.

Although the number of inhabitants as target market of Consorcio Ara looks like a small number, it is important to analyze the patterns of mortgage credits that can be joint and together, and besides, people now have access to co-financing, which extends the amount of the credits awarded. In addition, according to the OECD (Organization for Economic Cooperation and Development), the middle and upper classes in Mexico, are stepping to occupy 36.2% of the population in 2000, to fill 40.9% of the total population.

But do not forget that although the main focus of Consorcio Ara is the construction of medium type and residential housing also covers the market for social housing. To calculate the objective of social housing in the market multiplied number of PEA with incomes of more than 3 to 5 minimum wages, which is 18,451,043, of 19.3% population is affiliated with some sort of institution, the result is 3561051.

According to the report of the company for the third quarter of 2013, Consorcio Ara has 39.9 million m² for construction, with which your goal for 2014 is to build 165,696 units in the republic, in addition to taking 2.9 million m² for the construction of tourism projects and shopping centers. Likewise according to company data during 2013 most of its production units was for social interest housing, followed by medium type average households, progressive and lastly residential. But on the contrary, the highest percentage of revenue was average of medium type households, followed by social, residential and progressive interest.

With this situation it can be said that the number of units is not the determining factor in income level, as most of ConsorcioAra revenue during 2013 came from housing of medium type average. The new housing policy introduces a new model focused on promoting the orderly and sustainable development of the housing sector in the improvement and regulation of urban housing, and the creation and development of rural housing development.

Of 165,696; 27,762 are medium type average households; 95,843 are social housing; 11,718 are residential dwellings and 31,373 homes are of progressive type. Likewise, 53,657 units following may located in the State of Mexico and is equivalent to 32.4% of total units to be built; and 38,463 in Quintana Roo is equivalent to 23.2% of all units that are going to be built; the rest will be distributed throughout the republic.

12. CONCLUSION

The housing market crisis in Mexico affects not only the construction, housing or real estate, but also it affects to public and private institutions. That is why the importance of both government and private companies conduct comprehensive analysis taking into account all aspects affecting the industry conditions. Consorcio Ara's success is due to its implementation of strategies based on the behavior of the industry with a future focus,

but mostly to the diversification in the construction of housing, taking into account market niches that most of the construction companies not were taken into account.

Aspects such as the location of housing within urban areas as well as the quality of them, some sacrifice in price, were instrumental in the development of Consorcio Ara with an overview of housing in all companies engaged BMV and dedicated to housing, do not pay dividends. It is interesting to continue studying the case of the company, as the new housing policy announcement by the government in 2013, has as main objective to develop urban areas in an orderly manner, and while other companies are just beginning to make adjustments to their strategies, Consorcio Ara, have an edge, thanks to its vision.

Another important aspect of this situation is that, for the restrictions as well as subsidies approved by institutions in this sector must consider not only the present conditions, if not the future conditions that may affect the sector, in the case of Mexico the government awarded subsidies to promote the sale of homes, without any restriction, so the construction companies dedicated to build houses disorderly outside urban areas.

The majority of companies in Mexico did not take into account the conditions under which people would live to acquire these homes, representing excessive costs in location expenses for lack of basic services near these homes, as well as lack of resources for transportation, and in some cases appropriate routes of transportation. This entire caused people prefer to buy more expensive in urban areas used to acquire homes, request credits for purchase of land or remodeling; and in the case of people who bought these homes, many of them having no liquidity because of the costs that generated them to live far away from urban areas, because they could not pay credits.

Beyond government regulations, it is important that companies in the housing industry and other industries type take into account all the conditions affecting the competitiveness of the industry, to develop strategies to grow, and survive in crisis situations.

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FINANCING OF HIGHER EDUCATION: A CASE STUDY OF MIZORAM

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ABSTRACT

Education is viewed as a 'public good' or at least as a 'quasi-public good'. Accordingly, the financing of this strategically important sector is a distinct one. The state is expected to bear a lion's share in its funding. Private and internal sources of finance for the educational institutions are generally negligible. But in today's world order of liberalisation, the government finds it difficult to allocate much for this sector on account of competing demands from other sectors of expanding economies. Higher education is a sub-set of the general education sector and naturally receives a smaller fraction of funds from the public source. However, the government continues to be the major contributor in financing higher education. The trend in Mizoram also conforms more or less to the national structure. As percentage of GSDP spent on higher education Mizoram ranks first among the Indian states (9.78 percent). Contribution of fee, however, is very negligible, especially after mass provincialisation of colleges in 2007. Similarly, after 1990s endowments have lagged too far behind in their contribution to educational finance.

Key words: Financing education, internal sources, public good, liberalisation, provincialisation.

INTRODUCTION

In the present era of globalization, economic benefits accrue more to the countries with highly skilled human capital than the countries without such specialised manpower. Developing countries are challenged in a highly competitive world economy because their higher education systems are not adequately developed for the creation and use of knowledge. Converting the challenges into opportunities depend on the quantum and system of finance for their education sector. Imparting education is not costless. Especially, higher education in diverse and specialised fields is becoming increasingly costly. Educational finance, thus, has become today a thrust area of study across the globe. The present paper makes an effort to intensively analyse the sources of finance for higher education in Mizoram, which has a very little resource base but a high literacy rate (91.58 percent, 2011 Census) in India, conducive to the formation of a strong manpower reserve for the country.

FINANCING OF HIGHER EDUCATION

Educational finance is of a distinct nature. On the one hand, the quantitative expansion of the education sector, along with the consideration of quality and equity, is bound to raise the demand for more funds. On the other hand, the impact of liberalisation policy is seen in the compression of social sector allotment, including education, and more specifically higher education sector, as elementary education is assigned primary importance everywhere. Other than this, there is an alternative source of finance for education called private source in the form of fees, donations and endowments. However, there is a strong justification for public financing of higher education. Higher education has generally been recognized as a "public good", at least as a "quasi-public good" (CABE 2005). The public good nature of higher education warrants that the state should play a more active role in the financing of higher education.

The sources of finance for education in developing countries like India may broadly be classified into: (1) external sources and (2) internal sources.

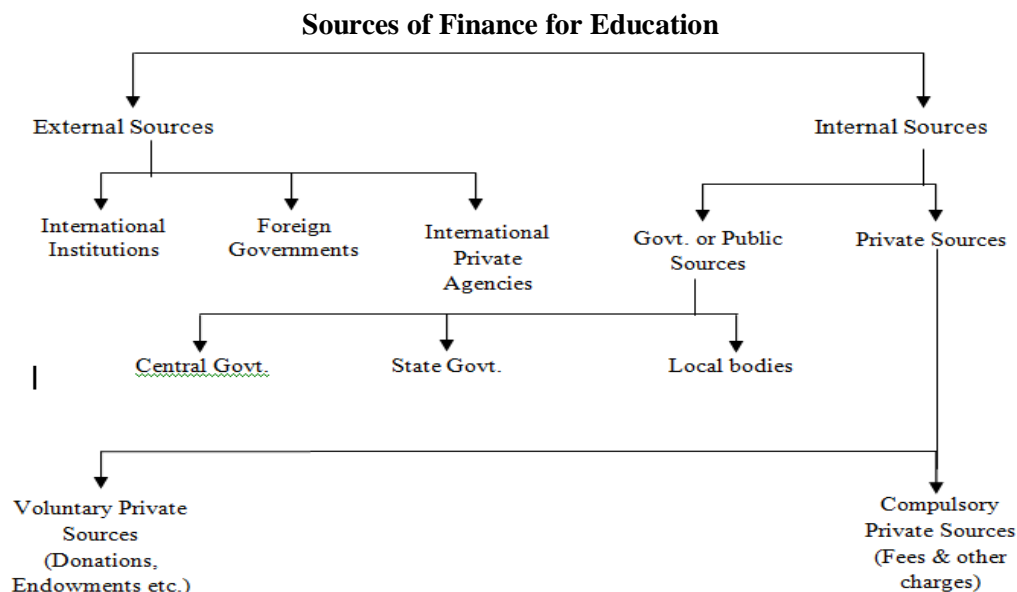
The external sources of finance can further be divided into three categories: (a) international institutions, (b) foreign governments and (c) international private agencies.

The internal sources of finance may broadly be categorized into: (a) private sources and (b) public or government sources.

Private sources of finance for education can again be (i) compulsory and (ii) voluntary in nature. Compulsory private sources include students' fees and other related charges. Voluntary private sources include endowments, trust funds, donations, grants, gifts and other types of voluntary financial help. Some educational institutions also raise funds from sale of publications and income from institutional assets.

Public or government sources consist of funds received from (i) central government, (ii) state governments, and (iii) local bodies.

The following figure depicts the different sources of finance for education.



SOURCES OF INCOME OF HIGHER EDUCATION IN INDIA

Since Independence the higher education system in India has witnessed enormous and unprecedented expansion. However, this expansion is not accompanied by commensurate financial allocations by government, both at the central level as well as at the state level. Nor have universities and colleges been able to raise adequate finances of their own. New universities have been started without providing additional resources and the universities on their part have not generated much resources of their own. There has been, as a result, an exclusive dependence on the government for financing higher education. The government, on its part, is finding it difficult to shoulder the heavy responsibility of financing higher education on account of competing demands from other sectors of an expanding economy.

Higher education in India receives funds mainly from public and private sources. Public sources include the Central Government, State Governments, the University Grants Commission, government agencies like Indian Council for Agricultural Research, Council for Scientific and Industrial Research, etc., for specific projects. Private sources include fees, endowments and donations, internal sources of income like the press, university publications, income from movable and immovable property, sale of farm produce, etc. Though a significant contribution can be made from these sources, the universities have not displayed enough dynamism in exploiting these sources to their advantage. As for endowments and donations, their importance as a significant source of income has dried up. This may be on account of inflationary trends, a change in the attitudes of the public towards charity, less significant tax advantages and so on.

SOURCES OF FINANCE FOR HIGHER EDUCATION IN MIZORAM

Higher educational institutions receive fund mostly from the government sources. The various sources of finance for higher education in Mizoram are presented in **table 1**. While the public sources of finance shows an upward trend, the private sources represent a downward trend, except for the years 1976-77 and 1980-81.

Table 1 : Sources of Finance for Higher Education in Mizoram (Amount in Rs. Lakhs)

Year	State Govt.	Local Bodies UGC	Fees	Endowments and others	Total
1976-77*	25.5(80.9)	2.0(6.3)	3.6(11.4)	0.4(1.3)	31.5(100)
1980-81*	60.6(77.3)	4.3(5.5)	9.2(11.8)	4.2(5.4)	78.2(100)
1990-91	456.2(85.8)	25.8(4.9)	34.8(6.5)	14.7(2.8)	531.5(100)
2000-01	2158.1(87.8)	82.6(3.4)	163.4(6.6)	53.7(2.2)	2457.8(100)
2007-08	4357.3(86.4)	264.2(5.2)	328.7(6.5)	92.5(1.8)	5042.7(100)

Note: Figures in the parenthesis show percentage to total.

Source: 1.* Directorate of School Education, Government of Mizoram, Aizawl.

2. State Budgets and Directorate of Higher and Technical Education, Mizoram.

From the analysis of the above table some important points may be outlined as under:

- (i) The share of State Government in financing higher education remained to be the highest during the period under consideration. It was recorded at 80.9 percent of the total in 1976-77 and had increased to 86.4 percent in 2007-08. The lowest amount contributed was 77.3 percent in 1980-81. In absolute terms, the amount contributed by the State government had increased 171 times during the said period.
- (ii) The share of UGC and other government bodies have, throughout the period under consideration, been very low, being only 6.3 percent at the highest in 1976-77. The amount contributed was 3.4 percent in 2000-01, which was the lowest. The percentage contributions of this source were slightly higher at 4.9 percent, 5.2 percent and 5.5 percent in 1990-91, 2007-08 and 1980-81, respectively.
- (iii) The relative share of fee also has undergone considerable changes. However, fee remained as the second most important source of finance for higher education in Mizoram. In 1976-77 and 1980-81 fee contributions were 11.4 percent and 11.8 percent, respectively. The share came down to 6.6 percent in 2000-01 and remained constant at 6.5 percent in 1990-91 and 2007-08.
- (iv) Endowments and others contributed the least share of finance for higher education in Mizoram. It contributed the highest share at 5.4 percent of the total fund in 1980-81. The percentage share, then, fell down to 2.8 in 1990-91. It had further declined to 2.2 percent in 2000-01 and 1.8 percent in 2007-08. The lowest contribution was recorded at only 0.4 percent in 1976-77.

RELATIVE CONTRIBUTION OF THE PUBLIC AND PRIVATE SOURCES OF FINANCE

The relative contribution of private versus public sources of fund for higher education reversed by 1980-81, with the contribution of public sources declining from 87.3 percent of the total in 1976-77 to 83 percent in 1980-81, and that of private sources increasing from 12.7 percent to 17 percent during the same period. Contribution of public sources then increased to 90.7 percent in 1990-91 and subsequently to 91.2 and 91.6 percent in 2000-01 and 2007-08, respectively. On the other hand, the contribution of private sources declined to 9.3 percent in 1990-91 and further to 8.8 percent in 2000-01 and finally to 8.4 percent in 2007-08. These trends are shown in Table 2. In this table public sources include contribution of the state government, local bodies and UGC. Private sources include fees, endowments and others.

Table 2: Public and Private Sources of Finance to Higher Education in Mizoram (Amount in Rs. Lakhs)

Year	Public Sources	Index	Private Sources	Index	Total	Index
1976-77	27.5 (87.3)	100	4.0(12.7)	100	31.5(100)	100
1980-81	64.9 (83)	236	13.4(17)	335	78.2(100)	248
1990-91	482.0 (90.7)	1754	49.5(9.3)	1238	531.5(100)	1685
2000-01	2240.7 (91.2)	8156	217.1(8.8)	5428	2457.8(100)	7791
2007-08	4621.5 (91.6)	16822	421.2(8.4)	10530	5042.7(100)	15985

Note: Figures in bracket indicate percentages.

Source: Derived from Table 1

The table shows that while a reversal has taken place in the relative contribution of private and public sources of finance, the index showing increase in the contribution of different sources shows:

- (i) One hundred and sixty times increase in the finance for higher education.
- (ii) Contribution of public sources increased by 168 times.
- (iii) Contribution of private sources increased by 105 times.

These trends reflect government's policy in making higher education accessible to students belonging to the weaker sections of society. The relative contribution of private sources (both fees and endowments etc.) having fallen considerably, greater burden is falling on the exchequer of the State government, thus making educational finance in Mizoram more public finance oriented.

ANALYSIS OF EACH SOURCE OF FINANCE FOR HIGHER EDUCATION

Government source, students' fee and endowments are the different sources of finance for higher education in Mizoram. A close look into each of the three contributing factors is provided below:

GOVERNMENT SOURCE

In spite of the fact that, the amount of government expenditure increased by 168 times in nominal terms, it increased by nearly 20 times in real terms, during the period 1976-77 to 2007-08 (**Table 3**). At constant prices the contribution of government rose continuously from Rs. 108.7 lakhs to Rs. 2142.6 lakhs during the said period.

Table 3: Contribution of Government Sources to Higher Education in Mizoram (In Rs. Lakhs)

Year	Total amount at Current Prices	Total Amount at Constant Prices (1993-94=100)	Index of Column 2	Index of Column 3	Share in Total Educational Finance (100%)
1	2	3	4	5	6
1976-77	27.5	108.7	100	100	87.3
1980-81	64.9	175.9	236	162	83.0
1990-91	482.0	654.0	1754	602	90.7
2000-01	2240.7	1439.1	8156	1324	91.2
2007-08	4621.5	2142.6	16822	1971	91.6

Source: Computed on the basis of data given in Table 1

During the period 1980-81 and 1990-91, the quantitative expansion of higher education was the highest in the state. Consequently, the government contribution also hiked 6 times in 1990-91 as compared to the year 1976-77 (column 5 of the above table). It increased further by 13 and 20 times in 2000-01 and 2007-08, respectively.

FEE

The second most important source of finance for higher education is fees, although its share in total finance has been falling over the years. An analysis of the contribution of fees is provided in **Table 4**.

Table 4: Contribution of Fee to Higher Education in Mizoram (In Rs. Lakhs)

Year	Total amount at Current Prices	Total Amount at Constant Prices (1993-94=100)	Index of Column 2	Index of Column 3	Share in Total Educational Finance (100%)
1	2	3	4	5	6
1976-77	3.6	14.2	100	100	11.4
1980-81	9.2	24.9	256	175	11.8
1990-91	34.8	47.2	967	332	6.5
2000-01	163.4	104.9	4539	738	6.6
2007-08	328.7	152.4	9131	1073	6.5

Source: Computed on the basis of data given in Table 1

It is seen from the table that, while at current prices the contribution of fees has gone up from Rs. 3.6 lakhs in 1976-77 to Rs. 328.7 lakhs in 2007-08, at constant prices it has increased from Rs. 14.2 lakhs to Rs. 152.4 lakhs over the same period. A glance over the indices of growth (columns 4 and 5) shows that while total contribution of fees at current prices increased by 91 fold, it grew only 11 times at constant prices.

ENDOWMENTS AND OTHERS

In the total finance for higher education the share of endowments etc., is the least. **Table 5** shows the contribution from 'endowment and other' category.

Table 5: Contribution of Endowment and other Sources to Higher Education in Mizoram (In Rs. Lakhs)

Year	Total amount at Current Prices	Total Amount at Constant Prices (1993-94=100)	Index of Column 2	Index of Column 3	Share in Total Educational Finance (100%)
1	2	3	4	5	6
1976-77	0.4	1.6	100	100	1.3
1980-81	4.2	11.4	1050	713	5.4
1990-91	14.7	19.9	3675	1244	2.8
2000-01	53.7	34.5	13425	2156	2.2
2007-08	92.5	42.9	23125	2681	1.8

Source: Computed on the basis of data given in Table 1

Although the amount of income from this source went on increasing continuously both in current and constant prices over the period under consideration, the relative share to the total finance was rather declining since 1980-81. At current prices the income from endowments and others was only Rs. 0.4 lakhs, which by four years time increased to Rs. 4.2 lakhs in 1980-81. By the next two decades, i.e., in 1990-91 and 2000-01 the amount rose to Rs. 14.7 lakhs and Rs. 53.7 lakhs, respectively. Finally, by the year 2007-08 the contribution of this source was Rs. 92.5 lakhs only. The index of growth (column 4) shows that the contribution of endowments and others increased 231 times during the entire period under consideration. However, in real terms the amount increased from Rs. 1.6 lakhs in 1976-77 to Rs. 42.9 lakhs in 2007-08, registering a 27 fold increase (column 4) during the said period.

CONCLUSION

As the demand for higher education is ever-expanding the quantum of public funding is also increasing considerably, thereby befalling the State government under severe financial strain. At the same time, the share of fee to total finance has been falling because of mass provincialisation of colleges in Mizoram. Thus, there arises the need to adopt a more rational fee structure. As to the endowments, they have lagged too far behind in their contribution to educational finance. This could be either due to the apathy of the people towards the educational system or may be on account of claims of other sectors on the contributions made by the philanthropists and their organizations. Even though the deserving institutions have no control over endowments, considering its liberal contribution in the 1980s and early 90s, it seems an important alternative to explore the potential of this source. Coupled with this, the institutions should strive to generate income from their own institutional assets.

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GREEN HRM – A RESPONSIBLE INITIATIVE

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ABSTRACT

The Industrialization & Urbanization is experiencing unprecedented growth, and consumerism is becoming a status symbol, thus the demand being placed on our environment is relentless through accelerated use of natural resources, resulting into its depletion and causing of pollution in the environment. Over the last three decades there has been increasing global concern over the public health impacts attributed to environmental pollution, in particular, the global burden of disease. The WHO estimates that about a quarter of the diseases facing mankind today occur due to prolonged exposure to environmental pollution.

Unplanned Industrialization is a major driver that carries with it the seeds of environmental imbalance due to which we are blessed by unwanted gift of “Global Warming”, “Green House Effects”, “Acid precipitation”, “Deforestation”, “Desertification”, “Thinning of Ozone layer”, “Soil erosion leading to floods”, “Salt deserts & Sea recedes”, “Extinction of species”, “Depletion of Natural resources,” etc... With this alarming situation, industries and government are taking great initiatives to overcome this problem.

In Industry, various organizations are taking apparent steps which include installing the effluent treatment plants, less emission through the usage of Green technology, alternate raw materials, and alternate fuel etc., reduction in wastages, recycling, and producing eco-friendly products. Each and every function in the company is required to support this mission of making Environment Green.

The above said practices apart from being a policy, also call for individual sensitivity and organizational culture. This is where the HR can play a pivotal and responsible role to begin with and then gradually expand the scope by discovering some innovative measures for all functions to follow for making and keeping the environment greener. This is what we call as GREEN HRM. This paper makes an attempt to identify apparently prevalent (visible) initiatives taken by the companies towards the direction of Green HRM and to understand and discover more behaviours and practices through concern and participation of one and all within the organization.

Keywords: Green HRM, Environment Imbalance, Industrialization

1. NEED TO THINK GREEN BEFORE IT TURNS BLACK

Green Movement has been significantly evolved since its early days during 1830's. Since those days, environmentalism has proven that it was not a form of hysteria or a transient trend but a necessity that would have become increasingly important in time. Today our society is facing an unprecedented series of environmental crises as a consequence of an unsustainable development model based on the mismanagement of social and natural resources. The more complex and dangerous threat is probably coming from Climatic change in the form of temperature rise, sea level rise because of ice melting, disrupted ecosystems, changes in rainfall patterns, displaced populations etc..., Energy – e.g. Fossil fuel causes air and water pollution and participates in increasing carbon dioxide emissions. Waste disposals, Water scarcity, Deforestation, Pollution etc...

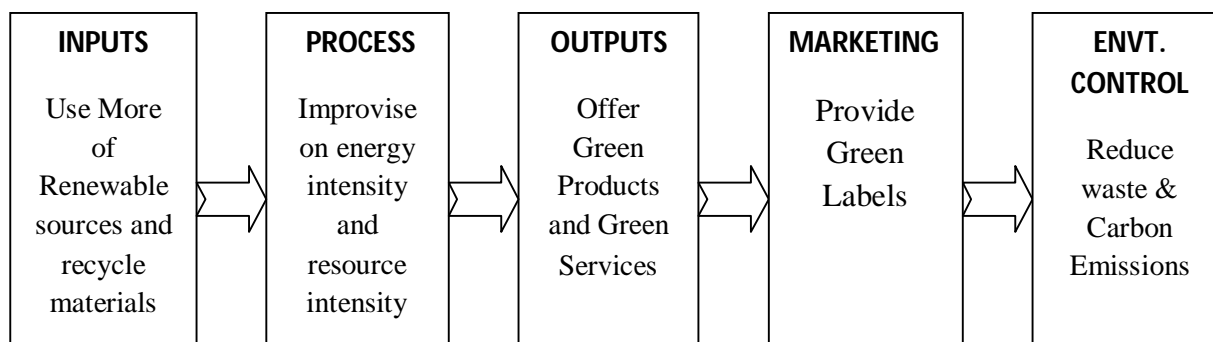
Companies up to some extent have started realizing that they have to develop a powerful social conscience and green sense of responsibility for their long term sustainability rather than having focus only on profitability. Organizations need to understand their responsibility towards social and environmental risks and opportunities for all business decisions taken by them. They should ensure simultaneous approach while delivering positive results for society by covering 3P's- People, Planet and Profit- which is referred to as “triple bottom line.”

2. GREEN BUSINESS & GREEN HRM

As Environmental and Energy conservation issues are of major area of concern and discussion in global business arena, Businesses are now in search of an Eco – friendly business model i.e. Green Business. Green business starts with Green computing. Volumes of communication and competition have now become fast and efficient with the use of computers. The idea of Green Business is to make the whole process surrounding by computers friendlier to the environment, ecology and society. Since computers and computation are playing a major role in business, green computing would essentially mean running computers with lesser power usage and disposing them properly or recycling them efficiently.

The basic concept of Green Business lies in business sustainability which is possible only if business decisions adopts and revolve around “Green”. Such business decisions must not only focus on implementing cleaner

business practices but should put efforts in the direction of increase in the market share for green products through better communications with customers. This means that green businesses must not only strategize on the basis of productivity but should do with respect to assessment of the life cycle of the products and services. This is possible for the companies which have clear focus on the following elements of business:-



2.1 DRIVERS OF GREEN BUSINESS

The major drivers of green business may be identified as Changes in market environment like the regulatory regime and customers demand, Public awareness and their concern over global climate changes, Readiness and acceptance by capital market investors, Change in procurement policies and clean tech purchases by government itself, establishing carbon price through an emissions Cap-and – trade system, Subsidies and incentives or tax credits for clean tech products or taxes on non-clean products

2.2 LITERATURE REVIEW

The term "Green Business is defined by Smith (2003) and Friend (2009) as “Businesses and practices that are viewed as environmentally sound, including the use of organic and natural products to build factories, tighter protection against emissions and environmentally friendly sourcing of materials.

Zsolnai (2002: 656) defines a Green Business as a “Business that has adopted the concept of environmentalism across the various functions of the business.

Gilbert (2007: 1) identifies a Green Business activity as any activity that is performed in a manner that has either limited negative ecological impact or directly benefits the natural environment in some way.

Green Human Resources refer to using every employee touch point/interface to promote sustainable practices and increase employee awareness and commitments on the issues of sustainability. It involves undertaking environment-friendly HR initiatives resulting in greater efficiencies, lower costs and better employee engagement and retention which in turn, help organizations to reduce employee carbon footprints by the likes of electronic filing, car-sharing, job-sharing, teleconferencing and virtual interviews, recycling, telecommuting, online training, energy-efficient office spaces etc.

Ashok Ramachandran, Director HR Vodafone Essar Ltd defines Green HR as using every employee touch point to espouse sustainable practices and raise employee level of awareness. Anjana Nath Regional Head HR, Fortis healthcare ltd defines Green HR as environment- friendly HR initiatives leading to better efficiencies, lesser cost and heightened employee engagement levels.

M. W. Shaikh (2014) has mentioned in his article "Green HRM- A requirement of 21st century”, that In India, Green movement and Green HR is still in infancy, though through CSR –Green awareness is generated and some organizations have started environmentally friendly HR-practices and the preservation of knowledge capital. Thus, HR has a role in the pursuit of greener business practices, a role to save planet earth and recruit new employees and enforce greener working practices and change environmentally unfriendly behaviours. HR has significant opportunity to contribute the green movement and motivate employee / people to work for greener business.

Jacob Cherian & Jolly Jacob (2012), studied Green HR Practices and Its Effective Implementation in the Organization expressed that there is a need to identify employees who are actively involved in Environment Management principles. This, they felt, would play a vital role in arriving at better environmental strategies to be implemented and employees may feel empowered to adopt specific environment management principles as a result of promoted HR policies which present better opportunities for improvements related to reduction of waste and promotion of lean manufacturing.

Pallavi Kumari,(2012) in her article lists out various innovative initiatives that can be taken in this direction. She explains that several areas where companies can incorporate environmentally conscious strategies which includes the use of internet or teleconferencing to cut down on business travel, putting employee manuals, policies or other company information online to reduce printing, promoting the reduction of paper usage and focus on storage of paperwork electronically, providing recycling trash bins for paper around the office and for bottles and cans in the break area, focusing on telecommuting/work from home programs, etc. Institute Ride/Share programs are also successful to introducing greening of business. Specific actions within the program can be included offering staff incentives for buying a hybrid car, savings on carbon offsetting, on public transport and bikes. Organizations can also launch a carbon credit card wherein employees receive points for taking public transport or walking to work, or video conferencing rather than taking a flight. Prizes can be given to people with the most points.

Popli, P. (2014) in her study suggests that if more Green Practices were to be promoted, such green initiatives should be adequately rewarded. Dutta Sumantha (2012) discusses about HRM practices and initiatives to educate employees about green human resource. Environmental friendly HR initiatives resulting in greater efficiencies, lower costs and create an atmosphere of better employee engagement, which in turn helps organizations to operate in environmentally sustainable fashion.

3. NEW DIRECTIONS / ROLE FOR HRM

While the concept of Green HR is quite new and we must carry out the exploratory study of what all could be the Green HR Practices, it is also true that a few industries have already taken a lead in implementing a green Hr practices.

3.1 FUTURE SKILLS NEED FOR GREEN ECONOMY

Environmental challenges raise serious concerns for the welfare for current and future generations. Hence there is a need for effective responses from policy to implementation levels in the area of environment, energy, transformation, employment and training.

From the HR perspective we may talk of new jobs therefore and about new skills for new jobs. These may be termed as "Green Jobs" which means those jobs that helps

- to cut energy, raw material and water consumption through high efficiency strategies
- to decarbonizes economy and reduce green house emission
- to minimize or avoid altogether all forms of waste and pollution and
- to protect and restore ecosystem and biodiversity

By creating such Green Jobs initiatives HR will able to bring economic growth through development compatibility. Green technology offers the possibility of new green jobs for those who respond quickly to the developing green economy. This may be in a way relate to social dimension of sustainable development. This calls for following activities by HR -

- Define the link between education, training, employment and environment policies.
- Defining new jobs for the green sectors.
- Redefining the existing job profiles
- Exploring new related skills
- Creating learning Organizations
- Increase awareness of changing technology, products and consumption patterns so as to increase productivity at work

The above mentioned HR initiatives will result into well trained and environmentally aware workforce such that they are innovative enough in improving resource efficiency. The above will be required to be done in the light of environmental degradation, climate change and global calls for greening economies.

If we were to set up an action plan for HR in their obligation for greening economies, they may be listed as below:

- Working towards improving the mitigation and adaption efforts of employees towards creating and sustaining green economies that can be achieved through New technologies and production processes for low carbon production, reduced pollution and improved energy and resource efficiency.
- Supporting a fair transition of displaced workers to more sustainable production which requires re-training and effective employment services.

- Supporting innovation for developing new technologies and more sustainable work processes.

From Management perspective, it requires that:

- Entrepreneurial skills are developed to seize opportunities of low carbon technologies
- Management skills are developed to make sure that processes respond to adaptation and mitigation challenges
- Core skills are developed so as to enable the ability to learn and innovate
- Leadership skills for policy makers to set up right incentives and create enabling conditions for cleaner production, cleaner transportation and so forth..

3.2 CULTURAL PARAMETERS FOR GREENER ECONOMIES

Besides skills development for securing better jobs, it is also important to create a culture where in the following exist:

- Respect for workers' rights
- Gender equality
- Health and safety standards
- Strong employment growth policies
- Sustainable business environment
- Local empowerment and economic development
- Good labour-management relations
- Effective social protection
- Good leadership and a high standard of organizational processes
- Effective and active labour market policies and employment services

3.3 CHALLENGES - A WAY AHEAD

While many companies have starting deliberating over Green HR,

- The question is whether they are doing it for sustainability of the environment and business or are they simply doing it for “Image” purposes only
- The other challenges as perceived is that leadership is not interested – it is perceiving environmental concerns as a cost with no associated benefits
- Competing internal strategic priorities
- Perceived complexities of implementing and sustainability strategy across all business functions
- Management’s failure to recognise a link to value drivers, employees resistance and difficulty in engaging with external groups

Apart from the above, if businesses have not yet embarked on a sustainability journey it is due to a complex combination of the following mental blocks:-

- Short term thinking – not projecting the companies vision into the future
- Cost focus – considering that environmental focus is the cost, bringing inefficiencies with no clear added value.
- Lack of imagination and understanding – failing to imagine what sustainability would like and to comprehend how to integrate sustainability within a company
- Fear of the unknown – fearing that there will be too much work involved in incorporating environmental sustainability and that it will fail.
- Lack of total integration within the organization (not merely the focus of one department)

3.4 THE HR ROLE

It appears in general that the personal values that employees demonstrate to EM have not been exploited fully towards achieving corporate environmental initiatives even though they look to have positive effects for managers. Achieving integration of HR and EM involves importantly changing the approach of the some HR staff themselves to Green issues and also changing unsustainable practices that all levels of staff may have learned over the decades. Hr therefore needs to nurture supporters and create networks of problem solvers willing to act to change the current status quo. HR will have to encourage line managers and employees to take pride in sustainability initiatives. Some of the initiatives which HR may begin with are as follows:-

- Manager need to be held accountable so that they familiarize themselves with compliance issues

- Bridge the gap between corporate rhetoric and action through the development of appropriate HR systems specifically in Performance appraisal and reward, so that environmental management initiatives are not seen simply as a management fad.
- There is a need to encourage a learning culture in environment management through the process of assigning KRAs accordingly.
- Competitions in innovative Green ideas pertaining to individual jobs can be encouraged amongst employees which can then become the action plans for the subsequent years
- Companies having green approach better attract potential recruits, have better employee motivations and engagements, create competitive advantage in changing markets, reduces labour turnover and improves health of the workforce
- Training programmes can be arranged by inviting local contractors who work on green buildings, recycling coordinators, experts creating green products and reducing green house gases etc...
- Organizations may subscribe to industry based sustainability Journals
- Small initiatives like Green office supplies, using two sided printing etc...may be practices
- Along with incentives companies may look at disincentives including negative reinforcements like suspensions, criticisms and warnings etc...to help motivate employees towards environmental improvements.

However, very few industries have formal policies for practicing Green HRM. It is found through literature that industries adopt green recruitment practices like conducting interviews and joining formalities online, carrying out paperless work during the recruitment process. They also engage themselves in other Green HR initiatives in the area of T&D, PAS, Internal communication etc

4. FUTURE DIRECTION OF RESEARCH

The future of Green HRM appears promising for all the stakeholder of HRM. In order to achieve integration between HRM and EM, a careful study needs to be carried out so as to design standardised practices, across industries and services. In order to arrive at such practices detailed research would be required to configure the following so as to build the right knowledge base on green management:

- Identify the variables of an organization culture that can foster a dynamic, positive and wide spread organizational “Green Paradigm” involving all the levels in the organization
- To identify how to collaborate with strategic stakeholders in order to inspire wider and deeper change
- To explore from the context of eco innovation, operational and internal processes to reduce carbon footprints and increase innovation in products and services
- Identifying strategic dimension to recreate innovative business models which will lead the way to future eco regulations
- Identifying the key success factors and reinventing business processes that can contribute to the sustainability model.

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INDIGENOUS PIG PRODUCTION IN RURAL AREAS OF MIZORAM

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ABSTRACT

Livestock keeping is embedded to the culture it is an integral part of the people of Mizoram, amongst which pig is the most favourite and the highest demand but with a very low level of supply within the area. Especially in the rural areas where 48.49 percent (Economic survey Mizoram 2012 - 2013) of the population dwells where pig keeping is akin to their household activity as a supplementary to their agricultural yields. Despite the productivity of the farms in Mizoram, the reason leading to the shortage of supply can be credited to the rise in population, increasing in the economy raising the buying power of the people. Largely availability of Burmese piglets at lower rate in the market and at the streets, knocking out the chances of local and the exotic breeds and apparently the small sized farms causes low production. In order to enhance production, control of imports at certain level is essential. With more awareness in the investment opportunities and the development factor in this sector by the higher capacity income group and people with more potential could be a vital factor. The awareness of such and the like facilities is again an essential element from the Government. The people must be given more awareness about the current situation stating the importance of giving importance to value the local Pigs rather than the Burmese pigs. When higher level educated people get engagement in pig production sector, there is a much prospect of rising the swine production as well as income with higher education, more awareness and scope in this matter would be very much advisable.

Keywords: pig farming, piglets, farrowing, weaning, feeds

1. INTRODUCTION

Animals and livestock keeping is a crucial element in the national economy as well as in the socio economic development of a developing country like India, where majority of the population are engaged in agriculture, and thus, generating gainful employment in the rural and sub urban areas. India has the largest livestock population in the world (Government of India Planning Commission, 11th Five Year Plan Report). Agriculture is the main source of income of the people living in rural areas and livestock is a sub sector of agriculture. Pig farming is one vital element of the farmers' economic activity in the North Eastern region in India. The North Eastern region has a sizeable population of pig i.e., 24.63 percent of total pig population of India is in North Eastern states. Around 50 percent of the country's pork is consumed in North Eastern Region alone (Mazumder, et al, 2012).

Mizoram characterised with its hilly terrain and with a population of about 10 lakhs lies within the tropics between latitude 21.19° C to 24.35° C north and longitude 92.15° C to 93.29° C east. The mountain ranges slopes from north to south direction on the ground. The slopes are steep on all sides and the elevation ranges from 40 metres to 2157 metres. Pig rearing in Mizoram is very common and is attributed to culture as well. The livestock population as per the *Animal Husbandry & Veterinary Department Mizoram*, Pigs constitute the largest group followed by Cattle; 73 percent and 9.62 percent respectively. The major by product of livestock is meat in Mizoram. Majority of the population are meat eaters which add to the value of rearing pig at their backyard. However livestock keeping has been akin to the history of the people and often the wealth of the kings are related with the number of livestock in the kingdom.

According to Kumaresan et. al. (2008), pork is the major meat consumed in the state of Mizoram and contribution of pork to the total meat consumed is as high as 71 percent. Pork is the most favourite meat amongst the local residents (Mizo), but in the recent years the supply of pork has been short. This may be due to the rise in population and economy which increases the demand as well. There are very few people who have ventured into pig rearing in order to fill up the gap of short supply. Earlier queues never existed for purchase of pork, but now-a-days queues are more prevalent. This indicates the short supply of meat.

2. THE PROBLEM OF THE STUDY

The big issue is that, the demand is rapidly increasing as population and income increases. Not only that, the economic development of the people and changing lifestyle of the people also attribute to the rise in consumption of pork. While on the other hand the production level is in a stagnant position, and when remained untapped will cause the market to impose import from various available sources, this will bring about availability of unhealthy meat and spread of diseases as well. There has been a huge demand gap of meat as per

the recommendation of the Indian Council of Medical Research (ICMR)¹, the majority of the livestock is occupied by the swine at 73.35 percent, and the meat production comprising 56.18 percent of the total meat production during the year 2011 to 2013(economic survey 2012-2013). Mizoram today, due to huge supply shortage is experiencing unorganised import of livestock from the border region of Myanmar. There are many instances where reports of swine flu and other diseases that are the outcome from importing of livestock. The outcome is therefore the worst for the economy, forcing the people to source their way of supplementing the supply leading to import, either from the neighbouring territories. Since Mizoram is located in the Far East bordering Burma/ Myanmar and Bangladesh in the south west region. Thus the short supply of production has lead to import of livestock from neighbouring countries like Myanmar and Bangladesh. This has even lead to the dangers of spreading swine flu and other hazards.

The Indian Council of Medical Research (ICMR) has recommended daily allowance of meat as 34grams per day. The economic survey Mizoram 2012- 2013 lays out the demand gap to be 807 tonnes of meat in Mizoram as per the recommendation. However, this is just a recommendation as per the other parts of India. In fact Mizoram is a part of the North East India where majority of the pork in India is consumed, and at a very large extent it could be assumed that more quantity of pork could be consumed per capita in Mizoram where majority of the people are not restricted by religious beliefs.

3. LITERATURE REVIEW

Kathleen Jenks (2007) on her essay Pigs in History, Religion, Culture and Art states that the pig has a long history of connection with humans. The paper discusses the properties of pork and states that it contains protein, fat, niacin, zinc, phosphorus, and other crucial minerals.

A. Kumerasan, et. al. (2009) studied the production system of 320 rural pig rearing households in the north east India. The study found that majority of the pigs are reared in intensive system and fed with home made cooked feed (kitchen waste and locally available plants). It was also found that the smallholder resource driven pig production is economically viable and sustainable at household level and there is enough scope to improve the smallholder resource driven pig production system.

A Kumaresan et. al. (2006) undertook a study to assess the growth performance of Hampshire, Large White Yorkshire and Mizo local pigs under field conditions in Mizoram. Piglets (45: 8 males and 7 females of each breed) were selected randomly in and around Kolasib district of Mizoram. The existing local methods of housing, feeding and other management practices were recorded. From this study, it was inferred that Hampshire and Large White Yorkshire pigs gain significantly higher body weight than the Mizo local pigs under field conditions in Mizoram.

S. Rahaman et. al. (2008) studied the production and management system followed by the farmers in Mizoram which was concentrated in Aizawl. The study revealed traditional method of feeding kitchen waste. They also used either traditional or allopathic medicines to deworm the pigs. The study also found that the pigs are marketed at the age of 1 year when they gained the body weight of 90 kg or more.

Saidur Rahahman (2007) studied to identify the factors that influences adoption of pig production technology in pig farmers. A total 100 numbers of the farmers were selected for the study and five different factors namely, housing, breeding, feeding, health care and general care and management practices. The study revealed that 81 percent of the farmers adopted improved technology on breeding and 63 percent of them adopted health care practices at higher level in their farms. The percentage of respondents in adopting improved technology on housing and feeding practices were very low. The study also found that the adoptions of improved technologies were associated with age, education, operational land holding, farm size, income from piggery, social participation, extension contact, farming experience, farm education exposure, scientific orientation, knowledge level, training and financial help received.

From the above studies extracted, there is a clear indication of the connection of pig with the human existence and the by products that are used to satisfy the human needs. The production economy is resulted from the culture and the feeding of household waste. The breeds reared and the adoption of technology in the farm have a far reaching effect on the productivity of the farms. There has not been an attempt to assess the education of the farmers and the incumbent productivity and performance. There arises in the need to find out the relevance

¹ Indian Council of Medical Research recommendation meat consumption per annum is 10.95 kgs .

of education and its contribution to farmers and other attributes for the farms and farming activity of the pig rearers.

4. OBJECTIVE OF THE STUDY

- a) To study the pig production in Mizoram
- b) To examine the income generated from the pig production

5. METHODOLOGY

The study was carried out in three selected districts Aizawl, Lunglei and Kolasib of the eight districts of Mizoram, in India during February to September 2013. The data was collected through questionnaire from the pig rearers, interviews along with questionnaire were held with most of the respondent farmers far as possible. Convenient random sampling was used for the data collection. The data was collected through reference method whereby one farmer will refer to another and so on. In this process varied sizes of farms were covered. The data were analysed by using software like SPSS.

6. DATA ANALYSIS

• BREEDS:

Breeds and breeding management is an important factor contributing to the productivity and efficiency of the input in the farm. To a large extent, the rural pig rearers are very cautious in selecting breeds and management of stocks in their venture. There are over 90 recognized breeds and an estimated 230 varieties of pigs in the world. According to the *Animal Husbandry & Veterinary Department* of Mizoram's training manual for pig farmers, there are around 60 good breeds in the world and about 20 of them are imported to India to test their performances. Out of these 20 imported breeds about 6 exotic breeds have been imported to Mizoram for the development of the pig production. Some of the well known breeds used for production in Mizoram are as follows:

- a) **Large White Yorkshire:** These breeds are distinguished by their picturesque bearing, erect ears, slightly dished face, white colour, pink skin and long deep sides. They have been well known for bacon production. The sows are known for large litters and heavy milk production. An adult male reaches 270 to 360 kgs and adult female reaches 250 to 360 kgs.
- b) **Middle White Yorkshire:** The Middle White is a breed of domestic pig native to the United Kingdom. It originated in Yorkshire roughly around the same time as the Large White. Its name comes from the fact that it was between the size of the Large White and the now-extinct Small White. An adult male reaches 220 to 300 kgs and adult female reaches 250 to 360 kgs.
- c) **Hampshire:** The Hampshire pig is a domestic swine breed characterized by erect ears and a black body with a whitish band around the middle, covering the front legs.
- d) **Berkshire :** Berkshire pigs are a rare breed of pig originating from the English county of Berkshire. A very attractive medium sized pig with prick ears, white socks, a white blaze and a white tip to the tail, otherwise totally black. An adult male reaches 275 to 375 kgs and adult female reaches 200 to 290 kgs.
- e) **Landrace:** This breed is of medium to large breed of domestic pig, white in colour, with long bodies, fine hair, long snouts, and heavy, drooping ears. They are bred for pork production.
- f) **Duroc:** Duroc pig is an older breed of American domestic pig that forms the basis for many mixed-breed commercial hogs. Duroc pigs are red, large-framed, medium length, and muscular, with partially drooping ears, and tend to be one of the least aggressive of all the swine breeds. They also have an excellent rate of gain. Adult male can be 400 kgs and female reaches 350kgs.
- g) **Local :** Small in size and usually pot bellied, hairy and black in colour with long face and short ears. These pigs are reported to have an early maturity and are named upon the tribe rearing it. These pigs are sturdy and would survive without much care especially in feeding and disease management.

Breeds selection is a crucial activity and would determine the productivity of the pig. The sample data shows that the pig rearers preferred cross breed pigs which comprise the highest 37.6 percent of the sample. This can be a convenient breeding service practiced as per availability by the farmers. The farmers prefer those pigs with higher farrowing capacity. The sample data also find that Burmese imported pigs comprises 24.8 percent. The exotic breeds which are initiated by the Government and comprise 23.3 percent and lastly the Mizo local pigs are at 14.3 percent. These local pigs are known for rich taste meat and it is a

favourite among some of the people. Although the demand for local pig is high due to its small size, the farmers are not opting it for breeding in their venture, the low productivity tends to be the disadvantages of the farmers' investment.

Table No. 1: Farmers Preferences on Variables of Production

Sl No.	Criteria	Category	Frequency	Percentage
1.	Purpose	Meat	324	54.6
		Reproduction/ Breeding	54	9.1
		Both Meat & Production	210	35.4
		Trade	5	.8
2.	Breeds	Exotic	138	23.3
		Cross	223	37.6
		Burma imported	147	24.8
		Local Pigs	85	14.3
3.	Source of Piglets	Reliable breeder	153	25.8
		Nearest farm	133	22.4
		Govt. Farm	26	4.4
		Others	281	47.4
4.	Age of stock Purchase	< (2 months)	136	22.9
		2-3months	367	61.9
		4 months and above	84	14.2
		Self sufficient(inbreeding)	6	1.0
5	Breeding service	Yes	113	19.1
		No	480	80.9
6.	Farrowing per year	Once	82	17.6
		Twice	384	82.4
7.	Litters at Birth per pig	less than 5	24	7.8
		5-8	97	31.5
		Above8	187	60.0
8.	Litters at Weaning	less than 4	35	11.2
		4-6	103	33.1
		above 6	173	55.6

Source: Sample survey

The major purpose of pig rearing is meat, there are two phases of pig production: (1) sow farms (breeding and rearing) and (2) fattening farms (growing and finishing). It is clearly observed that in Mizoram, the major concern for farming pig is meat where majority of the respondents' activity opt for meat production and fattening, resulting 54.6 percent of the farmers keep their pig for the purpose of meat production and 9.1 percent of them keep them for reproduction and 35.4 percent keep for both purposes as shown in Table no. 1. Lastly there are a small portion of players 0.8 percent who does it only for trade.

The productivity of pigs is determined by the breed selection and availability of good breed. During the data collection, the farmers gave the opinion that they are not able to purchase the piglets whenever they require. It was found that majority of the farmers opt for the Burmese pigs and the source of stock (piglets) purchase from these street vendors which is represented by 47.4 percent. The above table no. 1 shows that 25.8 percent of the farmers have purchased from a reliable breeder at their region, 22.4 percent buys from nearest farm on convenience and 4.4 percent from Government farm. The second highest purchase of stocks (piglets) is from the reliable breeders. There are very little number of Government farms that are at the reach of the majority of the farmers, that only 4.4 percent of the farmers do avail their piglets from the most convenient Burmese vendors at 47.4 percent of the sample.

Weaning large litters, having an appropriate size and weight is a key factor for a profitable herd. There are some pig keepers represented by 14.2 percent who buys pigs at older age i.e., at or after 4 months with the assumption that these pigs have high rate of growth and some of them will be sold in the market. It was also found that majority 61.9 percent of the litters when bought are 2 to 3 months of age and 22.9 percent are purchased at the age below 2 months. There are also farms which are self sufficient which is represented by 1 percent who provide stock(piglets) from their own farm. Only 19.1 percent of the farmers keep male pig for servicing.

Farrowing is another name for giving birth after a normal gestation. A productive sow usually farrows twice in a year, the study shows that 82.4 percent of the sows in the farm farrows twice in a year and are quite reproductive where 60 percent of the average litters per sow is above 8. The table also shows that 31.5 percent of the sample farrows between 5 to 8 litters per farrowing, it was also observed that some sows gives birth up to 17 litters and these farmers do engage more than the others in caring the pigs. There are some responses where 7.8 percent of the sample produces less than 5 litters per farrowing, the attributes of this group of low rate of output per sow resulted from the rearing of local pigs.

Weaning is the taking away of piglets from the mother on or after two months. Cross breeding among the exotic breed are found to give large litters till the time of weaning. It was also found that 55.6 percent at weaning time were above 6 months and 33.1 percent were 4 to 6 months and 11.2 percent were below 4 months. It was observed that the breed reared does have a substantial impact in the size of the litters at birth and weaning. The data shows that the care practices in Mizoram are acceptable for survival of the piglets. Though majority of the respondents have pig keeping as part time, it was found that the breeds are quite productive. It can be assumed that if more time is allocated to the care practices, productivity in aspects of farrowing can be at higher level.

Table No. 2: Farming and Management of Pig Production

Sl.No.	Criteria	Category	Frequency	Percent
1.	Duration of Farming	<(1 year)	68	11.5
		2-5yrs	261	44.0
		5-10 yrs	167	28.2
		>(10 years)	97	16.4
2.	Farm size	1-10	448	75.5
		11-20	80	13.5
		21-50	40	6.7
		51-100	19	3.2
		>(100)	6	1.0
3.	Daily engagement	less than two hours	239	40.3
		2-5hours	268	45.2
		5-10 hours	68	11.5
		more than 10 hours	18	3.1
4.	Feeds	Kitchen waste	149	25.1
		Feeds	66	11.1
		Kitchen waste and Feeds	135	22.8
		Vegetation	67	11.3
		Vegetation, feeds and kitchen waste	176	29.7
5.	Feeds in a day	Twice	501	84.5
		Thrice	92	15.5
6.	Boiling of feeds	yes	563	94.9
		no	30	5.0
7.	Sty	Bamboo and wood	138	23.3
		Wood Only	315	53.2
		Mud and others	70	11.8
		Concrete	11	1.9
		Concrete and wood	43	7.3

		Others	16	2.7
8.	Waste management	Planned	332	56.0
		Unplanned	261	44.0

Source: Sample survey

It has been said that pig keeping is a part of the culture of the Mizos, partial engagement in pig keeping is another reason that attributes to the type of farming in Mizoram. The study finds that there are variances in the duration of rearing pigs. The study shows that 44 percent of the respondents have been keeping pig for 2 to 5 years, and 28.2 percent are keeping for 5 to 10 years. A substantial 16.4 percent of the respondents have been keeping pigs for more than 10 years and 11.5 percent below 1 year. It was observed that the diversity in the duration of farming is attributed to be the breakdown of families into smaller nuclear families. It was observed that there has been inconsistency in the farming due to engagement in other activities. The study also finds some big farms which are at the nascent stages of development.

The sizes of the farms are quite small due to the fact that majority of the farmers are keeping their pigs as a backyard venture or substitute activity for additional income. The study finds that 75.5 percent of the respondents keep their pig to clear up the kitchen waste and rear usually less than 10 pigs. The study also finds that there were substantial number of midsize farmers in the state viz., 13.5 percent of the farmers keep 11 to 20 pigs, and 6.7 percent keep 21 to 50 pigs. Big farms which rears more than 20 pigs requires extensive maintenance and intensive care. A very small number representing 1 percent of farmers keep more than 100 pigs. It was observed that the highest number of pigs in a farm was about 250 live pigs among the sample size. The Government has also appointed these big farms as piglet multiplication centre as well. There were few farms as much as 3.2 percent who keeps 50 to 100 pigs and they too have their plans to expand to larger units.

Pigs require intensive care and other activities for their productivity. The time that the farmers give to the pigs makes a difference in their growth and health. Farming hours or time spent for farming are as follows, highest among the sample 45.2 percent spends 2 to 5 hours looking after the farm. A large percent resulting as much as 40.3 percent spends less than 2 hours per day. There are 3.1 percent of the farmers who spends more than 10 hours due to their large farm. The sample also shows that 11.5 percent spends 5 to 10 hours in the farm. Larger the farms, more time were estimated to be spent for care and looking after the production. Majority of the small farms were observed to spend less time for farming which consisted of mere preparation of feeds and feeding of pigs.

Feeding is as important element in pig farming to produce meat or breeds. The sample study shows that the farmers do feed twice in a day and 94.9 percent boil their feeds. Boiling is carried out to soften the feeds. Feed supply from the market could be quite expensive for the lower income group farmers. The most common practice in pig rearing in Mizoram is feeding of kitchen waste while 25 percent of the farmers extensively make use of it. There are some farmers who have the opinion that use of readymade feeds from the market is more economical than boiling the feeds prepared from vegetation and kitchen waste. From the sample survey, 11.1 percent uses only the readymade feeds purchased from the market. According to the farmers, these readymade feeds gives the highest growth rate. On the other hand there are 11.3 percent farmers who practices the method of boiling green leaves and other vegetation as feeds which is convenient in the rural areas. There survey also finds that 22.8 percent uses both kitchen waste and feeds, while 29.7 percent utilise a mixture of available feeds, vegetation and kitchen waste. It was also observed that around 2 to 3.5 kilograms of dry feeds were given to adult pigs in a day. The kitchen waste feeding practice is very common and economical as well. The respondents who use readymade feeds have shared their difficulties in the availability, high price and stocking of the feeds. It was also observed that the larger farms have been utilising readymade feeds prior to the smaller farms who can manage with kitchen waste and other vegetation.

A well constructed sty is a crucial factor of hygienic farming of pigs. Most of the sties were constructed with a small or little elevation levelling the slope of the land. It was found that 76.5 percent of the pig sties were constructed using bamboo and wood which are the most abundant materials found in the region. There are some village farmers who builds with mud and other available convenient materials which are represented by 11.8 percent. In the more urban areas, there are small farmers who uses better materials like concrete and mortar for the construction of the sty. It was also found that 1.9 percent uses concrete and wood with other conveniences. Most of the farmers use the waste products as manures for crops and vegetation which is shown by the result that 56 percent of the farms claimed to utilise the waste as manure, fertilizers, etc.. for the crops.

Table No.3. Demographic Profile of the Pig Farmers

Sl No.	Criteria	Category	Frequency	Percentage
1.	Age Group	18 to 29	42	7.1
		30 to 49	308	51.9
		50 to 69	217	36.6
		70 & above	26	4.4
2.	Education	Illiterate	14	2.3
		Under Matric	361	60.9
		Matric	153	25.8
		Intermediate	25	4.2
		Graduate	32	5.4
		Post Graduate	8	1.3
3.	Sources of income	Pig Only	116	19.6
		Farm +Pig	136	22.9
		Pig + Business	221	37.2
		Pig + Govt. Job	70	11.8
		Farm + Pig + Govt. Job	50	8.4
4.	Revenue from pig farming	Below Rs. 15000	61	10.3
		Rs. 15000-20000	69	11.6
		Rs. 20000-25000	89	15.0
		Rs. 25000- 30000	104	17.5
		Rs. 30000-35000	56	9.4
		Rs. 35000-40000	22	3.7
		Rs. 40000-45000	36	6.1
		Rs. 50000-100000	49	8.3
		Rs. 100001-250000	72	12.1
		Rs. 250000 and above	35	5.9

Source: Sample survey

The above table no. 3 shows the demographic profile of the farmers who rear pigs in Mizoram. The study finds that majority of the farmers are in the age-group of 30-49 who are young adults. The second largest group falls in the category of age group between 50 to 69 which is represented by 36.6 percent. This group is the group who have the experience of life and highly motivated to achieve more. The study also found that there are small number of youths in the farming too, at 7.1 percent of the sample in the age group 18 to 29. They are doing as much to support their low income. Lastly the age group 70 to 100 is represented by 4.4 percent of the total. This group are doing the farming to spend some time as well as to supplement the family income.

Majority of pig rearers in Mizoram can be estimated to have a literacy level under matric. From the sample, 61 percent of the farmers are having some literacy below matriculation standard which means that they have some basic education. It was also seen that 25.8 percent of the sample respondents has passed class ten, 4.2 percent were at intermediate and 5.8 percent graduated level. The lowest group is post graduate farmers which was represented by 1.3 percent.

The farmers were queried about their purpose of pig rearing. Out of the total, 116 respondents representing 19.6 percent said that they are primarily engaged in the swine production. These fulltime farmers are working hard so that their earnings are as par with some Government employees earning. The farmers are self employed in their farm and according to their response they had been earning quite substantially in comparison to the national and state per capita income which are estimated to Rs 61,564/- and Rs. 54,689 /- respectively (Economic Survey, 2013). There are also some farmers whose income is higher than government employees. There are 22.9 percent respondents who does pig keeping along with other agro-based farming. 37.2 percent of

the respondents carry on with other business like hotels, stores, etc., while 11.8 percent of the farmers are with some governmental jobs. Finally the respondents who does farming of pigs, along with government jobs as well as some forms of business is represented by 8.4 percent of the respondents.

Mizoram state's per capita income is estimated at Rs 54,689/- in 2012 while the national per capita income during the same period is estimated to be Rs 61,564/- (Economic Survey, 2012-13). Pig rearing is economic activity due to the fulfilling of demand and supply of pigs which may be in the form of piglets, meat, etc. Those who are engaged in pig rearing are more or less self employed and are generating revenue for the state.

An attempt was made to assess the income from pig rearing from the respondents through a questionnaire. In order to assess the income from pig rearing, the results are classified in categories so as to keep the confidentiality of the respondents. It was observed that maximum farmers representing 17.5 percent made an income from pigs as much as Rs. 25,000 to 30,000 per annum. 15 percent of the respondents earns about Rs. 20,000 to 25,000. There are 12.1 percent of the farmers who earns Rs.1,00,000-2,50,000 , small sized farms whose earnings range Rs.15,000-20,000 were at 11.6 percent while 10.3 percent of farmers earns below Rs. 15,000. The table no. 3 also shows 9.4 percent of the respondents were earning between Rs. 30,000 and 35,000 . It was also observed that 8.3 percent respondents were earnings at lower rate at Rs. 50,000-1,00,000, consequently Rs. 40,000-45,000 by 6.1 percent respondents. The highest income category could be found in more than Rs. 2,50,000 and above was earned by 5.9 percent of the respondents and while a small category of Rs.35,000-40,000 by 3.7 percent respectively. The study finds that the higher income earners were from the large farms whose efforts were more intensive and have their farming as main occupation. The income made from pig keeping was quite substantial as majority of the respondents have it as a supplementary income earning activity along with other occupation.

CONCLUSIONS

Livestock keeping is embedded to the culture it is an integral part of the people of Mizoram, amongst which pig is the most favourite and the most demanded product. During the recent years, there has been a very stagnant level of supply within the area. The reason leading to the shortage of supply can be credited to the rise in population, increase in the purchasing power of the people. Another stagnating factor is the availability of the Burmese pigs at a large extent and at a reasonable price, which are imported from the Myanmar border at Zokhawthar at the Far East corner Champhai. The change in lifestyle and more migrants to urban area are akin to the people with more intension to have more economic activities. Majority of the respondents had been supplementing their income with the pig farming and are generating income.

It was observed that majority of the farms are small in size and consist of people with lower level of income having a tendency to invest more in the field. There were large number of respondents who keep farming as part time or backyard venture. These groups are rearing the pigs as more domestic consumption and to earn a side income. They are not serious about full time production and management of the pig production. Therefore, these are the groups which could contribute to the filling up of the gap in supply. Awareness in the investment opportunities and profitability is essential for enhancing the production as early as possible, to tackle the demand and minimising the gap of supply. The productivity of the rearing system results in the selection of the breeds and availability of stocks when required.

The sources of stock purchase clearly shows the evidence of imports of live swine from the Myanmar border which is bought at lower price. The farmers on the other hand prefers to pay for the cheaper piglets because of convenience and availability at larger unit, keeping the local and exotic cross breeds away which are available in the locality. In order to enhance production, control of imports are required at certain level, but it has become the need to import from Burma, despite of the threats. The people must be given more awareness about the value of the local exotic breeds of swine initiated by the Government, rather than the Burmese pigs. The Government on the other line could have been more active in controlling the imports to protect the local products and to increase production which further could increase the economic activity. The study also concludes that the average income of the respondents is approx Rs. 35,400. There are farmers (5.9 percent) who earns more than Rs. 2,50,000 from pig rearing alone. Therefore it can be concluded that indigenous pig production in Mizoram could encourage economic activity.

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A STUDY ON IMPACT OF VISUAL MERCHANDISING IN SELECTED RETAIL OUTLETS IN BANGALORE CITY

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ABSTRACT

Visual Merchandising is the art of displaying the merchandise in such a manner that it is appealing to the eyes of the customer. It sets the context of the merchandise in an aesthetically pleasing fashion, presenting them in a way that would convert the window shoppers into prospects and ultimately buyers of products. A creative and talented retailer can use this upcoming art to breathe in new life into the products available at his store. Visual merchandising includes window displays, signs, interior displays, cosmetic promotions and any other special sales promotions that take place in the store.

The scope of the study is limited to two main aspect of visual merchandising, i.e. the impact of atmospherics and the in store product display. From this rearch it has been found that majority of the people have started shopping on a regular basis (weekly/bi-weekly/monthly basis). The trend has changed the unmarried people show a mixed trend in shopping. Those who are married, shop either weekly or in a longer time span. People now look for a shopping experience and therefore have started visiting the departmental stores instead of going to the nearby Kirana Stores. Apart from that the people do not enter the departmental store with a specific list in hand, they purchase as and when they find something that is needed and therefore the impact of visual merchandising also increases.

The in store display of the product in specific shelves, makes shopping easier and helps to compare products. The different shades of lighting catch the attention of the people and induce them to purchase the products. The music and fragrance always catches the attention of the people. The mood of the people, stimulate their purchase decision. While the billing is being done, the customers tend to look at the products displayed at the billing counter.

Key words: Visual Merchandising, Retail, Visuals, Display

INTRODUCTION

Retail is the sale of goods and services from individuals or businesses to the end-user. Retailers are a part of an integrated system called the supply chain. A retailer purchases goods or products in large quantities from manufacturers directly or through a wholesale, and then sells smaller quantities to the consumer for a profit. Retailing can be done in either fixed locations like stores or markets, door-to-door or by delivery. Shops may be on residential streets, streets with few or no houses, or in a shopping mall. Shopping streets may be for pedestrians only.

Today retailers are facing a keen competitive market and are finding it increasingly difficult to create a differential advantage on the basis of product (merchandise), price, promotion, place, people and location and at this point the store itself becomes a fertile and last opportunity for market differentiation.

Today's customers have many shopping choices, as the merchandise is available easily. Some make purchases on the internet they don't have to worry about the long hours of operation, parking or getting large purchases home. So as compared to the past with development in technology retailers job have become more difficult.

Retailers need to create an exciting store design with innovative merchandising techniques to make people come and visit the stores. Here comes the role of visual merchandiser which creates the store design.

A Visual merchandiser likes to think of their store as theater. The walls and floors represent the stage. The lighting, fixtures, and visual communications such as signs represent the sets. And the merchandise represents the show.

Visual merchandising is the activity and profession of developing the floor plans and three-dimensional displays in order to maximize sales.

Either goods or services can be displayed to highlight their features and benefits. The purpose of such visual merchandising is to attract, engage, and motivate the customer towards making a purchase.

Visual merchandising commonly occurs in retail spaces such as retail stores and trade shows. When the giant nineteenth century dry goods establishments like Marshall Field & Co. shifted their business from wholesale to retail, the visual display of goods became necessary to attract the general consumers. The store windows were often used to attractively display the store's merchandise. Over time, the design aesthetic used in window

displays moved indoors and became part of the overall interior store design, eventually reducing the use of display windows in many suburban malls.

Visual merchandising builds upon or augments the retail design of a store. It is one of the final stages in setting out a store in a way customers find attractive and appealing.

Many elements can be used by visual merchandisers in creating displays including color, lighting, space, product information, sensory inputs (such as smell, touch, and sound), as well as technologies such as digital displays and interactive installations.

As methods of visual merchandising can be used colour and style, symmetry and rhythm, face and side presentation etc.

This highly popular course aims to open up an understanding of the power and scope of Visual Merchandising in today's world of retailing. It aims to assist the store owner, sales manager and staff to meet their objectives by increasing the average sale per customer. This course provides an overview of the many aspects of visual merchandising impacting on today's traders and retailers

Customer lifestyles

- Retail image and getting to know the trade
- Colors for shopping impact
- Fixtures and Fittings
- Customer traffic workflow
- Merchandise Placement
- Promotional Planning
- Store layout

VISUAL

Merchandising is commonly accepted as a merchandising technique that uses the visual element effectively. Visual element refers to lighting, colours and signage. In short, they are the visual communications in the designing of an environment. The key elements of visual merchandising are the elements of window display at the same time. First of all, I will explore the importance of windows display, and then other basic elements.

Visual Merchandising is termed as the art of displaying merchandise in a manner that is appealing to the eyes of the customer. It sets the context of the merchandise in an aesthetically pleasing fashion, presenting them in a way that would convert the window shoppers into prospects and ultimately buyers of the product.⁵⁵ But it is little different from the real art, the main **principle of visual merchandising** is that it is intended to increase sales, which is not the case with a "real" art

REVIEW OF LITERATURE

According to researcher the real challenge of a retailer and visual merchandiser is to **convert the foot-fall into sales**. (Footfall is a term representing the number of people who visit a store. The gatekeeper at the sores will click on his or her counter every time a customer sets foot into the store and this goes to the store manager as a measure of potential sales. Retail space is priced on the basis of the footfall it receives. Malls price their shops on the basis of the footfall they receive during weekdays and weekends.

VM is Functional: The logical aspect of VM (visual merchandising) attends to the customer's convenience and understands customer psychology. **VM is Aesthetic:** The visual appeal of a display through the choice of colors, the use of props, the light focus etc. gives an aesthetic value to the display.

However, it's important to realize that the aesthetic aspect gets a shopper's attention; it is the functionality of a display will convert a potential buyer into a customer. Functionality of VM supports sales as it is easier for the shopper to locate the desired merchandise. It saves the shoppers time and take the stress out of shopping. It also helps in easier self-selection.

Aesthetic aspect increase sales as it guide customers on fashion, new arrivals, and trends. It helps in coordinating and accessorizing and also builds the add-on sales.

A) Chaudhary (2008)⁵⁶ in the article ‘**Trends in Visual Merchandising in India**’ had

described the macro trends of visual merchandising that are prevalent in larger formats. According to them visual techniques in these markets are subtle, aesthetically appealing and yet economical. They further mentioned that display is a technique of showcasing merchandise by putting them in a fashion which is aesthetically appealing and at the same time is able to convey a story line. They also mentioned that Displays are done using mannequins and other props which make the displays attractive and effective. They further mentioned about the music played in most of the stores keep the atmosphere lively and relaxed. They concluded by stated that visual merchandising is a technique called ‘Silent Salesman’; and is widely used in market to increase footfalls and attract shoppers and make shopping a pleasant experience to one and all.

As per Kanika Anand (2012) Deputy Manager- Visual merchandising, Boggi Milano DLF Brands Ltd, India. In the article “Inspired by the world of Art” states that “Indian retail is moving into ‘Second Gear’ with extensive attempts to constantly meet customer expectations. Given the shift of gear from merely creating awareness, it has its own advantage to harness and challenges to overcome” She further states that “ Creating strong foundations for consumerism based societies, we are moving towards a first world fantasy where one does not buy a product, but an experience. Shopping malls, Hypermarkets,

Branded outlets and even small time retailers understand and acknowledge the need and importance of VM to generate great business”. Her opinion for consumer trends and behavior is that Indian consumers are turning increasingly global in their outlook having become much more aware of design trends in the business of fashion, hence demanding the same levels of design and innovations from store spaces. Customer recognition and loyalty is essential to make consistent business but lack of innovation is hindering the creation of distinct retailer’s identities thus challenging their strong up-ward force/push towards Visual merchandising.

Anonymous (2010)⁴² had written the **dictionary meaning of visual merchandising** i.e. Visual merchandising is an activity of promoting the sale of goods, especially by their presentation in retail outlets. She further mentioned that visual merchandising is like an art in the sense that there are implicit rules, but they may be broken for striking effects. For people who fear unmanageable costs and hence avoid Visual merchandisers, for them visual merchandising can help economize by avoiding costly mistakes. She concluded by mentioning that visual merchandising is the art of implementing effective designs, ideas to increase store traffic and sales volume and it is a mechanism to communicate to a customer and influence his decisions to buy. Recently visual merchandising has gained importance as a quick and cost effective way to revamp retail stores.

RESEARCH METHODOLOGY

OBJECTIVE

The art of visual merchandising has evolved from a role as store beautifier to one of sales support. According to Iowa State University, it is the second most important factor affecting store success. Retailers rely on visual merchandising to reinforce their store's image, improve customer service, increase sales and create a pleasant shopping experience. Visual merchandising demands constant attention to sustain shopper interest and repeat business.

1. To determine the effect visual merchandising displays have on consumer behaviour.
2. Whether it leads to purchase.
3. Whether visual merchandising helps in promotions of product.

The extent to which visual merchandising displays affect consumer behavior was studied by means of exploratory research. Exploratory research is used to observe insights into the common nature of a research problem. Due to the fact that detailed explanations, in terms of consumer perceptions, were needed, qualitative research was used because it discovers the true significance and new insights about the available data.

Non-probability, purposive sampling was used where the samples were grouped in a process that did not give all the individuals in the population an equal chance of being selected. Participants were selected on the basis of their accessibility and by the purposive personal judgment of the researcher. The inclusion criteria for the purposive sampling for this research study were people who are located and buy clothing at apparel retail outlets.

The first round of data was collected by means of two focus groups, each with eight participants. Naïve (simple and straightforward in one’s way of thinking) sketches were used as a secondary measure to validate the data

received in the focus groups. The naïve sketches comprised of open-ended questions. In this way, two forms of data were compared with one another to gain the most data possible from each participant.

The focus groups were based on the use of visual stimulus material. The participants were asked a question derived from the research aim. The question used to structure the focus groups (the same question was also used in the naïve sketches) was: "Do the visual merchandising displays of a store effect your decision to make a purchase?"

Due to the fact that the study was contextual in nature, thematic analysis was used to analyze the gathered data. Repeated data patterns were identified and sorted into themes and categories.

RESULTS

The outcome (findings) of the question asked in the focus groups is examined in terms of a theme and its underlying categories, thematic analysis.

Theme: Participants expressed varied views in terms of the effect that visual merchandising displays has on their buying decisions based on personal preferences.

The theme connects with the following objective: To determine the effect visual merchandising displays have on consumer behavior. The participants explained that their buying behavior is influenced to a limited extent. They continued to say that the visual merchandising displays guide them in the direction of the products they are seeking and that it guides their product choice. The participants agreed that their buying behavior is influenced on a lesser level based on the quality of the visual merchandising displays and their personal preferences, including gender.

The following three categories emerged from the theme:

□ First Category – The Participants Agreed That Their Buying Behaviour Is Influenced To A Limited Extent.

The focus groups found that visual merchandising displays aid in the final stages of decision-making regarding the purchasing of a specific product. However, there are other factors, like price, that also affect the final decision. When visual merchandising displays are well designed and logical, the participants tended to be attracted to the section of products that were emphasized in the display. This illustrates that visual merchandising displays Influence buying behavior.

□ Second Category – Buying Behaviour Is Influenced On A Lesser Level Based On The Quality Of The Visual Merchandising Displays

The participants in the research study agreed that a visual merchandising display that is perceived to be of a superior quality has the ability to capture the positive buying behaviour of the consumer. However, if the display does not register as that of a superior quality for the consumer, it may create a negative perception of buying the product. The following quotation validates this category:

□ Third Category - Buying Behaviour Is Influenced On A Lesser Level Based On The Personal Preferences Of The Consumer, Including Gender

Although the visual merchandising displays are useful in promoting certain products, if the displays are well designed and logical, the participants feel that there are so many other personal preferences to take into account for the displays to have a lasting effect on every consumer. There are colors, textures, styles, décor, sizes, budgetary constraints and a host of other personal preferences that will affect the buying behavior of the consumer more than the visual merchandising display will.

DISCUSSION AND CONCLUSION

The participants' perceptions of the impact of visual merchandising displays on their buying behavior varied, as evidenced by their attention or lack of interest to visual merchandising displays when they first walked into a store. Consumer behavior is influenced by a limited extent as visual merchandising displays guide consumers in the direction of the products as well as in product choice. Consumer behavior will also be influenced by their personal preferences and the quality of the displays.

What is noticed by the consumers, in terms of the visual merchandising displays, is mostly lesser (below the threshold of consciousness) and it is influenced by personal preferences, contextual aspects, such as themes; type of store and brand or branding; gender, to some extent; quality of the visual merchandising display and sensory and cognitive aspects.

It was noted in the focus groups that the consumers' attention is drawn to certain aspects (such as color and breathing space in the store) of visual merchandising displays which creates a space where their shopping experience can be positive. The participants tended to be attracted to visual merchandising displays that are well designed and logical. This illustrates that visual merchandising displays influence buying behavior.

The research study suggests that women are more attentive to the complete retail experience which includes visual merchandising displays. In comparison, men search for signs in a store as to where to find what they are looking for. The focus groups also explained that they notice ill-fitting themes in apparel retail stores, in terms of whether the items displayed are actually available in store or whether it sends the correct message with the complement of the display.

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AN ANALYSIS OF THE SUSTAINABLE AND LIBERATED ENVIRONMENT IN TEMSULA AO'S SHORT STORY "LABURNUM FOR MY HEAD"

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ABSTRACT

The word Environment is a body of meaning in itself: it not only embodies the outer living conditions but is also suggestive of the internal environment of one's mind. In today's world of globalisation and liberalisation, environmental issues have been taken much into account for its serious suggestiveness and the implied meaning it renders to the society and the world at large. The matter of environmental degradation, sustainable development and the economy of people are heavily related. One is dependent upon the other and also one competes with the other. This tussle of nature which exists in our environment indeed is also reflected in the psychological turmoil of every human being in one's life. Beauty in nature exudes when there is harmony between environment and sustainable development. The story "Laburnum for my Head" by Temsula Ao depicts the conflict existing between one's internal and external environment and sustenance of the arising development out of the developing situation. Therefore this paper attempts to build an insight into the coverage of nature, environment and the evolving circumstance which ultimately allows its environment to thrive in its openness beyond pretensions to immortality. Environment therefore when nurtured and nourished in the amending manner can bear fruition to

bestow humanity with its bounties. Hence environment in the story is not a bane but a boon. Similarly the same can be established in nature if it is translated in the existing society and humanity at large.

Keywords: Environment, Development, Nature, Psychological, Pretensions, Laburnum

1.1 INTRODUCTION

Encyclopaedia Britannica defines the term "Environment" as the-

"the entire range of external influence acting on an organism, both the physical and the biological and other organism, i.e. forces of nature surrounding an individual."

The word environment comes from the French root word 'Erivroriner' which mean to encircle or to surround. In relation to the human world, environment is the surrounding of any person which is a combination of the social, economical, biological, physical components around him. Environment thus is not only the external material's presence rather it is also the spiritual and the psychological sphere of any person. According to Indian Law "Environment includes water, air and land and the inter-relationship which exists among and between water, air and land and human beings, other living creatures, plants, microorganism and property." The United States Council on Environment Quality lays down that "man's total environmental system includes not only the biosphere but also his interactions with his natural and man-made surroundings." The environment undergoes much changes and the development that takes place without affecting the potential of the future is deemed as sustainable development. Therefore sustainable development is the judicious exhaust of the resources to meet the demands of the present without surrendering the needs of the future generation. Hence the society should create such an ambience that sustainable environment sustains and this leads to liberation of all elements to the flourish of life in all its form. With the exceptional progress in science and technology and the thrust of people towards materialistic pursuits, life has taken a volte face. Therefore under such circumstances a new body of knowledge- environmental ethics is on the sway. Environmental ethics is rather a discipline that investigates the moral relationship of the environment to the intrinsic value of human beings and the other objects. Ethics is such a branch of philosophy that decides between right and wrong irrespective of cultural difference. Hence environmental ethics speaks about the relationship between man and other interdependent components in nature and the environment at large. Since ethics is outside the purview of law so law cannot regulate our behaviour. The ethical behaviour controls our behaviour with the self and with others. (T Pradeep Kumar: 178) Thus in utilitarianism, ethical behaviour seeks "utility to majority" to achieve human welfare at large. As already mentioned scientific developments technological advancement has speared our lives and have made us self-centred and greedy. This has eventuated in the exploitation of nature. Perhaps environmental ethics can at this moment of environmental peril offer much succour to replenish nature and thus register a safe humanity and ecology for the future. With the notion of deep ecology one needs to understand the move from human-centred to nature-centred value system for-

"Deep ecology is concerned with encouraging an egalitarian attitude on the part of humans not only toward all members of the ecosphere, but even towards all identifiable entities or forms in the ecosphere. Thus, this

attitude is intended to extend, for example, to such entities (or forms) as rivers, landscapes, and even species and social systems considered in their own right.” (Sessions 1995:270).

1.2 OBJECTIVES

This paper attempts throw light on nature and the related circumstance which ultimately influences the environment around to exist in spite of pretensions to shower humanity with some hope of evolution.

1.3 METHODOLOGY

The analysis and exploration of the cultivated idea is based on the research conducted with primary and secondary data.

1.4 THE BACKGROUND

Temsula Ao's short story "Laburnum for my Head" registers such "egalitarian" thought when she moves to create a beautiful landscape in the form of a cemetery with no concrete headstones but flowering trees. This maiden step on her part would not only sketch a beautiful picture of nature but also conserve and promote the environment and offer a green impact on the society amidst the concrete life of the town. The story is about an aged woman, Lentina, who had an obsession for laburnum trees and tried hard to cultivate one in her garden but all her effort became futile. But after an "epiphanic sensation" on the death of her husband for Laburnum trees with a beautiful flourish of buttery-yellow blossoms she decided to have one tree living on her remains to keep alive her memory rather than a boasting gravestone which can never immortalize any dead. Though she did not conceive this enthrallment as an environmentalist her spiritual endeavour to plant such a tree surely makes her one. Global warming and pollution may not have been the pestering issues but she wished to maintain or rather introduce a change which would be an example of noble gesture towards society and environment also.

Environmentalists steer substantial improvement by exerting political and social pressure towards organic changes and developments. In this story Lentina's strong will and the Town Committee's approval to her proposal paved way for the foundation of the area converted to a cemetery. Lentina's scheme was not a "costly modification nor a mere cosmetic green washing to appeal or appease..." She succeeded since she did not negotiate with the socio-economic forces of the society and thereby gave no opportunity to shallow environmentalism. In spite of all existing binaries and the superiority of the male over female, women are celebrated as the vital force behind the socio-economic factors. The women folk not only are related to handicrafts, household industries, gathering and selling of food but also act as farmers, weavers along with managing the house. Whatsoever women are strongly connected to environmental issues like plantation, management of water, saving on fuel, improved mode of farming etc. The role of women in conservation of the environment is recognized by many countries and societies at large. There are instances where women have strived hard to promote environmental ethics and minimize waste, excessive consumption for a better life. In the story "Laburnum for my Head" we observe ecocriticism as an ecological extension depicting human representations of nature. Ecocritics speak about the silenced nature the 'other' like the women kind. But the story of Temsula Ao depicts veritable instances of the liberated and sustainable environment. The story is not of any stifled voice of a woman or an environment under the ravage of man. It is the story of a woman who nurtures meticulous details in realising her dream-of having a laburnum tree on her grave instead of a gravestone. She has a complete family but the death of her husband makes her take a journey to the cemetery. Amidst the sombre solemn place of eternal sleep of the deads she conceived the idea of life i.e. to plant a laburnum tree and see it blossom during her make Mother Nature abounding with the elemental factors of nature rather than a concrete headstone which tries to immortalize the memory of the dead. This concrete headstone certainly speaks of "man's puny attempts to defy death" and defy nature. Somewhere in the 17th century, Thomas Hobbes evolved the idea that the state of nature was primitive and the constitution of the human community exerted comfort and safety. He was of the opinion that the non-human world was valueless. But the Romanticists whose value stood against the industrialists, glorified the landscapes and stressed upon the distinguished relationship between man and environment. But towards the later century western thought and literature emphasized nature as a woman with the prime task of reproduction and nurture and thereby sustain and offer sustenance to the human race. It is the opinion of the feminists that these attributes of women and nature are man laden. Therefore women and nature are dominated and exploited by the men. But the materialist ecofeminist advocates the legitimization of the perception of women's work and the notion of 'economy' not only is within the arena of public life but also within the domestic world. The ecofeminist also registers that the pre-modern cultures had always cared for nature with respect as all human and non-human life are entrenched in nature.

"Environment is a process rather than a static condition" (P.K Nayar: 252)

1.5 THE STORY AND POSITION OF ENVIRONMENT

“Laburnum for my Head” foresees an environment initiated by the strategic growth of Lentina’s vision in the story. She does not allow the internal environment of the story become static as she constantly implements ways and means to convert her plot of newly purchased land into an area of greenery where people irrespective of their socio-economic condition would yield to a common cause of creating a better environment in the heart of the town life, a place of surrounding concrete experience. Human Vanity had to bite dust and bow down to the green aim of Lentina. Also the cemetery’s presence in the future times would refurbish the town with its greenery. The ecological vision adds a beauty to the narrative of the story even through the metaphor of death. Death is lurking in the story from the beginning with the death of Lentina’s husband, thereafter Lentina’s scrupulous design to immortalize herself and her memories for her progeny by planting a laburnum. For Lentina the human world was as rudimentary as the non-human world. To fulfil her vision, she undertook a mission and on its journey she did not seek the support of her sons and daughter-in-law as she did not prefer their company—they seemed too materialistic. She rather sought the help of her driver, Babu a widower and none by him to mention as family. She tried to complete her finicky job of obtaining a plot of land with the help of her confidant Babu and even tried to take the help from his son-in-law. Lentina therefore tried to achieve safety and spiritual contentment after her final adieu from the non-human world—the world of flora. This story subverts the position of women and nature as downtrodden and the subjugated. On the other hand this story has edifying effects on its readers as it vouches for the environment and the ecology by portraying a sustainable development of the plot. There is sustainable development of her green movement as Lentina is not opposed by any member of the society though her sons called her plans ‘crazy’ and she herself blurted as ‘going senile’ in one occasion. She presents herself as a persuasive and a respectable person in the society. She’s also scheming and has an insight for mercantile benefits when we see her after a chance meeting with Khalong, immediately she grabs the opportunity to buy the plot of land from him and go beyond human pretensions. There is a strong willed lady in Lentina as we see her evolving from a simple lady to a person cherishing a simple wish. She knew well ahead that the members of the Town Committee would bother her on the matter of ownership about the plot of land adjacent to the cemetery. To end the inconvenience and also to maintain her aim for greenery she donates the plot of land to the Town Committee with some clauses intact like --

“The new plot of land could be dedicated as the new cemetery and would be available to all fulfilling the condition that only flowering trees and not headstones would be erected on the gravesites.” (Temsula Ao:

1.6 THE OUTCOME

Thus this condition would not only fulfil her aim but also create a sustainable environment in years to come. The physical and the psychological environment of Lentina found partial fulfilment. The next challenge that she needs to face is to tend to the laburnum plant and see it bloom before her last breadth. The stake of women in regard to the environmental issues is the greatest and even in this story the same takes place as Lentina is deeply related to the environment; the fulfilment of her dream and simultaneously the foundation of a sustainable environment even amidst the cemetery which will pervade through the town and offer a sight of awe and wonder to each and all. Though ecofeminists prevails upon the fact that the patriarch oppresses women as well as nature and the environment and overshadows women’s contribution towards the society, their erudition and her involving relationship with nature, in this story Lentina’s explicitly exposes her views which were irrefutable and irrevocable. She dissolves the patriarch and the matriarch is seen as the key factor of power. As has already been perceived in the story, social relationships are based on social structures i.e. “social roles, groups, organizations, institution and the society” and change depends upon the society and the environment. But change flows out of materialistic factors and the idealistic factors and women can steer changes if the modes of production and economic stronghold remains within the grip of the women in the society. The story of Lentina narrates such a tale of female status being escalated as Lentina is shown economically independent and socially responsible. She executes the role of a reigning matriarch and consequently challenges the male dominated society. Lentina depicts an environment of resolute change and the laburnum tree metaphorically stands for the projection and creation of the matriarch, the environment of sustainability. She establishes an environment which facilitates the growth of life amidst the deads. As a woman and an environment stands for fertility and growth and also faces challenges on the path of its reincarnation as a power so also the Laburnum tree as a symbol of the matriarch persevere time and again to survive. The ultimate survival of the tree and its bloom reflects the bloom of the “other”, marginalized, the women class, and the environment. The environment, the greenery in Temsula Ao’s short story emerges unscathed as there is an aspect of social change in the story without which no society or the ecology and the human and non-human factors can survive or thrive. Through this story the clarion call is for the sustainable development of the intrinsic value of men and the revolutionized psychological as well as the spiritual world which will aspire for the liberated physical space.

The sapling symbolizing hope of the matriarch is planted. With much anticipation Lentina awaits its growth and exuberance as the previous attempts at planting one was thwarted by numerous events. She becomes a bundle of nerves at times and preferred seclusion with the exception of Babu's intermittent intrusion to inform her on the tree when she was unwell. It was feeds on the tree and its well being that inspired her to live longer. Never in the story has she lamented upon the deceased husband. May be the passing away of her husband made her realise the futility of life and this led to the development of a spiritual affinity with the world of nature. She also might have realized that the extravaganza that men were embroiled in was inconsequential after death and to immortalize one's memory one need not depend on the superficial show of pomp and glory in the form of some stony edifice. She imperturbably worked on her mission and with Babu. The narrative portrayed her as- "A strong-willed woman and her faithful servant were thus drawn into an unusual bond of common humanity, based on trust and loyalty." (Temsula Ao: 17)

This element of harmony among two sharply contrasting social strata steered in a social change which fostered the growth of the environment which will usher in sustainability. There is no element of degradation of the environment neither is the entrenchment of poverty of the physical and the psychological conditions of people and the society in that concerned environment. The environment that surfaced in the story only projects stability and no speck of socio-economic disharmony is seen. Lentina is affluent and independent and so is the environment produced by her. She is respected and revered by her sons and daughter-in-laws. When she fell sick, her family waited upon her and tended to all her needs. The environment that Lentina created with the assistance of Babu was not only reared by her but also by Babu when she was in a debilitating state of health. Babu was the custodian of that enclosure of nature amidst the prospective cemetery. He could read her mind very well as well as gauge its inner turmoil and agitation at not seeing the laburnum bloom. Babu feared that the occasion of the Laburnum's bloom would invite her end as she wished to see the tree bloom before her death. Even though the tree bloomed modestly Babu did not report to her as that might invite her end sooner. So he postponed the piece of news until next year when the tree would produce dense foliage and the perfect bloom to appease Lentina and fulfil her long cherished wish. And when she witnessed the sombre beauty of the Laburnum, only sighed and withdrew to her. She sprang back to activities and busied herself with her chores. The 'self-imposed isolation' of hers continued and on the fifth day she called upon the maid to help her bathe and dress and bade her an early goodnight only to find her breathing her last breadth in her sleep the next morning.

1.7 CONCLUSION

Lentina was seen passing through inner turmoil when her earlier efforts did not bear fruits. The conflicting agencies in the environment like the gardener, straying cows, the deadly concoction of DDT etc did not let her laburnum sapling survive and an environmental degradation occurred and the emerging distress out of these ensuing actions created a psychological conflict which even had a grip on her health. But the miracle of nature that flourished the external and the internal environment created a sustainable development in nature and Lentina. She dies but fulfils her last wish and her memories are immortalized by the Laburnum tree. The laburnum tree stands as a metaphor for the sustainable development and ethics. It is the conspiracy of nature with human attempts to bless humanity with a development in the environment that will sustain as an example and inspiration and teach humanity that shallow vanity will not immortalize the environment and men; redeeming actions will sway men from his pretensions towards a better environment.

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LEADING THE CHANGE IN MEDICAL PRACTICE: THE ROLE OF BIOETHICS

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ABSTRACT

Over the past several decades changes in medicine are inevitable. Advances in medical technologies and knowledge have made a positive impact on the quality and effectiveness of medical practice but also created a complicated healthcare system and unanticipated ethical dilemmas. The study is analyzing the involvement of medical professionals in leading the ongoing changes in medical practice as well as their knowledge and skills for these roles. Arguments are presented for the need current standards to be revised and strengthened, and to set up courses for medical professionals organized around such themes as teamwork and integration, effective coordination across health settings, quality improvement, systems redesign that will accelerate the availability of information to guide decision making and will link underlying concepts to practical skills. The importance of bioethical principles is postulated and the need for their application to medical practice to achieve more sustainable and equitable health outcomes.

Keywords: Bioethical principle, ethical dilemmas, leadership, quality of health care.

INTRODUCTION

Advances in medical technologies and knowledge have made a positive impact on the quality and effectiveness of medical practice but also created a complicated healthcare system and unanticipated ethical dilemmas. Medicine today faces many difficult challenges, including, among others, high costs of treatment and associated pressures to cut costs, lack of availability of health insurance, and the problem of conflicts of interest. Profound changes in medical practice in recent years imperceptibly but quickly forced a reassessment of the concepts and views on access and quality of medical care. This complexity brings its own set of risks no matter how dedicated and professional staffs are. The new situation postulated the need for action to deal effectively with conflicts of interest, adherence to ethical principles and standards, as well as construction of new and innovative decisions for better health, equality and wellbeing (1).

In this complex environment the leadership and management both are essential to the success of any enterprise. Building medical professionals' capacity for leadership in the ever-changing practice is crucial. Applying the bioethical principles to medicine enables us to contextualize patient care to achieve more sustainable and equitable health outcomes.

The primary goals of medicine include improving health by providing beneficial care to patients, conducting valid research, and offering excellent medical education. In pursuing those goals, individual professionals, health care institutions, and research organizations have obligations to put patient interests first, carry out unbiased research, critically appraise information, and serve as role models of professional behavior for medical students (6).

AIMS AND METHODS OF THE STUDY

The aim of our study is to describe the involvement of medical professionals in leading the ongoing changes in medical practice as well as their knowledge and skills for these roles.

A mixed methods approach was adopted combining a questionnaire survey of medical professionals and a review of the national and international literature on this matter.

Post graduate students in health management courses at the Faculty of Public Health – 140 in number, were interviewed. Participants in the survey are practicing physicians, managers of hospitals and other health settings, lawyers and economists in the health system.

Respondents identified a number of evolving challenges and contexts facing them, including recent changes in the health care market, payment arrangements, factors affecting quality of care.

RESULTS AND DISCUSSIONS

All medical professionals, regardless of their specialty, are working in health settings where social, economic, and political forces powerfully influence their patients and the treatment process. Especially physicians have to be able to recognize and understand how these forces affect their patients, and able to respond appropriately.

Universal access to high quality care and a focus on equitable outcomes are central to the challenging health problems. Lack of quality of health care has dominated the debate in our country despite spending far more on health care than ten years ago /public funds 1698 millions of leva in year 2003 and 3540 respectively in year 2013/.

A recent study found that compared with other European countries the Bulgarian health system performed relatively poorly in terms of good health - a combined analysis of surveys shows that mortality rates are higher, the average life expectancy is low, and the growth in population is a negative quantity.

Dr Petar Moskov, Minister of Bulgarian Ministry of Health, on a Meeting of the Supreme Medical Council presented a Report on the tendencies of the basic demographic indicators in Bulgaria (7):

- Bulgarian population decreases - since 1990 the country has a negative population growth;
- Bulgarian population is aging - the share of persons over 65 years of age in 1970 amounted to 9.7 % and in 2013 it is already 19.5 % of the population.

Analyses of the tendencies of mortality rates in Bulgaria and the international comparisons show:

- Infant mortality rate and perinatal mortality rate for 2012 in Bulgaria are almost two times higher than in European Union.
- Standardized mortality rates for all causes:
 - in BG – 932 of 100 000 people,
 - in EU – 582 of 100 000 people.
- Leading causes of mortality – cerebrovascular diseases for 2011:
 - in Bulgaria – 591 of 100 000 people,
 - in EU – 211 of 100 000 people.

Analyses of the dynamics of life expectancy at birth show that Bulgarians live less in comparison with the population in the European Union:

- life expectancy in 1990 - BG - 71.48 and EU - 75.16 years,
- life expectancy in 2013 - BG - 74.45 and EU - 80.24 years

The Supreme Medical Council unanimously endorsed the national health goals of the Ministry of Health for integrated prevention, early diagnosis and effective treatment of diseases and disabilities among children, adolescents, young people and the economically active population to reduce the mortality rates by 20% for 10 years; and to increase for that time by 20% the life expectancy of people over 65 years of age.

Based on recent studies, the Bulgarian medical association also is undertaking essential steps forward for achieving quality of health care through updating the ethical rules for good medical practice in all specialties and the clinical practice guidelines going thoroughly into the objective procedures for identifying and reviewing the relevant evidence and linking the strength and quality of the evidence to recommendations.

A recent review of studies suggests that prioritizing quality of health care would require tackling one of the biggest challenges of all: resistance to change. This is especially indicative of low- and middle-income countries. Quality improvement requires that health professionals and policymakers identify their own weaknesses and address them directly (10).

Our study is analyzing whether medical professionals are interested in the social determinants of diseases and the role of medical and public health interventions in coping with health dilemmas and problems. We take an interest in their knowledge of how to appreciate high-quality care, examining it as having seven key features: it is accessible, safe, effective, patient-centered, efficient, timely, and equitable (3).

We examine also to what extent medical professionals are acquainted with the core elements of ethical reasoning around issues such as truth telling, confidentiality, professional boundaries, conflicts of interest, informed consent for treatment, and end-of-life care (5).

The study revealed that the majority of medical professionals are not prepared to become involved in leadership roles - roles that can lead and influence the future of their profession, and the future of health care in the country.

Medical professionals told us that while they recognize a need for them to assume leadership roles, they do not feel particularly well-equipped to provide the kind of leadership needed in today's increasingly complex health care environment. At the same time they recognize a need for new knowledge and skills. However, the scarce resources in health care and the instability of the government in recent years negatively affect the continuing health professional education.

Furthermore, medical professionals become aware that they have to lead the changes through influence, not authority, by creating a shared purpose and a common vision. This includes challenging the process, inspiring a shared vision, enabling others to act, modeling the way and encouraging other partners. But they do not feel themselves particularly well-equipped to provide such kind of leadership.

Sixty per cent of respondents cannot describe approaches to leading, motivating, and aligning people behind a common vision or direction. They lack an ability to think creatively and adapt evidence-based practices, and an ability to contribute and work in a team.

Forty five per cent of respondents find it difficult to take appropriate action to raise and act on concerns about patient care, dignity and safety.

Changes in medicine, as in all other fields, are inevitable, and the participants in our study are recognizing that have to work in a health care team, and no one member of the team - not the physician, nurse, pharmacist or anyone else - can go it alone. What is more, they are in full agreement with the requirement to work together with the patient, and for the patient in order to cope with the challenges of chronic diseases.

In addition to the clinical practice of medicine and direct patient care, physicians have traditionally served in several different roles and pursued various other interests, such as participation in research, the education of future physicians and continuous training of different medical and administrative professionals.

The health policy especially is intended to identify areas where a conflict of interest might occur during the practice of medicine, and to assist physicians in resolving such conflicts in the best interests of their patients. Some conflicts of interest are inevitable and there is nothing inherently unethical in the occurrence of conflicts of interest in medicine but it is the manner in which they are addressed that is crucial.

Although the participation of physicians in many of these activities will ultimately serve the greater public good, the primary obligation of the individual physician continues to be the health and well-being of his or her patients.

These analyses reveal the importance of bioethics education and the role of courses organized around such themes as leadership and management of medical practice. We have used these insights to explore a set of principles to guide medical professionals in their efforts of professional development that will be meaningful to the profession.

Results put emphasis on developing a critical mass of physicians and other medical professionals who are prepared to become involved in leadership roles - roles that can lead and influence the future of our profession, and the future of health care in our country. They give prominence to action learning principles and appropriate balance among self-reflection, theory, practice and skills.

In our view, medical professionals should actively experiment with a wide range of leadership styles. We believe that leadership skills can be improved through training, mentoring, and other experiences.

CONCLUSION

Building capacity for leadership in a number of different contexts, including primary care, clinical specialty practice and medical product development is crucial. Bioethics education is seen as an important starting point to stimulate further changes, including the need of more evidence-based practice and debate how best to cultivate moral sensibility and decision making skills with the notion that good medical science and ethical principles and standards necessary go hand in hand. It is clearly that training on how best to integrate ethics in medical science and practice will be a continuing challenge.

We consider it necessary to set up courses organized around such themes as leadership, innovation, quality improvement, operations and systems redesign that will link underlying concepts to practical skills. We are confident that a greater degree of professionalism needs to be brought to bear in the development of medical professionals that will, whatever their role, take appropriate action to lead effectively the changes in medical practice.

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BANCASSURANCE (Insurance and Marketing Services)

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ABSTRACT

An Insurance sector is one of the new booming sectors in the economy. Insurance is advice by which a man protects himself against certain risks. Bank assurance is the selling insurance through banks. The main objective of this paper to know the entire marketing and service offered, to know the expectations and perceptions of banks towards General Insurance business and to know the financial products sold by the financial institutions. The result shows that Bonds are the major financial products provided by various co-operative banks.

INTRODUCTION

An insurance sector is one of the new booming sectors in the economy. India has middle level potential market in this sector. In fact the central government of India has opened up insurance institution and other private persons are opened some institution in India. Insurance is advice by which a man protects himself against certain risks. It is means by which one shifts his risk to another. It is the contract between two parties whether by the party undertakes indemnity and other party against the loss.

The term **bancassurance** is also known as **bank insurance model (BIM)**, is the partnership or relationship between a bank and an insurance company whereby the insurance company uses the bank sales channel in order to sell insurance products, an arrangement in which a bank and an insurance company form a partnership so that the insurance company can sell its products to the bank's client base.

BIM allows the insurance company to maintain smaller direct sales teams as their products are sold through the bank to bank customers by bank staff and employees as well.

Bank staff and tellers, rather than an insurance salesperson, become the point of sale and point of contact for the customer. Bank staff are advised and supported by the insurance company through product information, marketing campaigns and sales training.

The bank and the insurance company share the commission. Insurance policies are processed and administered by the insurance company. This partnership arrangement can be profitable for both companies. Banks can earn additional revenue by selling the insurance products, while insurance companies are able to expand their customer base without having to expand their sales forces or pay commissions to insurance agents or brokers

In operation for over 50 years now, the Bajaj group is one. India's largest business houses. They involved number of fields such as manufacturing, assembling, insurance and banking etc. A highly respected and admired group rooted in Indian values. Yet global vision, it is driven by its performance ethics based on value certain for its multiple stakeholders.

Bajaj Allianz General Insurance crossed a milestone by garnering an annual premium income of over Rs.1000 crores has been achieved within a short span of 7 years. It has built a formidable reputation and displayed its risk appetite by underwriting big protects like Indian oil refineries, Essar refinery project, Hydroelectricity projects, Infrastructure projects, Bangalore airport, Kingfisher airlines and Delhi metro projects. Bajaj Allianz is the only private sector insurance company to be active in issuing film, TV productions and event insurance for sporting events such as golf, cricket and even stage shows and product launches.

In the retail sector, the company launched several new and innovative products like wedding insurance, travel Asia for travelers to Asian countries, Credit insurance in tie up with Euler Hermes, E-opinion, Silver Health the only health insurance plan especially for people above 45 years, amongst many others.

OBJECTIVES

1. To study the methodology of Bancassurance (marketing and service) by Bajaj Allianz General Insurance co, ltd
 2. T o know the perceptions of Banks towards General Insurance business.
 3. To know their expectations from the General Insurance companies
 4. To know the financial products which are sold by the financial institutions
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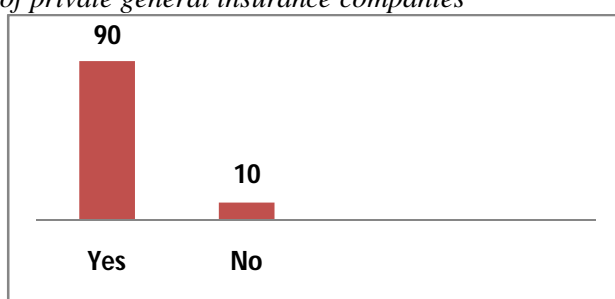
5. To throw a light on Entire marketing and service
6. To offer fruitful suggestions in this regard.

RESEARCH METHODOLOGY

Research Design: This study is exploratory research in nature. It adopts a quantitative approach in analyzing the research objectives. The study adopts a survey approach through a set of questionnaire which was designed to elicit the perception of customers about Bancassurance. **Sample Size:** The total sample size is 10 consisting of co-operative Banks. **Sampling method:** Convenience non-probability sampling method has been adopted in administering the questionnaire. **Sampling techniques:** Random sampling technique was used to collect the data. **Sources of data collection:** Both primary and secondary data has been used to collect the data, primary data through structured questionnaire and interview method whereas secondary data includes various publications and articles, text books etc. **Statistical Tools:** Graphs, ratios and tables were used to interpret and analyze the data.

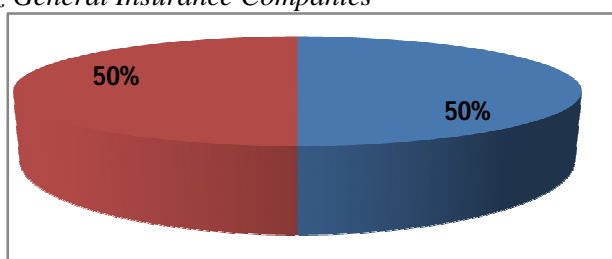
DATA ANALYSIS AND INTERPRETATION

1. Aware about the presence of private general insurance companies



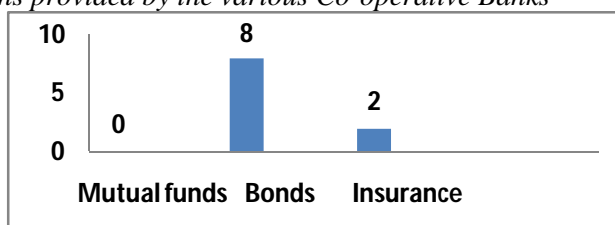
About 90 percent of respondents are aware of private general insurance companies and rest 10 percent doesn't aware of it.

2. Awareness of Bajaj-Allianz General Insurance Companies



Among 10 co-operative banks analyzed 50 percent of the respondents were aware of Bajaj-Allianz General insurance companies and rest 50 percent were not aware of it.

3. Types of Financial Solutions provided by the various Co-operative Banks

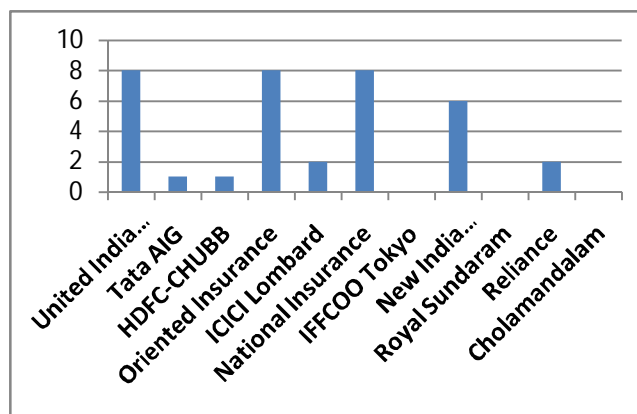


Only two of the total ten banks were involved in marketing of bonds and insurance.

4. Awareness of Different General Insurance Companies

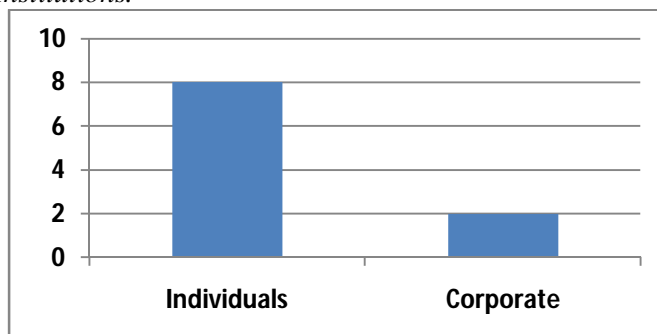
General Insurance Companies	Number of Respondents
United India Insurance	8
Tata AIG	1
HDFC-CHUBB	1

Oriented Insurance	8
ICICI Lombard	2
National Insurance	8
IFFCOO Tokyo	0
New India Assurance	6
Royal Sundaram	0
Reliance	2
Cholamandalam	0



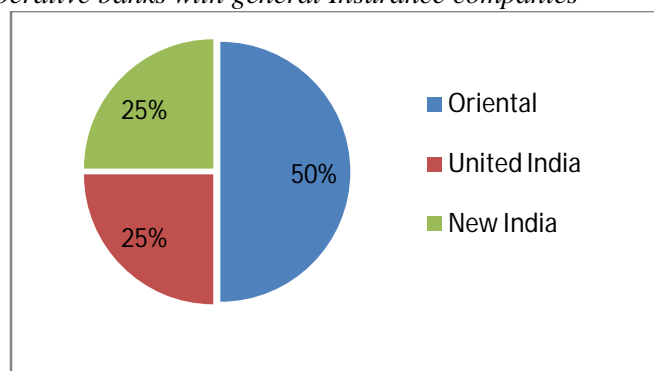
Result shows that National insurance, New India insurance, United India, Oriented Insurance is the most known insurance players.

5. Clients of the Financial Institutions.



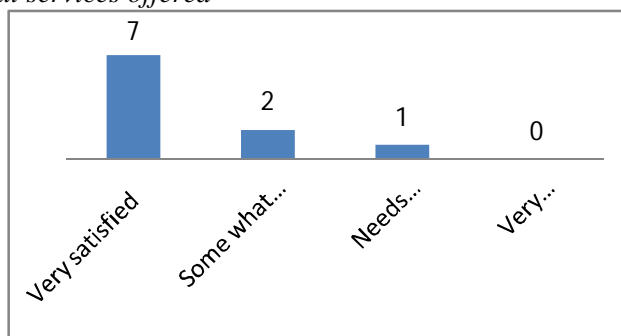
All respondents' banks have individuals as their major clients. Some of them that is, only 2 percent have corporate clients.

6. Tie up's made by Co-operative banks with general Insurance companies



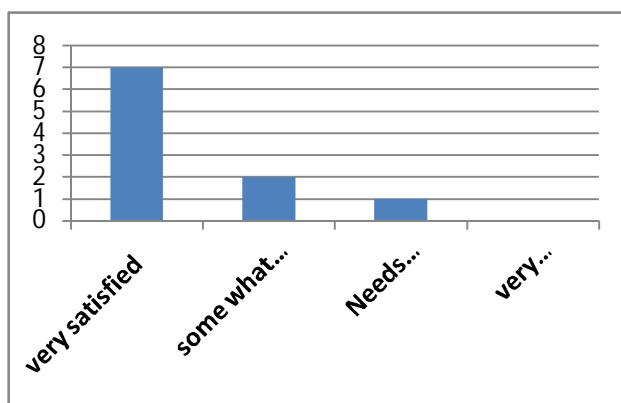
The results that oriental has made 50% tie up's with general insurance companies whereas united india and new India has made 25% tie up's with general insurance company.

7. *Level of satisfaction about services offered*



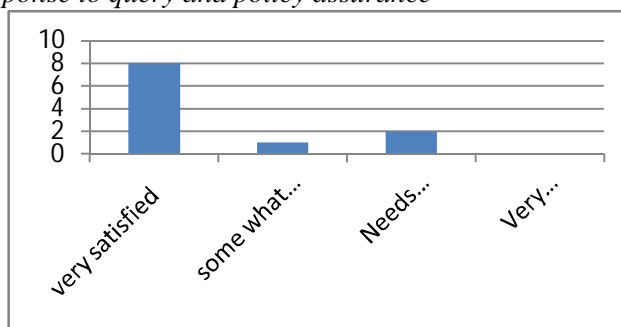
Most of the respondents are very satisfied and only few are somewhat satisfied and suggest improving the services offered.

8. *Frequency of visits*



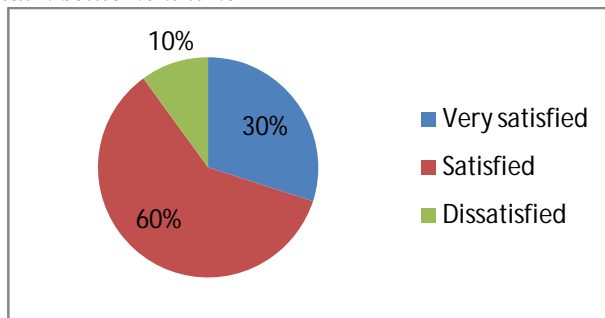
Majority of banks are very satisfied. Only few banks expected number of visits to be more frequent and improve upon same.

9. *Turn-around time for response to query and policy assurance*



Majority of the bank branches are satisfied with turn-around time for queries whereas only few are not satisfied

10. *Overall experience with claim settlement time*



Graph shows that claims are settles timely, among 10 bank branches analyzed 60% were very satisfied, 30% were satisfied and 10% were dissatisfied.

MAJOR FINDINGS OF THE STUDY

The study shows that most financial institutions are not tied up with the General Insurance companies for the following reasons:

- Complicated regulations of the tie up specified by the insurance Regulatory Development Authority (IRDA)
- Insurance marketing is difficult due to complexity of the product
- Since more and more different products are launched by different insurance companies it will lead to competition
- Required skilled man power to deal with the customers
- Fear of losing existing customers if service relating to claim settlement by insurance companies is unsatisfactory
- No awareness about new General insurance players in the market
- Innovative new products to meet the customer's requirements
- Maintain the best levels in claim settlements
- To develop best network possible to reach the rural customers by opening more bank branches
- Product training for bank employees to make them understand the benefits of the product
- To concentrate more on operational; and service issues

Other findings:

- Majority of the respondents are aware of Bajaj-Allianz general insurance companies
- Individuals are the major clients of the financial institutions than corporate
- Majority of the bank branches were satisfied with the turn around time for response to query and police assurance
- Majority of the respondents are satisfied with the claim settlement time.

SUGGESTION AND RECOMMENDATIONS

The study shows that the main factor that affects the possible tie up with the financial institutions is the perception of the financial institutions that the General Insurance business is not a core activity. The General insurance companies should try to change this perception by taking the following steps:

- It should plan for an effective promotion Campaign so that the company is known to more number of financial institutions
- It should also educate these financial institutions that the General insurance business will have the following benefits:
 - Unlimited income
 - Regular income
 - Value added product and services for its customers, which will be better than their competitors
 - Opportunities to attract potential customers
- It should make sure that they have wide variety of products to meet the customer's requirements, which will facilitate the financial institutions to push the products more easily by convincing the customers
- It should offer attractive remuneration so that the financial institutions are attracted towards these companies and sell more products to their customers
- The frequency of visits made by the representatives should be more for potential bank branches
- Customers are happy with the claim settlement of the company which the insurance companies should continue to get the competitive advantage over other companies

- Services offered by the banks needs to be improved in order to retain and attract prospective customers in near future.

If the General Insurance companies do not make use of this available opportunity, they may lose an alternative channel to push their products in the market.

CONCLUSIONS

Bancassurance is the partnership or relationship between a bank and an insurance company whereby the insurance company uses the bank sales channel in order to sell insurance products. It also allows the insurance company to maintain smaller direct sales teams as their products are sold through the bank to bank customers by bank staff and employees as well.

Bank which provides insurance must act according to the need of the customers by providing innovative products at a reasonable price in order to retain prospective customers and to attract new customers.

More and more awareness program has to be conducted and also variety of financial services should be offered for better satisfaction of customers.

Thus, bancassurance plays a major role in worldwide insurance. It is an efficient distribution channel with higher productively and lower costs than traditional distribution channel. Therefore, much banks should come forward for adopted insurance along with marketing of those insurance products with innovative ideas and tactics for development of banking sectors.

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INDO- ASEAN TRADE PATTERN: AN EMPIRICAL ANALYSIS

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ABSTRACT

Indo- ASEAN economy is a vibrant regional grouping in Asia. Realising the importance of the Asian region for sustaining high trade growth, India announced its “Look- East” policy in 1991 in an attempt to increase its engagement with the East Asian countries. The India-ASEAN Free Trade Agreement (IAFTA) was signed on 13 August 2009 in Bangkok. The agreement covers trade in goods between India and the ASEAN members that came into effect on 1 January 2010.

In this paper, attempts have been made to analyse complementary and competing commodities of trade between India and ASEAN countries. For any Regional Trade Agreement (RTA) to be successful, it is imperative for partner countries to have complementary trade structure to be exploited for mutual benefit. Countries which got complementary trade structure are likely to trade more where as economies with similar trade structure often struggle to improve trade share unless there is substantial intra- industry trade. Revealed Comparative Advantage Index (RCAI) analysis and trade intensity indices (export intensity index and import intensity index) analysis have been done to provide a useful insight into the competitiveness of participating countries and hence reveal the possibility of increased trade cooperation between them.

Keywords: Regional Trade Agreement, Free Trade Agreement, RCA, Trade Intensity Index, Intra- Industry Trade.

**The first author was Consultant at Ministry of Commerce & Industry, Govt. of India. The views expressed in this paper are personal and it is not related to the Organisation where researcher worked.*

INTRODUCTION

Indo- ASEAN economy is a vibrant regional grouping in Asia. ASEAN is a geo-political and economic organization with 10 member countries, formed in August 1967 by Indonesia, Malaysia, the Philippines, Singapore and Thailand. Since then, the membership has expanded to include Brunei Darussalam, Cambodia, the Lao People's Democratic Republic, Myanmar and Viet Nam. ASEAN's objectives are to accelerate economic growth, social progress and cultural development among its members, protect the peace and stability of the region, and provide opportunities for the member countries to discuss their differences peacefully. ASEAN for long followed export oriented growth strategy simultaneously pursuing twin objectives of deepening regional integration efforts and carrying out multilateral trade liberalization with rest of the world. Realising the importance of the Asian region for sustaining high trade growth, India announced its “Look East” policy in 1991 in an attempt to increase its engagement with the East Asian countries. Consequently, in 1992, it became a sectoral dialogue partner of the Association of South East Asian Nations (ASEAN). India became a Full Dialogue Partner of ASEAN in 1995 and a member of the ASEAN Regional Forum (ARF) in 1996. India and ASEAN signed a Framework Agreement – the Comprehensive Economic Cooperation Agreement (CECA) – on 8 October 2003 with a view to providing an institutional framework that would enable economic cooperation to come into effect. Negotiations on a trade in goods agreement between India and ASEAN were started in March 2004. The negotiations continued for six years and finally the India-ASEAN Free Trade Agreement (IAFTA) was signed on 13 August 2009 in Bangkok during a meeting of the Economic Ministers of ASEAN. The agreement, which only covers trade in goods between India and the ASEAN members, came into effect on 1 January 2010 in the case of Malaysia, Singapore and Thailand. For the remaining ASEAN members it will come into force after they have completed their internal requirements.

India ASEAN Free Trade Agreement (IAFTA) generated intense discussion on the economic impact on India's trade in goods. For any Regional Trade Agreement (RTA) to be successful, it is imperative on partner countries to have complementary trade structure to be exploited for mutual benefit. Countries which got complementary trade structure are likely to trade more whereas economies with similar trade structure often struggle to improve trade share unless there is substantial intra industry trade. RCA indices, despite their limitations, provide a useful guide to underlying comparative advantage and offer a further insight into the competitiveness of participating countries and hence reveal the possibility of increased trade cooperation between them. In this context, attempts have been made to analyse bilateral trade relation between India and ASEAN, region-wise, country-wise and commodity-wise to see the overall trends in bilateral trade and to identify complementary and competing commodities of trade between India and ASEAN countries to consolidate their strengths and to

overcome the pitfalls. The synergies between India and ASEAN need to be identified for further cementing the economic cooperation and deepening the relationship.

OBJECTIVES

1. To analyse trade structure between India and ASEAN;
2. To identify the products where India should enhance its exports or to identify complementary and competing commodities of trade between India and ASEAN countries to consolidate their strengths and to overcome the pitfalls.

RESEARCH METHODOLOGY

The study makes use of *trade intensity index* and *revealed comparative analysis index* to see trade complementarity and similarity or trade pattern (trade structure) between India and ASEAN countries.

The trade intensity index (TII) is used to determine whether the value of trade between two countries is greater or smaller than would be expected on the basis of their importance in world trade. It is defined as the share of one country's exports going to a partner divided by the share of world exports going to the partner. It is calculated as:

$$T_{ij} = (x_{ij}/x_{it})/(x_{wj}/x_{wt})$$

Where x_{ij} and x_{wj} are the values of country i's exports and of world exports to country j and where x_{it} and x_{wt} are country i's total exports and total world exports respectively. An index of more (less) than one indicates a bilateral trade flow that is larger (smaller) than expected, given the partner country's importance in world trade. Trade Intensity Index is further divided into *Export Intensity Index (EII)* and *Import Intensity Index (III)* for looking the pattern of exports and Imports. Following Kojima (1964) and Drysdale (1969), the index of trade intensity is restated as follows:

$$EII \text{ between India and ASEAN} = X_{IA}/X_I/(M_A/(M_W-M_I))$$

X_{IA} = India's Export to ASEAN; X_I = India's total Export; M_A = Total Import of ASEAN; M_W = Total World imports; M_I = Total Imports of India.

$$III \text{ between India and ASEAN} = M_{IA}/M_I/(X_A/(X_W-X_I))$$

M_{IA} = Import of India from ASEAN; M_I = Total Import of India; X_A = Total Export of ASEAN; X_W = Total World Export; X_I = Total Export of India.

Revealed Comparative Advantage: Revealed Comparative Advantage Index is developed by Balassa (1965, 1977). It shows how competitive is a product in Countries' export compared to the products share in world trade. A product with high RCA is competitive and can be exported to countries with low RCA. Countries with similar RCA profiles are unlikely to have high bilateral trade intensities unless intra industry trade is involved. RCA measures, if estimated at high levels of product disaggregation, can focus attention on other non-traditional products that might be successfully exported. The RCA index of country i for product j is often measured by the product's share in the country's exports in relation to its share in world trade:

$$RCA_{ij} = (X_{ij}/X_{it})/(X_{wj}/X_{wt})$$

Where X_{ij} and X_{wj} are the values of country i's exports of product j and world exports of product j and where X_{it} and X_{wt} refer to the country's total exports and world total exports. A value of less than unity implies that the country has a revealed comparative disadvantage in the product. Similarly, if the index exceeds unity, the country is said to have a revealed comparative advantage in the product.

The trade intensity index (export intensity index and import intensity index) between India and ASEAN (region- wise and country- wise) have been analysed. Revealed Comparative Analysis (RCA) has also been calculated. Based on the results summary, conclusions and some policy implications has been discussed for further enhancement in our bilateral trade relations.

TRADE INTENSITY INDEX BETWEEN INDIA AND ASEAN

It is revealed from Table 1 that India's export intensity as well as import intensity with ASEAN is greater than one for most of the years. This means India's exports and imports are intense with ASEAN countries compared with its trading pattern with rest of the world. The natural trading partner theory reveals countries tend to trade more with neighbours and close proximate partners. ASEAN countries being geographically closer to India, value of these indices are likely to come down once it is adjusted for geographical distance. India's export intensity index with ASEAN is lower up to 2000 as compare to India's import intensity index but after that, from 2005 onwards India's export intensity index with ASEAN is higher than India's import intensity index except in 2006. While ASEAN's export intensity index is higher than import intensity index as it exports more to India compared to its imports except in two years, i.e., in 2011 and 2012.

Table- 1: Trade Intensity Index between India and ASEAN: 1990- 2014

Years	India's EII with ASEAN	ASEAN's EII with India	India's III with ASEAN	ASEAN's III with India
1990	0.92	1.71	1.57	1.53
1995	1.09	1.52	1.12	1.22
2000	1.14	1.96	1.29	1.27
2005	1.85	1.72	1.19	1.46
2006	1.44	1.53	1.68	1.36
2007	1.48	1.47	1.60	1.39
2008	2.07	1.58	1.01	1.48
2009	1.85	1.51	1.37	1.36
2010	1.74	1.47	1.22	1.41
2011	1.94	1.42	1.28	1.54
2012	1.78	1.27	1.29	1.53
2013	1.82	1.34	1.34	1.59
2014	1.89	1.39	1.35	1.62

Source: Computed from UN COMTRADE Statistics

Country wise look at the trade intensity showed India's export intensity is above one for Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam. For others (Brunei, Laos, Cambodia and Philippines) the export intensity is fluctuating over the years. Myanmar, Singapore and Vietnam are the three countries with whom India got high export intensity. For the year 2014, except Cambodia and Laos, India got high trade intensity with all ASEAN countries. Table- 2 gives the country wise export and import intensity of India with ASEAN countries. India is importing smaller volumes from the less developed countries of ASEAN which is reflected in the low Import intensity Index with Brunei, Cambodia and Lao PDR. Imports are also restricted with Philippines and Vietnam with import intensity well below one. The table- 2 reveals the mixed trends of exports and imports intensities with ASEAN countries.

Table- 2: India's Export & Import Intensity Index with ASEAN Countries: 1990- 2014

Years	Indics	Bru	Cam	Indon	Lao	Mal	Myan	Phil	Singa	Thai	Viet
1990	EII	0.05	4.58	0.82	0.10	0.84	0.42	0.32	0.99	1.18	0.57
	III	0.00	0.00	0.94	0.82	2.60	30.93	0.07	1.83	0.38	3.30
1995	EII	0.28	0.20	2.06	0.09	0.77	1.52	0.72	1.08	1.00	1.95
	III	0.00	11.84	1.24	0.00	1.53	19.62	0.12	1.20	0.36	0.40
2000	EII	0.30	0.85	1.77	1.11	1.06	2.43	0.84	0.94	1.26	2.04
	III	0.01	0.12	1.87	0.00	1.78	11.40	0.20	1.35	0.61	0.11
2005	EII	2.17	0.95	2.56	0.40	1.08	3.37	1.08	2.80	0.94	1.93
	III	0.01	0.02	2.54	0.01	1.28	10.17	0.37	1.03	0.77	0.28
2006	EII	2.05	0.83	1.80	0.35	0.92	3.58	0.70	1.84	1.13	1.74
	III	0.01	0.01	2.01	0.01	2.23	8.86	0.18	1.97	0.98	0.24
2007	EII	1.21	0.53	1.77	0.32	1.19	3.07	0.59	1.90	1.25	1.49
	III	0.01	0.01	1.85	0.01	2.03	8.75	0.13	2.03	1.06	0.22
2008	EII	0.63	1.08	1.82	0.16	1.72	3.33	1.10	2.45	0.99	1.98
	III	1.50	0.01	1.00	0.16	2.14	1.82	0.95	0.98	2.18	0.30
2009	EII	0.76	0.74	2.16	0.72	1.99	2.28	1.06	1.94	0.89	1.83
	III	3.25	0.00	1.11	0.12	1.82	2.68	1.43	1.31	1.52	0.36
2010	EII	0.50	0.85	2.28	0.17	1.47	4.45	0.93	1.98	0.80	1.98
	III	1.02	0.16	1.08	0.16	1.58	2.23	0.94	1.19	1.32	0.59
2011	EII	9.10	0.87	2.14	0.20	1.20	2.17	0.94	2.54	0.72	1.93
	III	2.21	0.41	0.97	0.11	1.40	2.12	1.03	1.33	1.55	0.63
2012	EII	0.58	0.96	1.93	0.31	1.19	2.14	1.05	2.20	0.86	1.82
	III	2.66	0.68	1.07	0.14	1.26	2.22	0.95	1.27	1.68	0.59
2013	EII	0.59	0.98	1.92	0.35	1.25	2.23	1.01	2.24	0.90	1.89
	III	2.74	0.73	1.11	0.16	1.21	2.32	1.00	1.29	1.71	0.62
2014	EII	0.58	0.97	1.94	0.32	1.27	2.21	1.02	1.32	1.00	0.61
	III	2.71	0.74	1.14	0.20	1.24	2.23	1.03	1.34	1.80	0.64

Source: Computed from UN COMTRADE Statistics

India's import intensity was small with Thailand for many years but improved strongly after signing the bilateral trade agreement. India's imports from ASEAN traditionally confined to Singapore and Malaysia. Import intensity is markedly high with Myanmar as it shares geographical border with India and in close proximate with north eastern states of India. This exceptionally high import intensity is also due to Myanmar's low imports from the rest of the world due to political reasons. For all other countries, the index follows a range except for Cambodia in the year 1995.

Analysis of Revealed Comparative Advantage (RCA) between India and its three important trading partners in ASEAN region in 2014:

Revealed Comparative Advantage Index shows how competitive is a product in Countries' export compared to the products share in world trade. A product with high RCA is competitive and can be exported to countries with low RCA. Countries with similar RCA profiles are unlikely to have high bilateral trade intensities unless intra industry trade is involved. A value of less than unity implies that the country has a revealed comparative disadvantage in the product. Similarly, if the index exceeds unity, the country is said to have a revealed comparative advantage in the product.

Table- 3 represents RCA index at 2 digit HS code of India and its three most important trading partners in ASEAN region with respect to world. The table reveals that India has comparative advantage in chapters- 13, 52, 57, 53, 10, 63, 71, 09, 54, 55, 50, 17, 62, 67, 03, 23, 41, 25, 79, 29, 89, 42, 61, 02, 42, 32, 68, 73, 24, 36, 30, 58, 72, 12, 74 and 64 whose RCA index are greater than one and India should exports these products to the world. Similarly RCA indices of Singapore, Malaysia and Indonesia have been shown in coloured boxes which show that these countries have comparative advantages over other commodities with respect to world. If India's RCAI with respect to world is less than that of other countries in a particular commodity then India should import that particular commodity. For example, India's RCAI for commodities given in chapter 55, and others are less than that of Indonesia's RCAI ($3.5 < 6.0$), then it would be beneficial for India to import these commodities from Indonesia. In the same way the flow of other commodities may also be traded.

Table- 3: RCAI of India, Singapore, Malaysia and Indonesia wrt World in 2014

S.N	HS Code	Industry	India's RCA Index	Singapore's RCA Index	Malaysia's RCA Index	Indonesia's RCA Index
1	13	Lac, gums, resins, vegetable saps and extracts nes	32.3	0.1	0.0	0.6
2	52	Cotton	8.2	0.0	0.7	1.0
3	57	Carpets and other textile floor coverings	5.9	0.1	0.1	0.5
4	53	Vegetable textile fibres nes, paper yarn, woven fabric	5.5	0.0	0.0	0.5
5	10	Cereals	4.7	0.0	0.0	0.0
6	63	Other made textile articles, sets, worn clothing etc	4.6	0.1	0.3	0.7
7	71	Pearls, precious stones, metals, coins, etc	4.4	0.5	0.5	0.5
8	9	Coffee, tea, mate and spices	3.7	0.3	0.2	4.4
9	55	Manmade staple fibres	3.5	0.2	0.7	6.0
10	54	Manmade filaments	3.1	0.2	1.2	2.9
11	50	Silk	3.0	0.0	0.0	0.0
12	17	Sugars and sugar confectionery	2.8	0.2	0.4	0.4
13	62	Articles of apparel, accessories, not knit or crochet	2.5	0.1	0.2	1.9
14	67	Bird skin, feathers, artificial flowers, human hair	2.5	0.0	0.0	3.8
15	3	Fish, crustaceans, molluscs, aquatic invertebrates nes	2.3	0.1	0.6	2.9
16	23	Residues, wastes of food industry, animal fodder	2.3	0.2	0.6	0.8
17	41	Raw hides and skins (other than furskins) and leather	2.2	0.2	0.1	0.4
18	25	Salt, sulphur, earth, stone, plaster, lime and cement	2.1	0.1	0.7	0.2
19	79	Zinc and articles thereof	2.1	0.1	1.6	0.0
20	29	Organic chemicals	1.8	2.3	0.8	0.6

21	89	Ships, boats and other floating structures	1.8	1.0	0.4	0.5
22	42	Articles of leather, animal gut, harness, travel goods	1.8	0.3	0.1	0.4
23	61	Articles of apparel, accessories, knit or crochet	1.7	0.2	0.3	1.6
24	2	Meat and edible meat offal	1.7	0.0	0.0	0.0
25	32	Tanning, dyeing extracts, tannins, derivs,pigments etc	1.7	0.8	0.8	0.4
26	68	Stone, plaster, cement, asbestos, mica, etc articles	1.7	0.1	1.0	0.3
27	73	Articles of iron or steel	1.6	0.5	0.9	0.7
28	24	Tobacco and manufactured tobacco substitutes	1.5	1.0	1.0	2.0
29	36	Explosives, pyrotechnics, matches, pyrophorics, etc	1.5	0.5	0.5	0.5
30	30	Pharmaceutical products	1.3	0.7	0.0	0.1
31	58	Special woven or tufted fabric, lace, tapestry etc	1.3	0.1	0.1	0.4
32	72	Iron and steel	1.2	0.2	0.4	0.2
33	12	Oil seed, oleagic fruits, grain, seed, fruit, etc, nes	1.2	0.0	0.0	0.2
34	74	Copper and articles thereof	1.1	0.3	0.7	1.3
35	64	Footwear, gaiters and the like, parts thereof	1.1	0.1	0.1	2.9
36	27	Mineral fuels, oils, distillation products, etc	1.0	1.0	1.1	1.8
37	38	Miscellaneous chemical products	1.0	1.2	1.6	2.1
38	7	Edible vegetables and certain roots and tubers	1.0	0.0	0.2	0.2
39	78	Lead and articles thereof	1.0	1.0	2.0	0.0
40	26	Ores, slag and ash	0.9	0.0	0.2	2.2
41	28	Inorganic chemicals, precious metal compound, isotopes	0.9	0.2	0.4	0.5
42	33	Essential oils, perfumes, cosmetics, toileteries	0.9	2.0	0.3	0.6
43	8	Edible fruit, nuts, peel of citrus fruit, melons	0.9	0.1	0.1	0.4
44	82	Tools, implements, cutlery, etc of base metal	0.9	1.1	0.5	0.2
45	96	Miscellaneous manufactured articles	0.9	0.3	0.6	0.8
46	56	Wadding, felt, nonwovens, yarns, twine, cordage, etc	0.9	0.2	0.7	0.7
47	11	Milling products, malt, starches, inulin, wheat gluten	0.9	0.1	0.4	0.3
48	40	Rubber and articles thereof	0.8	0.3	3.6	4.9
49	34	Soaps, lubricants, waxes, candles, modelling pastes	0.8	0.5	1.3	1.8
50	51	Wool, animal hair, horsehair yarn and fabric thereof	0.8	0.0	0.3	0.0
51	5	Products of animal origin, nes	0.8	0.0	0.0	0.2
52	88	Aircraft, spacecraft, and parts thereof	0.7	1.6	0.4	0.1
53	75	Nickel and articles thereof	0.7	0.5	0.1	3.5
54	87	Vehicles other than railway, tramway	0.6	0.2	0.1	0.4
55	39	Plastics and articles thereof	0.6	1.2	1.0	0.4
56	76	Aluminium and articles thereof	0.6	0.3	0.9	0.5
57	15	Animal,vegetable fats and oils, cleavage products, etc	0.6	0.2	15.1	19.7
58	21	Miscellaneous edible preparations	0.6	0.6	1.6	1.2
59	69	Ceramic products	0.6	0.1	0.6	0.7
60	35	Albuminoids, modified starches, glues, enzymes	0.6	0.4	0.4	0.1
61	97	Works of art, collectors pieces and antiques	0.6	0.3	0.0	0.1

62	70	Glass and glassware	0.5	0.2	1.2	0.6
63	83	Miscellaneous articles of base metal	0.5	0.4	0.4	0.3
64	19	Cereal, flour, starch, milk preparations and products	0.5	1.2	1.7	1.0
65	49	Printed books, newspapers, pictures etc	0.5	2.4	0.4	0.1
66	59	Impregnated, coated or laminated textile fabric	0.5	0.2	0.2	0.5
67	20	Vegetable, fruit, nut, etc food preparations	0.4	0.1	0.2	0.4
68	60	Knitted or crocheted fabric	0.4	0.1	0.3	0.4
69	84	Boilers, machinery; nuclear reactors, etc	0.3	1.2	1.0	0.3
70	85	Electrical, electronic equipment	0.3	2.3	2.1	0.4
71	94	Furniture, lighting, signs, prefabricated buildings	0.3	0.1	1.2	0.9
72	48	Paper & paperboard, articles of pulp, paper and board	0.3	0.4	0.5	2.2
73	4	Dairy products, eggs, honey, edible animal products	0.3	0.2	0.5	0.3
74	6	Live trees, plants, bulbs, roots, cut flowers etc	0.3	0.1	0.6	0.2
75	81	Other base metals, cermets, articles thereof	0.3	0.2	0.4	0.1
76	65	Headgear and parts thereof	0.3	0.0	0.3	0.3
77	92	Musical instruments, parts and accessories	0.3	0.3	1.0	9.7
78	99	Commodities not elsewhere specified	0.2	2.2	0.1	0.0
79	90	Optical, photo, technical, medical, etc apparatus	0.2	1.3	1.0	0.1
80	22	Beverages, spirits and vinegar	0.2	1.1	0.5	0.1
81	86	Railway, tramway locomotives, rolling stock, equipment	0.2	0.0	0.2	0.1
82	93	Arms and ammunition, parts and accessories thereof	0.2	0.0	0.0	0.0
83	44	Wood and articles of wood, wood charcoal	0.1	0.0	3.0	2.8
84	95	Toys, games, sports requisites	0.1	0.3	0.3	0.5
85	31	Fertilizers	0.1	0.0	0.6	0.7
86	16	Meat, fish and seafood food preparations	0.1	0.1	0.4	1.8
87	91	Clocks and watches and parts thereof	0.1	1.5	0.4	0.0
88	18	Cocoa and cocoa preparations	0.1	0.8	2.4	2.5
89	37	Photographic or cinematographic goods	0.1	0.5	0.6	0.0
90	80	Tin and articles thereof	0.0	5.8	9.5	28.0
91	1	Live animals	0.0	0.0	0.7	0.3
92	47	Pulp of wood, fibrous cellulosic material, waste etc	0.0	0.2	0.1	3.4
93	45	Cork and articles of cork	0.0	0.0	0.0	0.0
94	46	Manufactures of plaiting material, basketwork, etc.	0.0	0.0	0.0	4.0
95	66	Umbrellas, walking-sticks, seat-sticks, whips, etc	0.0	0.0	0.0	0.0
96	43	Furskins and artificial fur, manufactures thereof	0.0	0.0	0.2	0.0

Source: *Computed from UN COMTRADE Statistics*

Table- 4 RCAI between India and its three important trading partners in ASEAN region in 2014:

HS Code	Industry	India's RCAI wrt Singapore	India's RCAI wrt Malaysia	India's RCAI wrt Indonesia
1	Live animals		0.0	0.0
2	Meat and edible meat offal			
3	Fish, crustaceans, molluscs, aquatic invertebrates	23.0	3.8	0.8

4	Dairy products, eggs, honey, edible animal product nes	1.5	0.6	1.0
5	Products of animal origin, nes			4.0
6	Live trees, plants, bulbs, roots, cut flowers etc	3.0	0.5	1.5
7	Edible vegetables and certain roots and tubers		5.0	5.0
8	Edible fruit, nuts, peel of citrus fruit, melons	9.0	9.0	2.3
9	Coffee, tea, mate and spices	12.3	18.5	0.8
10	Cereals			
11	Milling products, malt, starches, inulin, wheat gluten	9.0	2.3	3.0
12	Oil seed, oleagic fruits, grain, seed, fruit, etc			6.0
13	Lac, gums, resins, vegetable saps and extracts	323.0		53.8
15	Animal,vegetable fats and oils, cleavage products, etc	3.0	0.0	0.0
16	16 Meat, fish and seafood food preparations	1.0	0.3	0.1
17	Sugars and sugar confectionery	14.0	7.0	7.0
18	Cocoa and cocoa preparations	0.1	0.0	0.0
19	Cereal, flour, starch, milk preparations and products	0.4	0.3	0.5
20	Vegetable, fruit, nut, etc food preparations	4.0	2.0	1.0
21	Miscellaneous edible preparations	1.0	0.4	0.5
22	Beverages, spirits and vinegar	0.2	0.4	2.0
23	Residues, wastes of food industry, animal fodder	11.5	3.8	2.9
24	Tobacco and manufactured tobacco substitutes	1.5	1.5	0.8
25	Salt, sulphur, earth, stone, plaster, lime and cement	21.0	3.0	10.5
26	Ores, slag and ash		4.5	0.4
27	Mineral fuels, oils, distillation products, etc	1.0	0.9	0.6
28	Inorganic chemicals, precious metal compound, isotopes	4.5	2.3	1.8
29	Organic chemicals	0.8	2.3	3.0
30	Pharmaceutical products	1.9		13.0
31	Fertilizers		0.2	0.1
32	Tanning, dyeing extracts, tannins, derivs,pigmentsetc	2.1	2.1	4.3
33	Essential oils, perfumes, cosmetics, toileteries	0.5	3.0	1.5
34	Soaps, lubricants, waxes, candles, modelling pastes	1.6	0.6	0.4
35	Albuminoids, modified starches, glues, enzymes	1.5	1.5	6.0
36	Explosives, pyrotechnics, matches, pyrophorics, etc	3.0	3.0	3.0
37	Photographic or cinematographic goods	0.2	0.2	
38	Miscellaneous chemical products	0.8	0.6	0.5
39	Plastics and articles thereof	0.5	0.6	1.5
40	Rubber and articles thereof	2.7	0.2	0.2
41	Raw hides and skins (other than furskins) and leather	11.0	22.0	5.5
42	42 Articles of leather, animal gut, harness, travel goods	6.0	18.0	4.5
43	Furskins and artificial fur, manufactures thereof		0.0	
44	Wood and articles of wood, wood charcoal		0.0	0.0
45	Cork and articles of cork			
46	Manufactures of plaiting material, basketwork, etc.			0.0
47	Pulp of wood, fibrous cellulosic material, waste etc	0.0	0.0	0.0
48	Paper & paperboard, articles of pulp, paper and board	0.8	0.6	0.1
49	Printed books, newspapers, pictures etc	0.2	1.3	5.0
50	Silk			

51	Wool, animal hair, horsehair yarn and fabric thereof		2.7	
52	Cotton		11.7	8.2
53	Vegetable textile fibres nes, paper yarn, woven fabric			11.0
54	Manmade filaments	15.5	2.6	1.1
55	Manmade staple fibres	17.5	5.0	0.6
56	Wadding, felt, nonwovens, yarns, twine, cordage, etc	4.5	1.3	1.3
57	Carpets and other textile floor coverings	59.0	59.0	11.8
58	Special woven or tufted fabric, lace, tapestry etc	13.0	13.0	3.3
59	Impregnated, coated or laminated textile fabric	2.5	2.5	1.0
60	Knitted or crocheted fabric	4.0	1.3	1.0
61	Articles of apparel, accessories, knit or crochet	8.5	5.7	1.1
62	Articles of apparel, accessories, not knit or crochet	25.0	12.5	1.3
63	Other made textile articles, sets, worn clothing etc	46.0	15.3	6.6
64	Footwear, gaiters and the like, parts thereof	11.0	11.0	0.4
65	Headgear and parts thereof		1.0	1.0
66	Umbrellas, walking-sticks, seat-sticks, whips, etc			
67	Bird skin, feathers, artificial flowers, human hair			0.7
68	Stone, plaster, cement, asbestos, mica, etc articles	17.0	1.7	5.7
69	Ceramic products	6.0	1.0	0.9
70	Glass and glassware	2.5	0.4	0.8
71	Pearls, precious stones, metals, coins, etc	8.8	8.8	8.8
72	Iron and steel	6.0	3.0	6.0
73	Articles of iron or steel	3.2	1.8	2.3
74	Copper and articles thereof	3.7	1.6	0.8
75	Nickel and articles thereof	1.4	7.0	0.2
76	Aluminium and articles thereof	2.0	0.7	1.2
78	Lead and articles thereof	1.0	0.5	
79	Zinc and articles thereof	21.0	1.3	
80	Tin and articles thereof	0.0	0.0	0.0
81	Other base metals, cermet, articles thereof	1.5	0.8	3.0
82	Tools, implements, cutlery, etc of base metal	0.8	1.8	4.5
83	Miscellaneous articles of base metal	1.3	1.3	1.7
84	Boilers, machinery; nuclear reactors, etc	0.3	0.3	1.0
85	Electrical, electronic equipment	0.1	0.1	0.8
86	Railway, tramway locomotives, rolling stock, equipment		1.0	2.0
87	Vehicles other than railway, tramway	3.0	6.0	1.5
88	Aircraft, spacecraft, and parts thereof	0.4	1.8	7.0
89	Ships, boats and other floating structures	1.8	4.5	3.6
90	Optical, photo, technical, medical, etc apparatus	0.2	0.2	2.0
91	Clocks and watches and parts thereof	0.1	0.3	
92	Musical instruments, parts and accessories	1.0	0.3	0.0
93	Arms and ammunition, parts and accessories thereof			
94	Furniture, lighting, signs, prefabricated buildings	3.0	0.3	0.3
95	Toys, games, sports requisites	0.3	0.3	0.2
96	Miscellaneous manufactured articles	3.0	1.5	1.1
97	Works of art, collectors pieces and antiques	2.0		6.0
99	Commodities not elsewhere specified	0.1	2.0	

Source: Computed from UN COMTRADE Statistics

Table- 4 shows India's RCA with respect to Singapore, Malaysia and Indonesia at 2 digit HS code in 2014. Coloured boxes show that India has comparative advantages over these countries at 2 digit HS code. RCA greater than one suggests that India should exports these commodities to Singapore, Malaysia and Indonesia and RCA less than one tells us that India has comparative disadvantage over these countries and India should imports these commodities from these ASEAN countries.

SUMMARY, CONCLUSIONS AND SOME POLICY IMPLICATIONS

India's export intensity as well as import intensity with ASEAN is greater than one for most of the years. This means India's exports and imports are intense with ASEAN countries compared with its trading pattern with rest of the world.

Inferences from the trade indices computed for understanding the trade structure between India and ASEAN revealed that there are complementary commodities available for enhancing trade cooperation between the trading partners. ASEAN countries are in different stages of economic development and India can have trade cooperation with some of them in all product categories. While India can export food grains to small and developed countries of ASEAN, it can import edible and other agricultural products from other ASEAN countries. India enjoys advantage in minerals whereas they can import crude oil from ASEAN. India had advantage in some manufactured items like chemicals, Iron and Steel, Gems and Jewellery and can export them to many ASEAN countries. ASEAN has comparative advantage in Electrical and Electronic components and India can import them from ASEAN. With regard to Textiles and Clothing there is intense competition between ASEAN and India to increase market share. India's average tariff is higher than ASEAN countries and reduction of tariffs will have a short term impact on India's exports but can consolidate in the medium term through productivity gains and efficiency. Also emerging economic structure warrants greater cooperation from India in the regionalization efforts in Asia.

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CROSS EXAMINING THE SIGNALING THEORY OF DIVIDEND FROM SMALL INVESTORS VIEWPOINT

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ABSTRACT

Dividend decisions are often used as a strategic weapon by Corporates to lure the investing community and termed as right yardstick to judge the overall performance of the company. The present research work is an attempt to explore and unveiled the relevancy of dividend decision and its impact of investment behaviour of small investor with special reference to Indian Engineering Sector and cross examining the signaling theory of dividend with results. Based on Primary data collected through questionnaire and designed meticulously to address the issues related to this context. The reliability and consistency of the questionnaire have been tested by the "Cronbach Alpha" test and validated before being administered at large. The analysis is replete with usage of techniques like "Kolmogorov-Smirnov One sample test, Chi-Square test etc. The research work helps to understand the attitude, perception and preference of small investors in current scenario. The findings of research counter the status of dividend as a signal of growth and performance of the firm.

Key words: Dividend Decision, Indian Engineering Sector, Signaling theory of Dividend, Small Investor

1. INTRODUCTION

Among all the corporate financial decisions, dividend decision is one of most important strategic decision. A shareholder or investor always wants to maximize its return with minimum risk but on the contrary corporates prefers to retained funds for long-term growth. It is because dividends, borne out of profitability but paid out of liquidity. Dividend decision policy becomes more critical in capital intensive industry like Engineering Sector. There are many theories who favour and disfavour the relevancy of dividend decision and subsequent impact on investment decisions of individual investor. Increasing financial awareness changed saving and investing behaviour of 'Young India'. Today, a common man wants to invest Indian Capital Market. Indian Engineering Sector, in this regard has always being one of prominent choice among all those serious investors who prefer stability and continuity rather than going by sensation created by high dividend declaration and track, profit and financial records before making investment decision. The role of such serious investor is very important for growth and maturity of Indian capital market.

This research paper studied the perception and attitude of the investing community towards the dividend policies and practices adopted by the management. In this study we focus on those investors who have their stock position in engineering sector from different parts of country. Dividend decision in Engineering Sector has always been critical because of its inherent characteristics i.e. high fixed cost, elaborate plant and machinery, larger operating, cash and working capital cycle, high debt to equity ratio, diversity and depth in product range etc.

2. LITERATURE SURVEY

Basically both theoretical and empirical researchers in dividends are struggling to answer this so called "dividend puzzle" expressed in the study carried out by Black (1976) asking the questions like "why do corporates pay dividends?" and "why do investors pay attention to dividends?" this investigation is based on certain general and specific theoretical premises and consideration. In this series, Dividend Irrelevance theory propounded by Modigliani and Miller (1961), Inertia theory by Lintner (1956), 'Bird in Hand' theory by Bhattacharya (1979), Theory of Signaling or Information Content Effect, Management Agency Objective Theory, Theory of Behavioural Finance by Kalay (1992) etc. have many supportive and counter evidences.

Dividend payout has been an issue of interest in the financial literature. Jensen and Meckling (1976) argue that information asymmetry between an 'insider' and 'outsider' expropriation is to reduce free cash flows available to managers through high payouts by the firm. Dividend payout policy has been the primary puzzle in the economics of corporate finance since the work of Black (1976). The dividend literature has primarily relied on two lines of hypothesis: signaling and agency cost.

Gugler and Yurtoglu (2003) and Gugler (2003) investigated the relationship between dividends, ownership structures and control rights for German and Australian firms, respectively. Gugler (2003) documents the evidence that state controlled firms engage in dividend smoothing, while family controlled firms do not.

The literature on signaling hypothesis builds upon the pioneering work of the Bhattacharya (1979), who derived the existence conditions for a non-dissipative signaling model and show that dividends are signals for future cash flows, under the assumption that outside investors have imperfect information about the firm's profitability and the cash dividends are taxed at a higher rate than capital gains. Miller and Rock (1985) extend the standard finance model of the firms dividend by allowing the firms manager 'insider' to know more about the firm's financial health than 'outside' investors. They show that a consistent signaling equilibrium exists under asymmetric information. Healy and Palepu (1988) examine whether dividend policy changes convey information about the future earnings substantiated by cash. They find that investors interpret announcements of dividend initiations and omissions as manager's forecast of future earning changes. Brennan and Thakor (1990) develop a theory of choice for distribution of cash from firm to shareholders. They show that a majority of a firm's shareholders may support a dividend payment for small distribution, despite the preferential tax treatment of capital gains for individual investors. In case of India, Kevin (1992) shows that dividend stability is a primary determinant of payout while profitability is only of secondary importance.

Roy and Mahajan (2003), provide regulatory oversight on dividends payout and suggests that regulations of dividend payout should address the inherent conflict of interest between shareholders and lenders to address the issue of information asymmetry between the insiders and the outsiders.

In a study Short, Keasey, and Duxbury (2002) examine the link between dividend policy and institutional ownership for UK firms. They find a positive association between dividends and institutional shareholders and negative association with managerial ownership. In emerging markets like India, Korea, Taiwan, China etc., the institutional setup is quite different than those of the developed countries. Aivazian, Booth, and Cleary (2003) find that emerging market firms exhibit dividend behaviour similar to those of US. Manos (2003), using data from India, estimates the cost minimization model of dividends and finds that government ownership, insider ownership, debt, risk and growth opportunities, foreign ownership and dispersed ownership have a positive impact on the payout ratio. However, it was an cross-sectional data based analysis.

Although the Indian Corporate Sector is a mix of government and private firms (which are again a mix of firms owned by business group families, Multinationals and Stand Alone Firms), it has not suffered from the cronyism that has dominated some of the developing economies. An empirical examination of the relationship between the ownership structure, corporate governance and dividend payout using a large panel of Indian Corporate Firms over 1994-2000, has been conducted by Narasimhan, M S and S Vijayalakshmi (2002). It is the first attempt to use the well-established dividend payout models to examine the impact of ownership structure on dividend payout policies in context of an emerging market.

The so-called dividend puzzle (Black, 1976) has preoccupied the attention of financial economists at least since Modigliani and Miller's (1958, 1961) seminal work. Contrary to this prediction, however, corporations follow extremely deliberate dividend payout strategies (Lintner, 1956). This evidence raise a puzzle: how do firms choose their dividend policies? In the United States and other countries, the puzzle is even deeper since many shareholders are taxed more heavily on their dividend receipts than on capital gains. The actual magnitude of this tax burden is debated but taxes generally make it even harder to explain dividend policies of firms.

Dividends (a bird in hand) are better than retained earnings (a bird in the bush) because the latter might never materialize future dividends (can fly away). In addition, the payment of dividends exposes companies to the possible need to come to the capital markets in the future to raise external funds, and hence gives outside investors, an opportunity to exercise some control over the insiders at that time (Easterbrook, 1984). Unfortunately, there are no fully satisfactory theoretical agency models of the dividends that derive dividend policies as part of some broad optimal contract between investors and corporate insiders, which allows for a range of feasible financing instruments.

Narasimhan and Vijayalakshmi (2002) analyze the influence of ownership structure on dividend payout and find no influence of insider ownership on dividend behaviour of firms. They analyses the influence of ownership structure of dividend payout of 186 manufacturing firms.

Dr. Y. Subba Reddy examined the dividend behaviour of Indian corporate firms over the period 1990-2001 and attempts to explain the observed behaviour with the help of trade-off theory, and signaling hypothesis. Analysis of dividend trends for a large sample of stocks traded on BSE and NSE indicates that the percentage of

companies paying dividends has declined from 60.5% in 1990 to 32.1 % in 2001 and that only a few firms have consistently paid the same levels of dividends. Further, dividend-paying companies are more profitable, large in size and growth doesn't seem to deter Indian firms from paying higher dividends. Test of signaling hypothesis reinforces the earlier findings that dividend omissions have information content about future earnings.

Narasimhan and Asha (1997) discuss the impact of dividend tax on dividend policy of firms. From the practitioners' viewpoint, dividend policy of a firm has implications for investors, managers and lenders and other stakeholders. For investors, dividends – whether declared today or accumulated and provided at a later date – are not only a means of regular income, but also an important input in valuation of a firm.

Fama and French (2001) analyze the issue of lower dividends paid by corporate firms over the period 1973-1999 and the factor responsible for decline. They observe that proportion of companies paying dividend has dropped from a peak of 66.5 percent in 1978 to 20.8 percent in 1999. They attribute this decline to the changing characteristics of firms as “The decline in the incidence of dividend payers is in part due to an increasing tilt of publicity traded firms toward the characteristics – small size, low earnings and high growth – of firms that typically have never paid dividends.”

Baker, Veit and Powell (2001) study the factors that have a bearing on dividend policy decisions of corporate firms traded on the Nasdaq. The study finds statistically significant differences in the importance that managers attach to dividend policy in different industries such as financial versus non-financial firms.

Ramachandran (2001) analyzes the variation in dividend yield for 21 emerging markets (including India) for the period 1992-99. The study finds that political risk factors have no significant impact on dividend payments of firms in emerging market.

Lee and Ryan (2002) analyze the dividend signaling-hypothesis and the issue of direction of causality between earnings and dividends. Kevin (1992) analyzes the dividend distribution pattern of 650 non-financial companies. He finds evidence for a sticky dividend policy and concludes that a change in profitability is of minor importance.

3. RESEARCH DESIGN

3.1 Objective of the Study

- To study the perception and attitude of the investing community regarding and towards the dividend policies and practices adopted by management.

3.2 Methodology

The study is based on Primary data collected from the investors as respondents from different parts of the country. The Pilot study was conducted to check the reliability, validity and consistency of the questionnaire in addressing the objective. Fifty equity investors and ten academicians were respondents by personal approach in Delhi & NCR for this purpose. Reliability and Validity of Questionnaire is established and measure by 'Chronbach Alpha test'. The questionnaire having twenty-five close-ended questions covering seven hypotheses keeping in mind *Signaling Theory*. The first six questions of the questionnaire are mostly concerned with the investors' background in terms of profession, qualification, age and income group and investment habits. The rest of the questions are aimed at testing respective formulated hypothesis. Five points Likert Scale has been develop to evaluate and measure the response of investor with respective hypothesis.

3.3 Hypothesis At a Glance

Table I: Hypothesis V/S Relevant Question

SL. NO.	HYPOTHESIS	PERTINENT QUESTION No./Nos.
H ₂	A company's constancy of dividend payout in terms of its EPS and DPS records influences investors' decisions significantly.	8, 9 & 10
H ₃	A company having dividend payout, Stable and consistently increasing over time is significantly favoured by investors' inspite of the dividend being moderate.	11, 12
H ₄	Investors significantly prefer high dividend payout to its consistency.	13, 14

3.4 Sampling Unit

Individual investors classified into three categories i.e. salaried, professionals and businessman. They are the sample elements also.

3.5 Sample Size

Total six hundred responses have been collected from different part of the country out of which 477 responses are found fit for the study.

3.6 Method of Sampling

Non-Probability Judgmental sampling is done. A list of investment bankers was made for this purpose. The investment bankers having client base of the all over India. With the help of them, equity investors having their stock position in engineering sector are tracked and their response recorded.

4. DATA ANALYSIS

The research work is based on primary data collected from questionnaire (Attached as annexure-1) consisting 8 close ended questions. The responded are approached through professional investment banker specially Edelweiss, Karvy, Bajaj Capital, ICICI Direct, Angel Broking who administrated the questionnaire among their client and even assist to meet them personally and response were recorded. Out of total 600 responses 477 responses are fit for the study.

4.1 Statistical Analysis

Statistical Analysis has been carried out using the statistical Package for Social Sciences (SPSS) – software, version 19.0. Statistical methods such as Mean, Chi-square, One sample Kolmogorov-Smirnov test with 'D' Value and Cronbach Alpha test etc have been used for the purpose of present research work.

4.2 Reliability, Validity and Consistency Test

Data are analysed by tables, pie charts/graphs and myriad statistical tests, viz., 'Kolmogorov-Smirnov one sample test', 'Chi-Square test' etc. for statistical inferences. Reliability and Validity of Questionnaire is established and measure by 'Chronbach Alpha test'.

This test measures the consistency of objectives and the reliability of the responses. In other words, this test is used to measure co-relatedness among the questions in terms of consistency of responses towards a formulated null hypothesis for statistical validation. Actually, this test shows the extent to which all items in questionnaire measure the same characteristic consistently. Reliability is the degree to which measure are free from random errors. Internal consistency reliability is vital to surveys. Internal consistency indicates the extent to which the items are related to each other. The first six questions are not covered in this test as they are related with general information about investors' backgrounds and other characteristics.

Table II

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.851	.821	8

The Cronbach Alpha value based on Standardized items is 0.821 which is greater than the commonly accepted value of 0.70. It is considered fairly adequate in view of the fact that the questions are heterogeneous as they address multiple hypotheses.

4.3 Response Analysis for Questions Regarding Indian Small Investors Background

4.3.1 Investor's Professional Background

Table III: Summary of Investor's Profession Background

S.N.	Profession/Occupation	Frequency	%
1.	Salaried Professional in Private Sector	159	34
2.	Salaried Professional in Govt./Public Sector	67	14
3.	Businessman	59	12
4.	Independent Professional	111	23
5.	Any Other Source	81	17
	Total	477	100

Analysis and Interpretation

The sample is dominated by salaried professional in Private Sector and Independent Professionals, of course, other sources category also closely follows. It is only indicates that the investor community in Indian capital market is dominated by these categories because of their higher disposable income and investment savvy attitude.

4.3.2 Educational Qualification of Investors'**Table IV: Summary of Educational Qualification of Investors'**

S.N.	Qualification	Frequency	Percentage
1.	Under graduate	25	5
2.	Graduate	67	14
3.	Post graduate	93	20
4.	Professional graduate/Post-Graduate	204	43
5.	Any other	88	18
	Total	477	100

Analysis and Interpretation

The sample is dominated by professional graduate and post graduate professional. This shows the shift taking place over the period of time from conventional education towards professional educational. Today's professionally educated persons are more interested to diversified its saving and invest for the purpose of capital gain. Multiple graduate and post graduates and respondents having specific technical skills are classified into 'Any other' category who have not identified with only graduates.

4.3.3 Respondents Age Groups**Table V: Summary of Age Group of Respondents**

S. N.	Age Group	Frequency	Percentage
1.	Below 25 years	19	4
2.	Between 25 to 35 Years	167	35
3.	Between 35 to 45 Years	119	25
4.	Between 45 to 55 Years	112	23
5.	Above 55 Years	60	13
	Total	477	100

Analysis and Interpretation

The sample is dominated by the age range 25 to 45 years who are, of course at the heights of their careers followed by 45 to 55 years. This group comprising the senior most professional had started their careers before the economic liberalization set in and might have taken to the capital market comparatively late in their career. Even the senior most group i.e. above 55 years gives an encouraging percentage.

4.3.4 Respondents Income Group**Table VI: Summary of Annual Income of Respondents**

S. N.	Income Group	Frequency	Percentage
1.	Below Rs. 2,50,000	18	4
2.	Between Rs. 2,50,000 to Rs. 5,00,000	72	15
3.	Between Rs. 5,00,000 to Rs. 7,50,000	166	35
4.	Between Rs. 7,50,000 to Rs. 10,00,000	139	29
5.	Above 10,00,000	82	17
	Total	477	100

Analysis and Interpretation

The research shows that people fall in the income group of 5 to 10 lacs are actively participated. Actually most of the respondent in this bracket falling in the income group of 5 to 10 lakh bracket. It also clearly indicate their interest in capital market with their saving for the future option of future growth and benefit. This income given

the income level of educated Indian professionals today as well. To this extent this sample is truly representation of investors' annual income level with special reference to Indian small investors' specifically.

4.3.5 Investors' Regularity in the investment Habit

Table VII: Summary of Regularity of Investors'

S.N.	Regular or Not Regular	Frequency	Percentage
1.	Yes	432	91
2.	No	45	9
	Total	477	100

Analysis and interpretation

This sample is largely dominated by the regular investors and i.e. of course expected. Because, investment consultants were approached to tap their client base, most of respondents are regular investors as they only constitute the company's client base. Of course, the small minorities are also investors but their investment pattern may not be regular in terms of periodicity.

4.3.6 Periodicity of Investment for the Regular Investors

Table VIII: Summary of Periodicity of Investment

S.N.	Periodicity	Frequency	Percentage
1.	Monthly	67	14
2.	Quarterly	154	32
3.	Half-yearly	128	27
4.	Yearly	96	20
5.	Any other	32	7
	Total	477	100

Analysis and Interpretation

The percentage distribution of investment periodicity clearly indicates that most of the respondents prefer to take invest quarterly and half-yearly. The main reason for such type of distribution is the serious investors are having they keep eyes on the financial performance and other industry specific data which play an important role to motivate their investment behaviour. Moreover, the investment companies provide calls to their client and suggest to buy stock at best price to maximize their return..

4.4 Hypothesis Testing

H₀-1: Null Hypothesis: A company's constancy of dividend payout in terms of its EPS and DPS records influences investors' decisions significantly.

H₁-1: Alternate Hypothesis: A company's constancy of dividend payout in terms of its EPS and DPS records does not influence investors' decisions significantly.

The questions designed to address this issue are numbers 8, 9 & 10 and we take recourse to 'Chi-Square test' to analyze the responses as follow:

Table X: Response Analysis for Question No. 8, 9 & 10

Q. No.	Weighted observed responses (O _i)	Weighted null responses (E _i)	(O _i - E _i)	(O _i - E _i) ²	$\frac{(O_i - E_i)^2}{E_i}$	Chi-Square
8.	3.61	4	0.39	0.1521	0.0380	
9.	3.67	4	0.33	0.1089	0.0272	0.0784
10.	3.77	4	0.23	0.529	0.0132	

With the degree of freedom $3-1 = 2$ at 5% level of significance, the cut-off value is 5.991 and in comparison our calculated value is very meager and to indicate that our null hypotheses cannot be rejected. So we accept that investors do check the EPS & DPS records of a company before investing.

H₀-3: Null Hypothesis: A company having dividend payout, Stable and consistently increasing over time is significantly favoured by investors' inspite of the dividend being moderate.

H₁-3: Alternate Hypothesis: A company having dividend payout, stable and consistently increasing over time is not significantly favoured by investors' inspite of the dividend being moderate.

The question designed to address this hypotheses are question number 11 & 12 and the corresponding responses from the investors are analysed hereunder using chi-square test.

Table XI: Response Analysis For Question No. 11 & 12

Q. No.	Weighted observed responses (O _i)	Weighted null responses (E _i)	(O _i – E _i)	(O _i – E _i) ²	$\frac{(O_i - E_i)^2}{E_i}$	Chi-Square
11	3.77	4	0.23	0.0529	0.0132	
12	3.72	4	0.28	0.0784	0.0196	0.0328

With the degree of freedom $2-1 = 1$ at 5% level of significance, the cut-off value is 3.841, which is far higher than the calculated value and hence we have to accept the null hypotheses that investors do over look the absolute quantum of the dividend payment provided it is stable and consistently increasing over time.

H₀-4:Null Hypothesis: Investors significantly prefer high dividend payout to its consistency.

H₁-4: Alternate Hypothesis: Investors significantly prefer consistency to high dividend payout.

The questions designed to address this hypotheses are question number 13 & 14 and the corresponding responses from the investors are analysed here under using chi square test.

Table XII: Response Analysis For Question No. 13 & 14

Q. No.	Weighted observed responses (O _i)	Weighted null responses (E _i)	(O _i – E _i)	(O _i – E _i) ²	$\frac{(O_i - E_i)^2}{E_i}$	Chi-Square
13.	1.72	4	-2.28	5.1984	1.2996	
14.	3.76	2	1.76	3.0976	1.5488	2.8484

With the degree of freedom $2-1 = 1$ at 5% level of significance, the cut-off value is 3.841 and our calculated value is below the cut off value. So, we have to accept the null hypotheses. This reveal the fact investor give more preference to quantum of dividend in compare to consistency.

Let's have a look on overall average rating made by respondent at large. The statement wise descriptive study based on average rating and their representation on Likert scale range; help to understand the preference of investor community at large. The hypothesis wise average of these rating also made to reveal the result based on responses of investor. The basic objective of approaching this method is to generalize the things and help to understand the result in simplest way.

Table XVI: DESCRIPTIVE STATISTICS (Generated By SPSS Based On Reponses of the Investor)

Descriptive Statistics						
Statement	N	Mean	Average of Mean of statement based on hypothesis*	Std. Deviation	Minimum	Maximum
EPS and DPS are important	477	3.6101	3.6835	1.26148	1.00	5.00
Dividend payment record	477	3.6709	3.74425	1.29586	1.00	5.00
Constant EPS and DPS	477	3.7694		1.26577	1.00	5.00
Moderate dividend but stable	477	3.7694		1.28390	1.00	5.00
Moderate but increasing DPS	477	3.7191	2.7631	1.36150	1.00	5.00
DPS must be high	477	1.7170		1.14752	1.00	5.00

DPS must be consistent	477	3.7610	1.85116	1.23564	1.00	5.00
Consistent and moderate DPS good	477	3.9308		1.11777	1.00	5.00

* calculated separately by author.

Note- Details regarding the statement wise responses are furnished in Master table 1.

5. FINDING OF THE STUDY

1. As far as investors are concerned, they are more impressed and inspired by a company's fundamentals than market technicalities and moods while investing in the equity share of a company.
2. Investors do track the DPS and EPS records of a company before making the investment decision in the equity shares of a company.
3. Investors do overlook the absolute quantum of dividend payments provided it is stable and consistently increasing over time.
4. Higher dividend payment can't eliminate completely this bad impression of inconsistency.
5. Investors do favour a consistent and moderately high dividend payout.

6. CONCLUSION

As far as the investors' perceptions and preferences are concerned in this competitive market in which Indian Engineering Industry functions, dividend decision alone cannot be considered as a strategic weapon to beat the competition and an indicator of sound performance and that is why, dividend payment record cannot be seen as a right yard stick to judge the performance, growth and future aspect of companies falling in this industry. It also implicate that signaling theory does not hold its empirical validity in this context. There are myriad more potent yard sticks like product differentiation, market leadership, product and services quality, reliability, brand equity, growth and diversification record, innovation, supportive work culture, excellent human resource etc.

Investors also derive positive signals from consistency and growth rather than the absolute amount of dividends and they do track the company's EPS & DPS records along with the myriad other dimensions of excellence before putting their hard earned money into a company's equity.

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THE EFFECT OF EMOTIONAL AND IMPETUOUS DECISION ON BUSINESS: A CASE STUDY

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ABSTRACT

Decision making is the important task of management. If proper and good decisions are not taken at the situation of any walk of life whether it is business or personal life, the situation becomes worse. After getting the worse condition it is more difficult to take decision to normalize the situation. In business every decision of top management have an impact on entire activities of organization. The decision making power of an executive depends on his intelligence. The explanatory research methodology is used in this case study. No data collection is made during this Case Study and only the selected two respondents from the management of an organization called Paramount Airways having its Headquarter at Chennai (Tamil Nadu). A passenger airline running all business class (i.e. category between economy class and first class) planes. The case study seeks to warn against taking emotional and impetuous decision in business, which lack any rational basis.

Greatest innovations, biggest corporate disasters and exemplary success tales have one thing in common – they all are born out of someone's life's important decisions. Professionally, it about the lives of the people of the organization, where the top executives is often perceived as either an angel or Satan.

INTRODUCTION

Decision making is a broad concept including proper prioritization between the situation and its impact on business. Decision making is not a simple task of top management because only one decision prompt fall of a business. The same situation created by the emotional decision of Mr. M. Thiagarajan, Managing Director of Paramount Airways a passenger airline. Mr. M. Thiagarajan, a scion of a prosperous industrial family from South, had trained himself as a pilot on Cessna aircraft. Since then his fascination for airline business grew. He started the business in October 2005. He decided to follow a contrarian approach. While most airlines prefer metro routes in India he preferred South India based non-metro destinations, primarily because his family business Paramount Textile was located at Madurai. Initially the airline was also headquartered there, though later it shifted its office to Chennai. Moreover he decided to run an all business class (i.e. category between economy class and first class) planes even if the prevailing strategy was to seek to build up passenger count by offering low fares. Instead it decided to charge 10-15 % mark up on economy class fare for business class service. He started with only 1 aircraft in 2005 , increased the number to 3 in 2006, and 5 in 2007 through the leasing route and operated with this number till May 2010 when the airline practically eased operation.

In 2009 Thiagarajan had decided to flow against the current due to world-wide recessionary conditions and slow down In India, other airlines were restricting their operations when it laid out blueprints to invest \$ 1.3 billion in fleet expansion over the next 3-5 years, planning to add 15 short haul regional jets and 10 medium haul wide bodied aircrafts to its existing fleet of 5 Embraer jets. The aim was to spread out its service reach on a pan India basis by 2010 and then gradually fly over international skies by 2011. Kingfisher and Jet Airways, the two leading airlines were cutting capacity by 20 % and were rationalizing their route plan to stem the bleeding losses, though.

REVIEW OF LITERATURE

Decision making refers to the ability of humans and other animals to choose between competing courses of action based on the relative value of their consequences. This capacity is, therefore, fundamentally integrative, melding the complex cognitive processes through which causal relations between actions and consequences are encoded, retrieved, and maintained in working memory with the motivational processes that determine the value, or utility, of actions or sequences of actions. As readers of this journal will be well aware, research in decision making has expanded in a variety of directions in recent years, but most notably into neuroscience. There are many reasons for this development, some merely technical, such as the increased use of functional magnetic resonance imaging (fMRI) in humans, but others that are more obviously innovative and that mark a change in the dominant approach to investigating the neural bases of the complex capacities of animals. There appears to be a developing consensus that the long tradition of studying these capacities by examining analogous processes in simple model systems has become an old tradition; that, rather than using a simple neural or behavioral preparation, methodologies better suited to examining functional, as opposed to structural, problems will provide a more secure basis for rapid progress. Indeed, much of the success of recent research in decision making has come from recognizing that the interaction of the cognitive, motivational, and behavioral

processes engaged during the course of specific decisions cannot be reified to a single specialized circuit, cell type, or intracellular process and are best understood at a systems level.

As a consequence, the neuroscience of decision making is a very broad enterprise and crosses many traditional boundaries between research disciplines, species, and brain regions. This breadth is immediately apparent from a cursory survey of the range of interests of the authors of the following Mini-Reviews. There are, however, clear areas of overlap, and these have been exploited to explore what we see as emerging themes in decision-making research. In this series, these include descriptions of studies integrating computational and neuro economic approaches to investigate subjective decision variables, financial decisions, and the executive and evaluative functions of prefrontal cortex particularly the role of orbit frontal cortex (OFC) in establishing a common currency of value], together with reviews of recent research examining the functions of discrete corticostriatal networks and their integrated afferents in the acquisition and control of goal-directed and habitual instrumental actions.

Although the individual papers review themes that are, themselves, complex areas of issue around which substantial research efforts are currently organizing, they are each presented within a larger context and so, together, provide a general overview of this developing area. For example, in their description of the application of computational approaches to decision making, Doya and Corrado (2005) review both the development of computational models capable of capturing the dynamics of individual choice and specific cases in which the internal variables of these models have provided the basis for extracting the correlates of subjective choice from the electrophysiological data of primates. In this case, it is the dynamic integration of the computational, neural, and behavioral data that has provided insight into the subjective variables controlling choice. Similarly, Knutson and Bossaerts (2006) describe the emerging neurofinance approach to decision making but also examine the specific application of models of decision making under risk and the behavioral tasks that have been developed to examine financial decision processes in human subjects together with their neural correlates using fMRI.

Lee et al. (2007) review research on the involvement of prefrontal cortex in decision making in primates and, in the light of the connectivity of subdivisions of this region and of formal theories of decision making, propose that the lateral, medial, and ventral sub-regions may have the more specialized task of deriving predictions regarding the future value of reward on the basis of states, actions, and local predictive cues, respectively. Interestingly, Murray et al. (2007) come to similar conclusions with regard to the role of OFC in decision making based on a review of the comparative literature. They point particularly to its role in deriving reward value from predictive cues as well as to evidence suggesting that the OFC may play a specialized role by allowing animals to compare values across distinct event categories.

Finally, it is interesting to note convergence in the proposed functions of corticostriatal circuits and their midbrain dopaminergic afferents in decision making that has emerged in recent research. Although the involvement of the basal ganglia in motor learning, particularly in sensor motor association, has long been recognized, recent evidence, reviewed by Balleine et al. (2009), suggests that they also play a critical role in the acquisition of actions instrumental to gaining access to reward (i.e., in goal-directed actions). Importantly, studies using rodent, nonhuman primate, and human subjects have found evidence of heterogeneity of neural function not previously anticipated, particularly in the striatum. Furthermore, there is evidence of a corresponding heterogeneity in neurodegenerative disorders, in neuronal plasticity, and in the involvement of dopaminergic processes across striatal subregions. The suggestion that the burst-firing pattern of midbrain dopamine neurons serves as an error signal for the prediction of reward has generated close collaboration between researchers using computational and neuro physiological approaches to study dopamine function. More recently, alterations in dopamine signaling have been reported to lead to regional changes in plasticity in the corticostriatal pathway together with changes in the excitability of the striatal output neurons. Indeed, as reviewed by Wickens et al. (2010), rapid alterations in dopamine transmission are related to substantial changes in the coordinated activity of neuronal ensembles in discrete corticostriatal circuits in a manner that could lead to the emergence of distinct patterns of behavioral abnormality. Clearly, the involvement of dopamine in striatal function, and in decision making generally, is rich and varied and is something that we are only beginning to understand.

There are, of course, still many open questions, a number of which are raised in the following Mini-Reviews, and the interested reader will undoubtedly think of many more. Nevertheless, given the diverse opportunities for integrative research that the neuroscience of decision making provides, these questions only serve to emphasize the generative nature of experimental work in this area and the vibrancy of its future.

Some decisions that could have seemed weird at the point it was taken , may in hindsight , look momentous. Decisions that might have seemed wise and well thought out have had a strange way of turning turtle.

OBJECTIVES OF THE STUDY

- To study the concept of decision making .
- To study the impact of decision on business.
- To find effect of emotional decision for longer period.
- To study the role of top management for decision making.

This case study divided in five phases as mentioned below:-

First Phase: At the age of 27 years Mr. Thiagarajan had decided to venture into commercial airline business he aimed at plugging the gap between the market served by small ATR turbo groups and the large Boeings and Airbus. He chose 75-80 seater fuel efficient Embraear. Embreear could fly as much as larger Boeing or Airbus but achieves break even load more easily (at 50 % load factor) since it is merely 80 seater. Paramount Airways had an average ticket yield of Rs. 4200 and had a loyal following won over from its regular fliers through gourmet Indian and continental meals and on time performance. Even as late as in Feb. 2010 it enjoyed 85.2 % occupancy (comparable figures for Kingfisher , the next best , was only 76 %). Naturally from (-) 17.8 crore in 2005-06 the net profit for the airline soared to Rs. 7.26 Crore in 2008-09. With a business philosophy “ The top line is vanity , the bottom line adds to sanity , but cash flow is the reality” Thiagarajan made sure that his airline came into black the soonest possible. Of course , friends at right places (such as the then finance minister of India , P. Chidarambram , who is a family friend) also contributed by taking care of high landing and parking airport fees, and soaring fuel costs and taxes. Through his intervention Embreear was exempted from paying landing and parking fees, since it was put in the exempt category of smaller aircrafts. Moreover, as against 28-33 % fuel sales tax, Paramount had to pay only 4 % sales tax. The airline became profitable in the tenth month of its launch only.

FLIGHT LOG SHEET FOR PARAMOUNT AIRWAYS

PASSENGER DATA				FINANACIALS
AIRCRAFT	DESTINATION		PASSENEGR FLOWN	NET PROFIT (LOSS) (RS. CRORE)
	SOUTH	NON-SOUTH	('000)	
2007	9	0	560	2005-06--(17.80)
2008	9	3	630	2006-07--(01.6 0)
2009	9	7	650	2007-08--(01.20)
				2009-10--(07.26)

* Source DGCA Industry estimates

Second Phase: After all the actual problem lay in scaling up. The Airline was already flying 73,000 passengers every month by June 2009. However, analysts doubted if the Paramount model could be scaled up beyond 1.5-2.0 lakh passengers a month. The model was not appropriate from a medium or long term perspective. From operations in short domestic routes using single aircraft types to going international is almost like starting a new airline. Besides it is almost certain that price sensitive Indian traveler would greatly resist premium only seats in any airline at all India level, especially when he already had alternative choices available in the form of low priced carriers as also full cost airlines. Even if Paramount claimed that in South India it enjoyed 27 % market share, the fact remained that even with 88.5 % PSF (in June 2009) its all India market share was a piffling 2.3 %. In contrast although IndiGo had the second largest passenger seat factor (PSF) of 72 % , share of 13.70 %. Moreover, the acquisition of 15 more aircrafts would have cost \$ 400 million. Add to this the proposed addition for international operations at another \$ 800-900 million, and the investment would total up to \$ 1.2 1.3 billion. Was it not a case of over flexing of muscles? That was not all. Thiagarajan wanted to not only invest in expanding his fleet , he wanted to put in another Rs. 150 crore in a maintenance, repair and overhaul project.

And he had already invested Rs. 50 crore in another sibling Paramount Cargo. All this expansion required huge funding. First 2-3 years of international operations in any case are huge risk.

Third Phase: overly ambitious growth chaser young owner started eyeing a buyout of Dubai based ETA Star Group's Indian subsidiary Star Aviation Private Limited. Though Star had acquired a license for Indian domestic operations in 2007, it never commenced the operations actually. But it did have a fleet of 10 Embraers Earlier to this there were –unconfirmed though –rumors that Thiagarajan was trying to strike a cash – equity deal (worth Rs. 10-15 billion plus a 7% stake in Paramount) with Go Air. Go Air had denied it. The Star Aviation deal was expected to carry a similar consideration structure, Surprisingly, for an airline whose aviation license had already expired, leave alone the fact that became operational. more significantly, an analysis of past mergers and acquisitions in the aviation sector clearly highlights the fact that none of them have created value for the acquirer. The Rs. 23 billion purchase of zero asset Air Sahara by Jet Airways in 2006 failed to deliver miserably on its synergy promises. In the four years since the deal, Jet accumulated net losses of Rs. 11.4 billion. And in case of Kingfisher and Air Deccan 2007 deal, the King of Good Times went into red by Rs. 12 billion. Besides, when most of the airlines were burdened by mounting debt-on account of low traffic, clutter, decreased consumer spending, poor infrastructure, and predatory pricing even if an airlines would want to execute a deal, the creditors were unlikely to agree. Youthfulness and belligerence need to be distinguished, surely Paramount had leased the entire fleet of aircrafts from 2 leading companies –GE Commercial Aviation Services (GECAS) and ECC Leasing, the in house company of Embraer. By second half of 2009 both publicly and officially complained that Paramount had not paid them rentals for previous two months of nearly Rs. 69-89 lakhs. According to Thiagarajan rentals remained unpaid not due to financial troubles. Rather, the airline wanted the leasing companies to adjust the outstanding rentals against its security and maintenance deposit since it wanted to return the existing planes and wished to enter into fresh deal for less than 4 years old crafts which would be more fuel efficient. The original 5 year lease agreement would have come up for renewal only in mid 2010. However, unconfirmed reports at that time suggested that the Airline did have cash problems which aggravated by December 2009. In October 2009 salaries of the employees came late. Even earlier the company had difficulty with salary disbursement but somehow managed by paying salary in tranches, first paying the pilots and bottom rung workers and then others. GECAS in any case hauled Paramount before DGCA to deregister 3 Jets that airline had leased from it. By July 2009 GECAS had outstanding of Rs.3.7 crore. Though later Paramount paid up the amount, other defaults occurred. So on October 14, 2009 GECAS served a lease termination notice. As regards its dispute with ECC, Paramount allegedly told the former on 31 July, 2009 that it had already transferred \$ 1.5 million to the lessor's bank account, claim which was found untrue by ECC. Again though eventually Paramount paid \$1.1 million, the airline lost the trust of ECC.

Fourth Phase: By 2009 Paramount was flying to 9 Southern and 7 non-Southern destination, carrying nearly 6,50,000 Passengers (between Jan 2009 – September 2009), i.e. on average about 73,000 passengers per month

For further expansion Thiagarajan wanted to buy or lease 30 aircrafts between 2010 and 2011. He said that the airline had booked 4 Embraer and 40 Airbuses, instead of earlier 5 planes. But both the aircraft companies denied having received any such order. In June 2009 Paramount did sign an MOU with Airbus for an order of A321 planes of 180 seats, at a list price of about \$ 1.5 billion. But it was an MOU, not a confirmed order. In February 2008 also the airline had announced a similar plan to increase the fleet strength to 20 by end 2009 and to 40 by end 2010. But nothing had happened then. Actually no one had a clue as to from where he would organize funds. Officially he said money would totally come from internal accruals and loans and not from private equity or IPO. But for Rs. 400 crore company it sounded more like a wishful statement than an executable plan.

The core problem was that Thiagarajan let his emotions rule over his rational thinking. He could not perhaps gauge how capital intensive airline business is. As happens with many an inexperienced entrepreneur passion overcome logic, as had earlier happened with Captain Gopinath of Air Deccan. For the airline the steep lease rentals and fuel costs more than offset all the gains from lower sales tax and exemption from airport charges of nearly Rs. 40-50 lakh per month. At \$ 180000 per month hiring an Embraer was thrice as expensive as flying an ATR turboprop. Rule of thumb suggests that for profitable operations lease rentals should not exceed 15 % of revenue. But for Paramount this figure was 37 %, 30 % and 20 % for 2007-08, 2008-09, and 2009-10 respectively.

Most importantly ,Paramount got grounded due to its fundamentally flawed business model. The airline ceased operation in May 2010 post legal wranglings between the company and the lessors of the aircrafts. The dispute led to even police raids in connection with alleged irregular financial transactions and the non-payment of bank loans. All this mess was caused because Thiagarajan used long haul small commercial jets to fly short routes. The cost per available seat mile (CASM) for Embraer is 20-25 % higher than for ATR. On longer routes of course ATRs can not operate but on shorter routes, the Embraer 's speed advantage got negated and the aircrafts would waste fuel in taking off and landing. Worse , since Paramount 's routes mostly were within 500 kms range the planes had to fly at lower altitude which again led to fuel guzzling by the aircrafts.

The only way the company could have restarted the operations (incidentally in November ,2010) , it was announced that Paramount had won their legal battle and were set to resume services with a fleet of Airbus and Bombardier aircraft) would have been to fly ATR rival Bombardier for short haul low cost running. But for this he needed to pump in substantially more than the \$ 100 million that he had spent so far. Instead he perhaps decided to lie low. It remains to be seen whether this is a tactical stepping back or permanent surrender in the battlefield.

CONCLUSION

Every decision counts. It leads to great success or great failure. This would never have been the topic to raise only if we know the future. As India has opened its doors for foreign players (which has come at a cost to the government) only the time will tell whether the decision turns out to be worth the risk. Decision making should be based between competing courses of action based on the relative value of their consequences .The decision taken by top management must be properly analyzed and executed on time. Power of slow decision making defeat the purpose of expected results and instead of to resolve the problem makes the situation complex. Never involve the emotional feelings especially in business related decisions. In the above case study we have discussed the decision making and its execution with its effects. Paramount Airways was the poster boys of Indian Aviation. But suddenly due to an emotional decision Paramount faced a prompt fall. Due to a wrong decision the license of Paramount Airways cancelled within 5 years of commencement of operation. So always take every decision at proper time and before to execute it analysis its pros and cons. But in today's uncertain corporate environment does not guarantee success of age-old decision-making models. The importance of people –related skills comes as a late realization only after one has become a manager. All leaders and executives , at some point , face ethical dilemma.

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CHANGING PERCEPTION TOWARDS MOTHERHOOD: SURROGACY IS A BOON OR BANE

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ABSTRACT

The word surrogate originates from Latin word surrogates which mean substitution. Surrogacy is a method of assisted reproduction. It is an arrangement between a woman and a couple or individual to carry and deliver a baby. The very reasons why a couple or an individual opt for such a method may vary as per the biological reasons or sometimes, even for personal preferences. There are different methods of surrogacy and the concept of surrogacy has evolved historically.

Surrogacy also involves the process of motherhood as such, and hence involves the aspects of paternity, emotions, etc. There may be various reasons for the prospective surrogate mother too, to put her womb on hire. Those reasons may be humanitarian or purely economical. However, the benefits, rights and the status of the couple(s) opting for surrogacy are absolute as compared to the woman who agrees to give birth to surrogate babies. This paper takes into account the advantages/disadvantages of the process of surrogacy as well as the legal, medical and financial complications involved in surrogacy. From the Indian point of view, this paper highlights the reasons behind the commercialization of the process of surrogacy. It also takes into account the exploitation of the surrogate mothers in the absence of a concrete law or other legal safeguards in India. In short, this paper discusses the changing perception towards motherhood.

INTRODUCTION

The world's second and India's first IVF baby, Kanupriya alias Durga was born in Kolkata on October 3, 1978, about two months after the world's first IVF boy, Louise Joy Brown born in Great Britain on July 25, 1978. Since then the field of Assisted Reproductive Technology (ART) has developed rapidly (India Govt. of: 2009).

The "*Yajnavalkyasmṛiti*"² is the famous code of law of the Hindus. The study of the position of women in the *Yajnavalkyasmṛiti* practically means the study of the actual positions of women in Hindu law. The basic concepts of Hindu law have been the subject of keen interest for the foreign as well as the Indian thinkers and reformers. They have studied this system closely and critically in the light of religious and secular literature which is preserved here through the ages. "Hindu law, it is now generally agreed, has the most ancient pedigree of any known system of jurisprudence. The early character of the Hindu law may be described as being rooted in the Vedas announced in the Smritis as explained and enlarged in recognized commentaries and digests and supplemented and varied by usage.

The ancient authorities emphasized its divine origin and admitted its immense power. The '*Satapatha Brahmana*'³ states since law is the king of kings, far more powerful and rigid than they, nothing can be mightier than law by whose aid, as by that of the highest monarch even the weak may prevail over the strong. The Vedas were supreme, as the law also as it was the outcome of the Vedas. It was eternal, unchangeable and supreme to an early Hindu. The ancient literature does not make any sharp distinction among duty, morality and

² Next to Manu's book of sacred Law the Manu Smṛiti, the Smṛiti of Yajñavalkya is the most important source of

Law for the Hindu society. It contains 1010 slokas or Stanzas; and is divided into three books. There is a detailed discussion on the institution of marriage system in Chapter III, page 51- 89 and on family system in Chapter V, page 97 – 128. In these chapters he had explained the reproductive duties of a woman.

³ *Satapatha Brahmana* is a Hindu sacred text which describes details of Vedic rituals, including philosophical and mythological background. It was committed to writing about 300 B.C.E., although it contains portions which are far older, transmitted orally from unknown antiquity. Specifically, there are references throughout to primal mother-Earth worship, unnamed snake deities and human sacrifice. Available at: <http://sacred-texts.com/hin/sbr/index.htm>

law. 'Dharma' is always used there in a wide sense to comprehend all religious, moral and legal bindings. The Vedic literature, if studied from sociological point of view, illuminates the position of women in the family, in the society outside and in different fields of social life. There are facts which may be utilized to draw a correct picture of the women of ancient India with their educational, social and legal rights as well as elaborate religious and social duties. The Vedic literature embodies the spirit of worship to the women. They are not denied any right. As the time changed there came a change in the socio-economic pattern of the society and there emerged a different picture of womanhood.

Examples of motherhood in Indian epic:- **Karna**⁴ is one of the central characters in the Hindu epic Mahābhārata, from ancient India. He was the King of Anga (present day Bhagalpur and Munger). Karna was one of the greatest warriors whose martial exploits are recorded in the Mahābhārata, an admiration expressed by Krishna and Bhishma within the body of this work.

Karna was the son of Surya (a solar deity) and Kunti. He was born to Kunti before her marriage with Pandu. Karna was the closest friend of Duryodhana and fought on his behalf against the Pandavas (his brothers) in the famous Kurukshetra war. Karna fought against misfortune throughout his life and kept his word under all circumstances. Many admire him for his courage and generosity. It is believed that Karna founded the city of Karnal, in present Haryana.^[1] As a young woman Kunti, the princess of the Kunti Kingdom, had been granted a boon by sage Durvasa to be able to invoke any deity to give her a child. Eager to test the power, while still unmarried, she called upon the solar deity Surya and was handed a son Karna wearing armour (*Kavacha*) and a pair of earrings (*Kundala*). Afraid of being an unwed mother Kunti, placed the baby in a basket and set him afloat on a river. The child was found by Adhiratha, a charioteer of King Dhritrashtra of Hastinapur. Adhiratha and his wife Radha raised the boy as their own son and named him **Vasusena**. He also came to be known as **Radheya**, the son of Radha.

HISTORICAL PERSPECTIVE OF MOTHERHOOD

While some complain that Mother's Day is a Hallmark holiday, celebrations of motherhood can in fact be traced back to ancient times. Ancient Greeks celebrated Rhea, the mother of the gods, while ancient Romans had a holiday to celebrate Cybele, a mother goddess. The tradition of celebrating mothers in springtime can be traced back to the celebrations of the goddess Brigid, which occurred at the first milk of the ewes. This brief history traces the way embarking on motherhood moved from being women's sole purpose, to an assumption, to a duty to produce heirs, and finally, to a decision for the woman herself.

Around 600 BC, Spartan girls were trained in athletics like running, discus and javelin, in order to become strong and healthy mothers. In 431 AD, the Council of Ephesus first recognized Mary as the "Mother of God," resulting in the spread of the cult of the Virgin Mother. In the early years of the Roman Empire, women had little power: they were expected to be mothers and run household tasks. Infertility was grounds for a divorce. Women did not have a choice between having children or not and also were not able to overrule the husband if he wanted to get rid of a newborn. After birth, babies were placed at the father's feet. If he picked the child up, he "recognized" it as his, but if he left it where it was, the child was left to die by exposure. Later, as women gained economic power, Roman mothers exercised a genuine influence over family decisions.

Than the medieval times come in this medieval people had a special reverence for motherhood, in many ways inspired by the idolization of Mary. Motherhood was thus honored as an almost mystical ideal. Men were expected to show lifelong deference and respect to their mothers. Mothers of kings even held their own courts and led influential factions in royal politics.

On the downside, the medieval diet was low in iron, which women need more than men. Iron deficiencies meant many women were frail during childbearing years, and death during childbirth was common. Women generally had 4-6 pregnancies over the course of twenty childbearing years. With a high rate of miscarriages and still births, women were either pregnant or nursing for most of their adult lifespan. (Up until the 18th century, 25% of children born in England died in their first year.) For women of all social classes, raising a son to adulthood was the only means of securing their own support in old age.

⁴ James L. Fitzgerald (2003). The Mahabharata, Volume 7: Book 11: The Book of the Women Book 12: The Book of Peace the example related to the birth of 'karna' .

As far as the nature of early women motherhood is concern people describe as a nasty, brutish, and far from short” – like Medieval women, early modern women spent about fifteen years either pregnant or nursing their children. Mothers wrapped their children in swaddling bands, thought to make limbs grow strong and straight. There are some accounts of peasant mothers hanging their swaddled babies on hooks to keep them out of the way while the women performed their exhausting amount of daily chores.

The Reformation was key in upgrading motherhood to a teaching position. Protestantism held that mothers were expected to read the Bible to their children, and to instruct their children in reading and religious knowledge. Of course, women were still restricted from official positions in the church, and many women in lower social classes remained illiterate, but the foundations of women as educators were laid.

The 17th century also laid the groundwork of a different cult of motherhood, as breastfeeding became a moral issue. Even wealthy women were encouraged to breastfeed their own children, although many still relied on wet nurses. This new emphasis on the joys of motherhood and celebrating domesticity would become the full-fledged “cult of motherhood” in the 18th century.

This is the time of industrial revolution women are aware about the employment opportunities, the effect of the Industrial Revolution on women’s employment was mixed. On the positive side, some claim that new labor opportunities developed. However, with limitations for women (legal and otherwise), the classic division between the man as provider and woman as domestic expert began, the division of labor principles of the Industrial Revolution pushing a further, parallel division of social role.

Working-class families that needed to pool wages to survive would tend to have more children, so as to have as many working hands as possible. Women not only formed a part of this familial labor force, but had to struggle to manage the greater domestic strain of having bigger families.

The 1930s marked a radical shift in family structure and the ideals of family life: a ‘good’ mother did not work, and women who did pursue careers were stigmatized as selfish women, devoid of a proper maternal instinct and nature. The Great Depression only furthered the need for a mother to keep the family together, while the man was out trying to provide for his family.

The role of mothers became even more crucial and demanding with husbands and sons off to war. The war years caused most families incredible hardship. Around five million war widows were left alone to cook, clean, and care for the children. Making up for the workforce lost overseas, many women were also trying to hold down factory jobs which demanded long hours.

Marriage and birth rates soared at the end of the war, and women were again placed in charge of housekeeping and raising the family. The 1950s encouraged the ideal of the ‘stable’ and ‘model’ family and the American Dream Ray H. Abrams’s article, “The Concept of Family Stability” (November 1950), emphasizes the materialistic bent of this dream: “the ideal family, judging from the advertisements, blurbs, and social pressures of our time, is also one that it is constantly endeavoring to raise its standard of living by security better houses, automobiles, education, radio and television sets, and in a not too aggressive fashion by attempting to climb the social ladder with all of its neat class stratifications.”

The sexual revolution of the 1960s allowed women to begin to exert power and freedom more publicly. Despite this revolution and the efforts of minority groups to gain equal rights, attitudes towards women changed a surprisingly little amount. Most American women in the Sixties were mothers and housewives, volunteering at churches and PTAs. Business and politics remained almost exclusively controlled by men. Women did start to work more outside of the home, but those who did were still in the minority.

In a huge leap forward for women’s choice in having children, the 1960s saw the birth control pill become widely available to the public, with 1.2 million American women taking the pill by 1962. 2.3 million were on the pill by 1963, and by 1965, 6.5 million women were taking the pill and it became the most popular form of reversible birth control.

The most significant changes in women’s roles were brought about by the rise in feminism in the 1960’s and 1970’s. Women organized for equal rights and employment finally began to change. Their full participation in the labor market was even encouraged. Women with college degrees were actually using those degrees to enter the professional world.

Another significant change occurring in the family structure was the role of the mother. Whereas her responsibility and duty had been based solely in the care and upbringing of her child, the role of 'educator' was now being relegated to professionals. Children as young as two and three years old were sent to pre-schools, allowing mothers to pursue careers as well as have a family. Even though beliefs that the rise in working women would bring about the demise of the family, women proved they were still the glue that held the family together.

Notably, Susan Douglas and Meredith Michaels argue in *The Mommy Myth* that media since the 1970s has created an impossible to reach idealized mother figure that has subtly demonized the working mother's role, her attention away from perfect mom details coming off as unduly sacrificed. Women – and mothers – are certainly working more: under a third of married women worked outside the home in 1961, while by the 1990s, closer to two-thirds of married women were in paid employment. Less than a third of married women were in paid employment in 1961, in 1991 it was over half. As wages have trended towards more equality, more and more cases of the typically maternal role have shifted to men as part of a greater redefining of the women's and a mother's place in society. Single motherhood is more accepted, women have more rights, and while domestic arrangement stereotypes still exist, they are on the decline.

There is no denying that mothers certainly have a tough job to carry out, even if concerns like death during childbirth have been largely controlled. Surveys report that one of the biggest challenges in raising children today is dealing with outside influences such as drugs, alcohol, peer pressure, television and other media outlets, which were not as prevalent even thirty years ago. Though children are expected to be more self-sufficient, mothers are often the ones caught juggling the duties of work and family life.

So this Mother's Day, take a moment to appreciate how far motherhood has come, and look forward to a future of capable and equally-treated women as you thank your mother for doing the job as millions of mothers have before.

It was difficult for primitive man to understand paternity. Therefore it was natural for him to respect the mysterious power of fertility possessed by women, which inspired in him awe and respect for her. This power, with great self-sacrificing qualities of motherhood was woman's greatest asset. It led to mother worship in all primitive and ancient civilizations from the Mediterranean to the Indus valley. In countries like Egypt and Babylon this respect was also reflected in their laws. In ancient India as has already been shown mother-worship took deep roots (Phillips, Wm. Revell: 1988, 18).

A woman as the mother occupies a place of great honour and prestige in the Epics. The very epithets used for her are recognition of her importance as a mother. Thus she is called, "**Dhatri**" for she carries the body of a child in her womb, "**Janani**" for she gives birth to the baby and is its creator. In the heroic age for giving birth to heroes she was respected as, "**Virasu**". Of the two parents the argument that the desire for children is cherished by both the parents it was maintained that the fulfillment of the desire depends more upon the mother. She was the cause of the body of the child as the fire sticks is that of fire. He was born from her limb and heart, in fact he was considered to be her own body.

All these motives weighed by intellect must have led to the desire of being a mother, above all of a son. For the Epic woman motherhood was not merely the operation of a self preserving, self satisfying and self-creating instinct but even more so of a deep sense of social responsibility which lifted motherhood to the level of a sacred duty. The religion and philosophy of the Epics have never hesitated in informing her that as a living being her primary function was to continue the race. The bride on the wedding day was blessed with joyous promise of being, "**Virasu**", "**Jivasu**" and "**Jataputra**".

SURROGACY

All human life on the planet is born of woman. The one unifying, incontrovertible experience shared by all women and men is that months-long period we spent unfolding inside a woman's body . . . most of us first know both love and disappointment, power and tenderness, in the person of a woman ... we carry the imprint of this experience for life, even into our dying. Therefore, the motherhood is a privilege bestowed on to the female gender across the various species in the universe.

However, with the advancement of medical sciences the notion of motherhood has also undergone sea change in recent years. The inventions and discoveries like test tube babies have brought in a new debate in the society

about the ethical and moral considerations of 'creation of babies'. Before this debate could be settled in society, people for and against it have picked up a fresh issue of 'surrogacy'. As the society has undergone through a gradual transition, the lifestyle of the people started looking into more convenient ways to fulfill their needs. Therefore, system of reproduction amongst the human being has also changed from time to time. Surrogacy or hired womb of women is a recent phenomenon in this process. Historically speaking we have plenty of instances where the mid- wives or AAYA's use to look after the new born babies, but the child would be born from the womb of his/her own mother.

For many people, having a child is the ultimate dream of a complete life. Unfortunately, though, for some, the inability to have children can be extremely heartbreaking and terrible to their future plans. The good news is that by using the services of a surrogate mother, these couples and individuals can still have the children that they desire, oftentimes with gene characteristics from one or both parents. It has often been observed that the real reason apart from the monetary benefits, the surrogate mothers experience a sense of self-worth and empowerment.

They feel that their life has so much meaning and they also feel themselves blessed that they are able to help a childless couple experience the joy of parenthood. Some of them also consider it being a sort of spiritual service. And not to forget the most complex part of the entire episode is the relationship between the surrogate and the genetic mother.

Altruistic or gestational surrogacy be allowed only once in the lifetime of a surrogate mother in the age group of 21 to 35 years and should be need based. No surrogacy should be allowed to lesbian or gays, because surrogacy is an unnatural way of having a child, as is the relationship between the lesbian or gays, which is incomplete because family togetherness in traditional terms means having a father / mother / brother / sister. This leads to the interest and right of the child from being well protected. It is, further proposed that there should be one central body to assess the needs of the commissioning couple, as well as, the surrogate mother. Before initiating the

final process everything should be in writing between the parties and proper counseling of the surrogate mother and her family regarding the consequences of surrogacy, whether altruistic, gestational, partial or full. However, before we venture into the details of the concept of surrogacy, let's understand:

A. What is surrogacy?

B. Who is the surrogates?

C. Why do people go for surrogacy?

D. What is involved surrogacy?

Though the term is frequently denounced as exploitation but technically speaking it is an arrangement or an agreement between the parents who are willing to hire a woman to carry and give birth to their child and the women who is willing to lend her wombs for the same. In return she may charge to the parents. Another type of surrogacy is called altruistic surrogacy, where the surrogate receives no financial reward for bearing or relinquishing the child. In India, all three types of surrogacy are permitted as per law.

WHAT IS SURROGACY?

Surrogacy is a method of assisted reproduction. The word surrogate originates from Latin word *surrogates* (substitution) - to act in the place of. The term surrogacy is used when a woman carries a pregnancy and gives birth to a baby for another woman. Surrogacy is gaining popularity as this may be the only method for a couple to have their own child and also because adoption, process may be a long drawn out process.

Surrogacy is an arrangement between a woman and a couple or individual to carry and deliver a baby. It is a controversial process that is not legal in all states. The surrogate mother is also known as a *gestational carrier*. In many cases, the process is an expensive, time consuming, and emotional one. Women or couples who choose surrogacy often do so because they are unable to conceive due to a missing or abnormal uterus, have experienced multiple pregnancy losses, or have had multiple in vitro fertilization attempts that have failed. The advantage of gestational surrogacy to the parents is that the embryo is created from the woman's egg and the man's sperm, so it is biologically theirs. The surrogacy arrangement is sometimes made through an agency and other times contracted privately. When searching for a surrogate mother, a couple might use the Internet, contact an agency, or network through friends and family. More and more people these days are banking on

surrogacy to save their dreams of parenthood from being rudely dashed. However, contrary to popular notion, it is not a modern day concept! In fact, many believe that it has its origin in the Biblical times.

THE HISTORICAL EVOLUTION OF THE IDEA OF SURROGACY

Genesis tells the story of Sarah, the wife of Abraham who could not bear him a child and thus gave him her servant Hagar so that she could be the mother of his children. This story is a somewhat primitive version of 'traditional surrogacy', a concept where artificial insemination is used to impregnate a woman with a man's sperm (and in most cases, his wife/partner, like Sarah, is infertile).

THE AMERICAN INDIANS

History has instances of many religions and civilizations praising surrogate mothers for their good deeds and service to others. For instance, surrogacy was favored big time by the American Indian society as a way to carry on their family name and bloodline. In the 1900s, if an American Indian woman was found to be infertile, her husband was advised by the Chief of the tribe to consult the witch doctor. The witch doctor usually prescribed some herbal remedies for the wife. However, if it did not work out, the husband would then take another woman and impregnate her. The child, born out of such a relationship, would continue to live with his biological mother and have no relation with the 'barren' wife.

THE SPANISH ROYALS

Surrogacy finds a mention in European history too. In Spain, the king would take in several surrogates until a son was born to him. The surrogate mother would then become a nanny to all the royal children. The children would believe that the king and the queen are their biological parents. This way, no questions would be asked about their right to the throne.

MODERN DAY SURROGACY

However, the modern concept of surrogacy dates back to mid-1970 when the first 'official' legal surrogacy agreement was enacted. Noel Keane, the lawyer who wrote the first surrogacy contract, went on to find the Infertility Center, a company that till date, arranges numerous surrogate births every year. During the same time period, surrogacy made headlines with the birth of Louise Joy Brown, the world's first 'test-tube' baby. While this was not exactly a case of surrogacy, it paved the way for what is today known as gestational surrogacy – a process where the biological parents' sperm and ovum undergo a process called IVF – in vitro fertilization and are subsequently implanted into the womb of the surrogate mother. However, the first traditional paid surrogacy arrangement was conducted in 1980 where a 37 year old woman acted as a surrogate and was paid \$10,000 upon the successful delivery of the baby. 3 years later, pregnancy via egg donation was attempted. In this case, a woman was able to give birth via the use of eggs donated by another. This later led to the first successful gestational surrogacy in 1985. In recent times, surrogacy has gone on to scale new heights of popularity. In fact, in 2005, a 58 year old woman donned the role of a surrogate mother to give birth to her own twin granddaughters.

THE FIRST DOCUMENTED INSTANCE OF SURROGACY

In the recent times, the case of Baby M did make quite a stir. In 1986, Mary Whitehead gave birth to a child. She was twenty-nine years of age and she bore the child of an infertile couple. In this case it was not artificial insemination and Whitehead was the biological mother of the child as well. The case got prominence as Whitehead did not want to hand over the baby girl after birth but wanted the custody of the child. This led to a legal tangle that went on for two years. Eventually she happened to lose the custody battle but she was awarded with periodic visitation rights. This is a very significant case as after this legal tussle, it was decided in the subsequent surrogacy agreements that the surrogate mother or the woman who agrees to carry the embryo will not be the one who is also the donor of the egg.

SURROGACY TODAY

The manner in which the surrogates are viewed by the society is also not very casual. Often in films, we come across surrogates being typically caricatured as 'white trash'. This is absolutely prejudiced and unfair. There is a general conception that surrogates are into the job only due to the monetary aspect. This is true but not the only defining truth. There are several other easier and convenient ways to earn money. There are loads of alternatives that do not carry the risk of throwing up for weeks, or bear the weight and other associated complexities attached to a life that is growing inside the body. The surrogate agencies are well aware of the women and their reasons why they choose to become a surrogate in the first place. In a certain study that deals with this issue, it

has been mentioned that women earn barely a minimum wage if the 'work' of surrogacy is broken down in terms of hours. Albeit a wry observation, this is but a fact.

METHODS AND CRITICISM OF THE SURROGACY PROCESS

The process of surrogacy can be done in Traditional and Gestational method. In the traditional surrogacy, a surrogate mother is artificially inseminated. It is done through the semen's of the intended father or an anonymous donor. The surrogate mother has to carry the baby to full term. In this method the child was therefore, biologically and genetically remains connected with the surrogate as well as the intended parents or male and female.

The Gestational surrogacy is modern method of giving birth to the baby. In this process the egg is removed from the intended mother or an anonymous donor and fertilized with the sperms of the intended father or the donor. After that, the fertilized egg, or embryo, is transferred to a surrogate who carries the baby to term. In this way the child is genetically related to the woman who donated the egg and the intended father or sperm donor. Thus the surrogate women just provide her womb to carry the baby to term and give birth. Some lesbian couples find gestational surrogacy attractive because it permits one woman to contribute her egg and the other to carry the child. However, when it comes to acceptance of surrogacy as a process, the traditional surrogacy has been more controversial, than gestational surrogacy. It was mainly because of the biological relations that the surrogate mother develops with the child. Due to increase in such type of controversies, most of the state governments in India have prohibited the traditional surrogacy. Therefore, the MCI and state governments have come up with the rules to prohibit commercial use of this process. 3.5.3 The ART clinic must not be a party to any commercial element in donor programmes or in gestational surrogacy (ICMR/NAMS: 2010, 63).

INTERNATIONAL SCENARIO AND SURROGACY

Apart from the problem with the domestic laws, the issue of surrogacy has been under check by the international or cross-border laws. This process mainly raises serious questions of law relating to citizenship, nationality, motherhood, parentage and the rights of a child to be raised by their parents. It is for these reasons that it is important for intended parents to carefully assess the legal risks involved in surrogacy in the country the birth will occur and the country the child will be raised in.

With international and commercial surrogacy arrangements on the increase, the risks and consequences produced by so called 'global reproductive tourism' now needs to be addressed at a global level. Surrogacy law both domestic and international has been playing catch up. The responses of individual states to the question of surrogacy have been diverse and disparate.

An international surrogacy arrangement is one which involves more than one country of habitual residence, nationality or domicile of the commissioning parents, donors and the gestational mothers. There are currently no international laws which make provision for rights of parentage either from the perspective of the commissioning parents, gestational mothers or most importantly the child. Indeed there is no instrument which allows for the recognition of international surrogacy arrangements, in another state, following an administrative or judicial process in a state where such arrangements are lawful.

On 10th March 2011 the Permanent Bureau of the Hague Conference on Private International Law published a preliminary but comprehensive note entitled "Private International Law Issues Surrounding The Status of Children, Including Issues Arising from International Surrogacy Arrangements". A press release followed, "Cross-Frontier Surrogacy Issues Added to Hague Conference Work Programme" issued by the Hague Conference on 7th April 2011, inviting its Permanent Bureau to intensify work on the broad range of issues arising from international surrogacy arrangements. The debate in relation to the need for a Convention governing international surrogacy arrangements, akin to the 1993 Inter-country Adoption Convention which governs international adoptions, is long overdue. Surrogacy law both domestic and international has been playing catch up.

The responses of individual states to the question of surrogacy have been diverse and disparate. They broadly fall into four broad categories:

- (a) Those states where surrogacy arrangements are legal and enforceable;
- (b) Those states where surrogacy arrangements are legal, but strictly controlled and subject to

meeting specific criteria;³

(c) Those states where surrogacy is illegal; and

(d) Those states which have made no provision in their domestic legislation.

INDIAN RESPONSE TO SURROGACY

The process of surrogacy in Indian is on rampant increase, but the sub- standard quality of medical services, clinics and counseling is remains to be a challenge for the successful surrogacy. The couples, including Indian, NRIs and Foreigners pursuing surrogacy in Indian are often concerned about the medical qualification of the obstetrician taking care of their pregnant surrogate mother and their unborn child.

They are also concerned about which primatologist they should go to for the nuchal fold test, the cvs testing or the amniocentesis. Couples request second opinions, want to know about the hospital their baby will be born at, what doctor their baby will see between birth and their return home. What options are there in India? For some countries such as the USA, a couple can complete their paperwork within 10 days of birth and return home with their newborn baby. However for other countries the stay is indeterminable. Many British couple needs to spend 2-3 months in India before returning home.

Finalization of parental rights for most countries involves proving a genetic link between the baby and the parent. For couples where only one parent is biologically related to the child there is an additional risk of doing surrogacy in India. If a parent dies before the birth of the child, there will be no way of proving the child is genetically related to the parent and therefore impossible to obtain citizenship and other legal rights for that child. These children must remain in India and potentially live their lives in an orphanage. In such a situation, the surrogate mother comes under the burden to look after the baby, sometimes they have their own children to be looked after; hence the situation gets worse for the surrogate baby. Another, socio-cultural problem with surrogacy is that, the women rendered for surrogacy has to stay away from their family. This isolation causes emotional and physical insecurity amongst the surrogate women.

It has been suggested that relinquishing the child may be extremely distressing and may result in psychological problems for surrogate mothers. It has also been feared that the surrogate mother may prenatally form a bond with the baby that would make it particularly difficult for her to hand over the child to the commissioning parents. Other concerns relating to surrogacy include the impact on the surrogate mother's partner, her parents or any existing children, and its destabilizing effects on her family integrity. Surrogate pregnancy should be treated as a high-risk psychological experience. In addition, it is recommended that surrogates receive professional counseling before, during and after pregnancy. (Khalaf: 2008, 43).

Surrogacy India's focus is in fertility, not infertility. Surrogacy India is the first such professional organization of its kind in India since 2007, providing comprehensive services related to Surrogacy and Egg Donation programs. We outclass our services through our extensive search, exhaustive screening, and exquisite timing in reference to selecting Surrogate mom or Egg Donor cycles.

India has emerged as the main surrogacy destination since it legalized the surrogacy in 2002. And it is primarily for two reasons. One, surrogacy in India is cost effective in terms of Medicare and other expenses. The complete package costs just one-third of the total procedure cost in the United Kingdom and other developed countries. Secondly, the legal environment here is favorable.

INDIAN COUNCIL FOR MEDICAL RESEARCH'S AND LAW COMMISSION GUIDELINES FOR SURROGACY

In 2005, The Indian Council for Medical Research gave guidelines to help regulate Assisted Reproductive Technology procedures. The Law Commission of India submitted the 228th report on Assisted Reproductive Technology procedures discussing the importance and need for surrogacy, and also the steps taken to control surrogacy arrangements. The following observations had been made by the Law Commission:

Surrogacy arrangement will continue to be governed by a contract amongst parties, which will contain all the terms requiring consent of surrogate mother to bear the child, agreement of her husband and other family members for the same, medical procedures of artificial insemination, reimbursement of all reasonable expenses for carrying child to full term, willingness to hand over the child born to the commissioning parent(s), etc. But such an arrangement should not be for commercial purposes (Law Commission, 228th report).

POLICY

There is no national policy concerning the issue of surrogacy. Each country has reached its own legal approach to this comparatively new procreation procedure. The surrogacy laws differ from it being a criminal offence to states that have their own surrogacy laws. Surrogacy laws as rules are designed to protect women from exploitation and were born out of regard for the biological fathers as well as the birth mothers.

Today, cases that shape the laws beg the question whether a contract or deal can be binding and can a female sign a deal for custody not yet conceived with informed consent. Also, can money be given to a female for the services of reproduction, but not for the final product of surrogacy? These problems are morally and legally bewildering at best and while legislative authority drops everything to keep up with the ever changing needs of reproduction and its supporters, many countries are left with laws that want the parents to rake over their own child and other acts which seem to compose very little wisdom at first blush.

There is not both the legislation and the approved policy concerning surrogacy laws in most countries. The question of general surrogacy laws was considered in the Council of Europe, but only at a level of the separate states. There are complex legal questions connected to the issue of alternative reproduction technology and that is reflected in the variety of approaches to this problem on the part of the regional organizations and the national states.

The adopted national surrogacy laws and policy vary from an absolute prohibition of surrogacy up to the establishment of the complex legal base that was called on to account the rights and the interests of all parties.

In connection with the different moral, legal, and religious aspects of the given question, national legislators and a policy of most of the countries limit surrogacy. In some countries like France and Germany, it is forbidden completely. In other countries, only commercial agreements on surrogacy are forbidden and the consideration of judicial claims under some agreements is not supposed. Such situations are in Canada, Israel, Great Britain, and Australia. Lastly, the third countries limit the use of reproductive technologies in connection with surrogacy. These countries are Denmark, Norway, and Sweden.

Of course, conception in a test tube or other experimentation with human genetic materials transforms children into goods that can be bought and sold on the open market. This creates a situation in which rich people can employ women for child bearing. Therefore motherhood becomes contractual work in which the aspiration of personal benefit prevails. There is no sense of forbidding surrogacy with surrogacy laws. It is possible that such a situation as what happened with abortion will happen in these countries. If it is impossible legally, surrogacy and abortion will be conducted in secret.

Therefore, if you can't have a baby, there are many ways to get a child. For example, there is surrogacy and adoption. But, most countries have no surrogacy laws yet.

(Since, many NRIs or foreigners are coming to India, it became imperative for the Union of India to provide the legal mandate for the protection of parties involved in the whole process. A draft of the bill titled as Assisted Reproductive Technologies (Regulation) Bill, 2010 has been prepared and is likely to be placed before the Parliament. However, before presenting the Bill in the Parliament it is very essential to debate it thoroughly, so that the issues which India has encountered in January 2008 regarding a German couple whose two children born to an Indian surrogate mother, were rendered stateless with neither Indian nor German citizenship. Finally, the Supreme Court of India coming to their assistance got them an exit permit in May 2010. Or a child born to a gay Israeli couple with the help of a surrogate mother in India also passed through legal hassles for getting Israeli passport, only after DNA / paternity testing established the baby was the couples, was it allowed out of India)(Mrs. Madhu P. Singh, Practising Lawyer, Punjab & Haryana High Court)

EXPLOITATION OF THE POOR WOMEN

It is no surprise then those surrogate mothers, who usually come from the lower strata of society, are exploited by being lured to carry out repeated pregnancies or forced to deliver through Caesarean section. Sometimes, they are not paid their due. Also, there are instances when a childless couple and the child born through surrogacy get caught in legal tangles. The 2008 Baby Manji Yamada case, where the Japanese Embassy refused to issue a passport to the newborn, is one such example that earned a lot of media attention.

But with the Indian Council of Medical Research (ICMR) issuing a host of guidelines for ART clinics in 2010 and the growing demand for surrogates, a new trend of surrogacy home is now fast picking up. Anand, a small district in Gujarat, has emerged as the surrogacy hub of India and surrogacy homes are mushrooming in South India as well, the trend is now on the rise in North India too.

Vanish Health Care director Prem Kumar explains the reason:

"Before the ICMR guidelines, surrogacy business was mostly ruled by agents hired by the clinics. These agents lured poor, illiterate women into becoming surrogate mothers and walked away with their commission. However, with the ICMR guidelines in place and the registration of ART Banks — which provide surrogates — the situation has improved. And with it has come the trend of surrogacy homes to provide accommodation to the surrogates during pregnancy. Surrogacy contracts between the two parties have also become a norm to avoid any legal hassles later."

Surrogate homes have increased the success rates of pregnancies and also brought in more transparency by acting as a contact point between surrogates and their clients. *"A surrogate must take a mandatory 17-day bed rest after the embryo is transferred to the womb. She needs constant care and attention. The success rate for surrogacy was just five per cent to 10 per cent earlier. But this has now changed with surrogacy homes. We provide a home-away-from-home to these surrogates and ensure their comfortable stay during the pregnancy,"* said Arveen Poonia of Vansh Health Care, which runs a 30-bed home in a multi-storey building on Sohna Road.

But a debate over whether the unregulated industry exploits poor women prompted authorities to draft a law that could make it tougher for foreigners seeking babies made in India. *"There is a need to regulate the sector,"* said Dr. Sudhir Ajja of Surrogacy India, a Mumbai-based fertility bank that has produced 295 surrogate babies - 90 percent for overseas clients and 40 percent for same-sex couples - since it opened in 2007. *"But if the new law tightens rules as suggested by the ministry of home affairs, which disallows surrogacy for same-sex couples and single parents, then it will clearly impact the industry and put off clients coming from overseas."*

COMMERCIALIZATION OF SURROGACY

India opened up to commercial surrogacy in 2002. It is among just a handful of countries - including Georgia, Russia, Thailand and Ukraine - and a few U.S. states where women can be paid to carry another's genetic child through a process of in-vitro fertilisation (IVF) and embryo transfer. The low-cost technology, skilled doctors, scant bureaucracy and a plentiful supply of surrogates have made India a preferred destination for fertility tourism, attracting nationals from Britain, the United States, Australia and Japan, to name a few. There are no official figures on how large the fertility industry is in India. A U.N.-backed study in July 2012 estimated the surrogacy business at more than \$400 million a year, with over 3,000 fertility clinics across India.

The Akanksha clinic in Anand is the best-known at home and abroad, giving the small town in Gujarat state the reputation as India's "surrogacy capital", *"The surrogates in Anand have become empowered through giving this beautiful gift to others,"* says Akanksha's owner, IVF specialist Nayana Patel, who shot to fame in 2004 after she helped a patient have a baby by using the woman's mother - the child's grandmother - as a surrogate. *"With the money, they are able to buy a house, educate their children and even start a small business. These are things they could only dream of before. It's a win-win situation."*

On the other hand the women rights groups' activists are raising voice against increasing exploitation of women for commercial purpose. In the absence of regulation, they say many poor and uneducated women are lured by agents, hired by clinics, into signing contracts they do not fully understand. *"Legislation should be there so that this wonderful procedure can be supervised and it is being done by the right people for the right people,"* said Akanksha's Patel. *"But more bureaucracy will make it difficult for everyone. It will not only mean less commissioning parents from overseas but it will also impact surrogates, who will lose out on the only chance they have to change their lives for the better."*

ADVANTAGES AND DISADVANTAGES OF SURROGACY

Surrogacy is a process where a surrogate mother and intended parents mutually agree on the process where the surrogate mother would carry and nurture a child for them to full term. The process is a wonderful option for intended parents to finally have their own biological child however there are certain advantages and disadvantages that intended parents should be aware about on surrogacy.

The act of surrogacy involves several individuals to give birth to one single child. Elizabeth Marquardt in, 'One Parent or Five? A Global Look at Today's New Intentional Families' 'Surrogacy and the act of intentional (as distinct from biological) parenthood create a situation in which as many as five people can claim a parental status over the resulting child: the contracting parents, the genetic mother and father, and the surrogate' (Marquardt: 2011, 47). The process of surrogacy does not noly affect a mother but it has got several serious

considerations, which is very difficult to be adjusted in a traditional society, like India. Van Akker has rightly observed, 'this reality fragments the reproductive function of marriage, resulting in several consequences: First, it separates sex from reproduction; second, it separates motherhood from pregnancy; and third, it separates the unity of one couple in the involvement of a third person within the potential family relationship (Akker, Olga, Van Den: 2000, 1850). Hence, some of the most common advantages and disadvantages of surrogacy can be enumerated as following:

ADVANTAGES

1. Surrogacy is a wonderful option for intended parents to have a biological child. This is a better option than adoption because the child you will be of your own flesh and blood. You need no longer worry about the history or background of the child you will have unlike with adoption.
2. Same sex couples can also try this process to have their own child. One of the most important stipulations to remember on surrogacy is that at least one of the intended parent's own cells is may arise once the child is born.
3. There are now many specialized agencies that provide great assistance to intended parents. Like in Florida where surrogacy is permitted and protected by laws and stipulations there are many reliable agencies. A Florida surrogate is also well known for her professionalism and reliability on surrogacy.

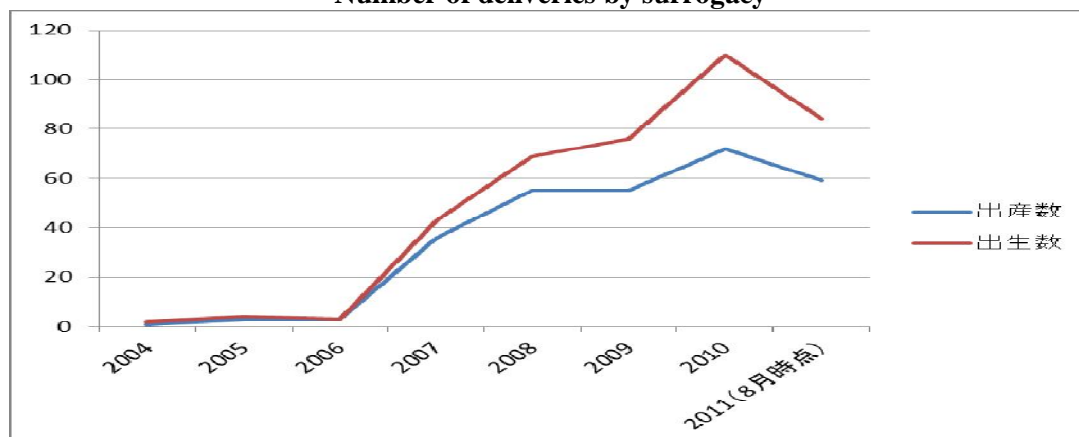
DISADVANTAGES

1. Surrogacy can be a tedious and difficult process especially for first time intended parents. There are many processes involved with surrogacy ranging from finding reliable surrogate mothers, legal process, financial matters and medical procedures. The best solution to work around this major disadvantage would be to do a bit of research before making any final decisions on surrogacy.
2. Surrogacy is an expensive process. The average cost of surrogacy would range about \$50,000 to \$80,000. There are different costs that intended parents would have to cover on surrogacy. Some of these costs are medical bills, attorney fees, medications for the surrogate mother and payment to the surrogate mother. The best solution for this is that intended couples can start saving ahead of time before considering surrogacy. They can avoid buying expensive items like cars and skip expensive vacations to help them save up for surrogacy. Nevertheless, the advantages and disadvantages of surrogacy are very subjective in nature, as it's impacts differ from case to case. For some people it's a need, i.e. couple who doesn't have a child because of some or other reasons. But some couple use this system deliberately to avoid carrying the baby in for a range of reasons, i.e. Gauri Khan's case. Surrogacy still carry stigma in Indian society:-

CONCLUSION

The new research and inventions of medical and biological sciences have made human life better and more secure. The concept and process of surrogacy has been one such step that has emerged as a blessing to several childless couples. It has set a new dimension of reproductive process in human society. However, the ethical consideration of surrogate motherhood cannot easily be accepted as it may alter the basic concept of human relations and sometimes the need thereof. Hence, this system must be brought under strict regulations and its commercial, legal and ethical aspects should be looked into carefully. Finally, the idea of motherhood and the compassion that a mother can give to a child cannot be manufactured, invented or created in any laboratory.

Number of deliveries by surrogacy



Blue line is a symbol of number of delivers. And red line is a symbol of numbers of babies. Which was happened in gujrat reference:- NiigataUniversityforInternalAnd Information Studies Procedures for Clients those who need surrogate for their baby:

- Contact the hospital beforehand via e-mail
- Stay in Anand for 15-20 days before embryo transfer
- In most cases, clients meet the surrogate two or three times during her pregnancy.
- Receive monthly reports during pregnancy
- Visit Anand a few days before the due date
- Take the baby home 3 days to 2 months after its birth.

Hindus, Christians, and Muslims are living together at the Mothers' House; they come from "untouchable" to low and middle castes. Statues of Hindu gods and Jesus are found on the same altar, and women of different religions share the same room for extended periods. **A very unusual living environment for India**

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Examples of References

All references must be arranged first alphabetically and then it may be further sorted chronologically also.

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