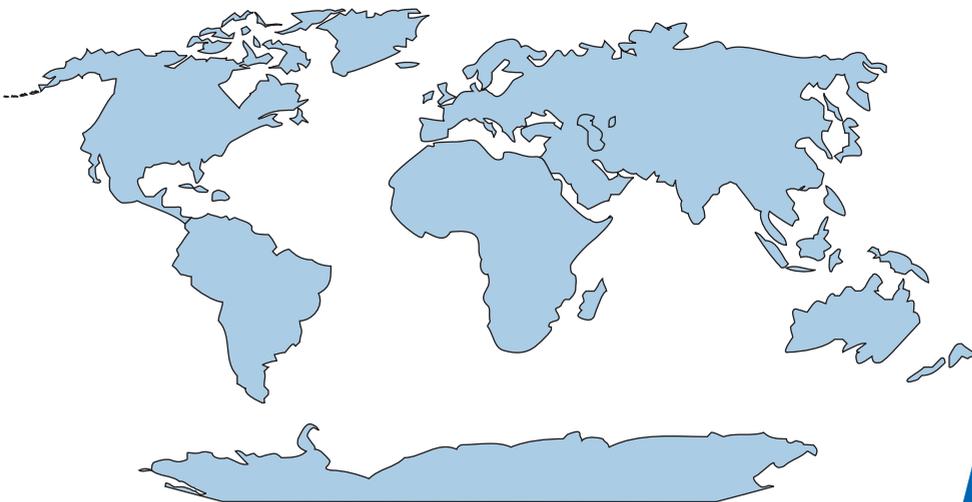


ISSN 2322 - 0899

**INTERNATIONAL JOURNAL OF RESEARCH  
IN MANAGEMENT & SOCIAL SCIENCE**



**Volume 3, Issue 3 (II)**  
July - September 2015

# International Journal of Research in Management & Social Science

Volume 3, Issue 3 (II): July - September 2015

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**LIVESTOCK RESOURCE FOR RURAL POVERTY ALLEVIATION IN ASSAM: WITH SPECIAL REFERENCE TO JORHAT DISTRICT****Prof. Pranjal Bezborah<sup>1</sup> and Dr. Horen Goowalla<sup>2</sup>**Dean<sup>1</sup>, School of Commerce and Management Science, Dibrugarh University, Dibrugarh, Assam  
HOD<sup>2</sup> & Associate Professor, Mariani College, Jorhat, Assam

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**ABSTRACT**

*As Assam is not the leading livestock producing state but the growth of pig and particularly poultry meat consumption are growing fastest. Small animals like sheep, goats, pigs and poultry are largely kept by the land scarce poor households for commercial purposes because of their low initial investment and operational costs. Growth in consumption is at the expense of increasing net imports of all livestock products. Livestock also contribute to rural livelihoods, employment and poverty relief. They integrate with and complement crop production, embody savings and provide a reserve against risks. Some livestock have special roles in traditional culture. An attempt has been made to highlight the status of livestock resource in the study region and study the livestock management in the study region and offer remedial measures in order to improvement of the drawback in the study area.*

*Key Words: type of livestock, Investment, location of sell area, Income, financial supports etc.*

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**I. INTRODUCTION**

Livestock is considered as one of the important homestead activities in the farm households in almost all the N. E. states. In the rural household economy, livestock is considered as an inseparable component in the whole farm business, which is the source of milk, meat, egg, manure, draught and transportation. It provides nutritional security to farm family and stabilizes farm income too. Livestock provide over half of the value of global agricultural output and one-third in developing countries. In Assam the rapid growth in demand for livestock products, is viewed as a "food revolution". Livestock products are costly in relation to staple foods consumption levels are still low, but increase with rising incomes. Livestock sector also makes significant contributions towards conservation of environment. Livestock sector supplements income from crop production and other sources and absorbs income shocks due to crop failure. It generates a continuous stream of income and employment and reduces seasonality in livelihood patterns particularly of the rural poor. In Assam the livestock is likely to emerge as an engine of agricultural growth in the coming decades. Livestock are a natural asset for poor that can be liquidated when required. For rural poor livestock are wealth and a sort of insurance substitute during times of crisis.

As Assam is not the leading livestock producing state but the growth of pig and particularly poultry meat consumption are growing fastest. Small animals like sheep, goats, pigs and poultry are largely kept by the land scarce poor households for commercial purposes because of their low initial investment and operational costs. Growth in consumption is at the expense of increasing net imports of all livestock products. Livestock also contribute to rural livelihoods, employment and poverty relief. They integrate with and complement crop production, embody savings and provide a reserve against risks. Some livestock have special roles in traditional culture.

The level of rural poverty is significantly higher in states where livestock sector is undeveloped. Hence, promotion of livestock activities in Assam regions that have potential but have hitherto been neglected is necessary to ensure more equitable and inclusive approach to livestock sector development.

**II. STATEMENT OF THE PROBLEMS**

The major problems encountered by rural people are: i. Lack of confidence, ii. Problem of finance and working capital, iii. Socio-cultural problems, iv. Production problems, v. Inefficient marketing arrangements. vi. Lack of formal systems of training etc.

Poor quality and lack of proper livestock feed is a great impediment in enhancing livestock productivity in this region. Goat and sheep are not only reared unscientifically but practically no attention is given to these non-bovine animals. These animals are not reared commercially although they have great potential in almost all the N.E. states. Pigs on the other hand are kept by tribal and in some cases schedule caste people. Religious taboos discouraged pig rearing and poultry farming among the Hindu cast families.

**III. OBJECTIVES OF THE STUDY**

1. To study the status of livestock resource in the study region.

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2. To study the livestock management in the study region.
3. To offer remedial measures in order to improvement of the drawback in the study area.

#### **IV. REVIEW OF LITERATURES**

Very few literatures are available with regard to evaluation studies of earlier programmes like Key Village Scheme, Intensive Cattle Development Project, etc. Taking into account of Assam, livestock resource in rural poverty has immense potential significance which cannot be overlooked in any manner. The studies on this area have been somewhat new and seem to be in an infant shape. (Prakash et. Al 1995) In this livestock study the buffalo milk is growing faster than a cow's milk. (Sharma and Sharma, 1995) showed that dairy enterprise adopted by the farmers to increase the household income as well as to reduce the risk. Varied across size classes of landholdings being increased with the decrease in farm size (Ehahal and Singh, 1995). Sharma and Singh (1994) in his study on economics in humid temperate zone the crossbred cows and graded Murrah buffaloes had an edge in terms of returns over non-descript cows and local buffaloes respectively. In the case of Murrah buffaloes, the contribution of management is as low as 3.4 per cent while the contribution of feed is as high as 33.6 per cent of the total gain in milk production. Thus, both management and feed are considered important for enhancing the milk productivity of crossbreed cows while only feed appeared to be important in the case of Murrah buffaloes. (Varma and Arun, 1992), Livestock Farming in the Northeastern India is moving very faster and rapidly. Pandey, U.K., (2000), Livestock in the Household Economy the farmer's income as well as it reduces risk. (Barooah, B.K and P.R Goswami, 1995) "Resource Use Efficiency and Output Performance of Dairy Loan Beneficiary and Non-Beneficiary Farmers under Integrated Rural Development Programme in Jorhat District of Assam", Thomas and Mani (1995), made an attempt to make a farmer-oriented evaluation of input service management of Anand pattern dairy Co-operatives of Trissur district (Kerala) created under Operation Flood Programme. Shiyani and Singh (1997) attempted to examine empirically, the contribution of dairy co-operatives to the income of member milk producers based on data from four dairy co-operatives selected randomly from various Districts Co-operative Milk producer's Union. Mahalle and Galgalikar (1980) studied the Comparative Economics of rearing of cross-bred and pure-bred heifers by small farmers in the Integrated Cattle Development Project area of Akola district of Maharashtra State. The study observed comparatively lower cost of rearing of cross-bred as compared to pure-bred heifers.

#### **V. RESEARCH GAP**

From the foregoing review of literature it can be understood that though many studies have been conducted on different aspects of livestock or milk resources in India and even in foreign countries, a study specifically for livestock in Assam is missing in literature. Hence, the study will make an attempt to examine present scenario of livestock resource by highlighting the existing lacuna and drawbacks.

#### **VI. METHODOLOGY OF THE STUDY**

The research to be conducted will be an experimental research as the research relies on observation of variables that influence livestock management of Assam. The research will be totally based on first hand data to be collected from Jorhat District of the state of Assam which would be capable of being verified by experiment. Data to be collected would be classified on the basis of certain set of variables considering the objective of the study.

Both the primary and secondary data were collected for analyzing of the objectives. Primary data were collected mostly by direct contact method and questionnaires were prepared to carry out the investigation for the purpose.

The primary data collected were used for analyzing the problems of the life stock management of Assam. The secondary data were collected from the Journals, Internet, Publish and unpublished theses, News papers, Magazines, Government reports etc.

Primary data were collected from the sample villages of Jorhat district .Since it is not possible to collect the information from all the villages , it is proposed to carry out the investigation in 35 villages which is 50% of total 70 villages in Jorhat district.

#### **VII. STATISTICAL TECHNIQUES USED**

The collected data was exposed to different statistical techniques like Percentage, Tabulation, Classification, Graphical presentation of different aspects of respondents like number of livestock products, source of finance, type of training methods for performance appraisal etc.

#### **VIII. SIZE OF SAMPLE**

10 numbers of respondents of each village have been selected on a purposive stratified sample technique. Hence, the total respondents have been considered for the study is 350.

**IX. MANNER OF SELECTING SAMPLE UNIT**

Then samples has been selected deliberately keeping in mind the target group which consists of educated men and women, widow, students, women working part time basis, self employed women like business women, professionals, farmers etc.

**X. PERIOD OF THE STUDY**

The primary data for the study has been collected from the sample villages of Jorhat district of Assam from the period of 2013 to 2014.

**DATA ANALYSIS AND INTERPRETATIONS**

**Table: 1.1: Age Group of the Respondents**

SL.No.	Factors	No. of Respondents	Percentage
1	20-30	105	30
2	31-40	210	60
3	41-50	35	10
4	Above 50 years	00	00
5	Total	350	100

Source: Field Study

It reveals from the table 1.1 that 30 percent respondents are belongs from the age groups of 20-30 years while 60 percent of them are belongs from 31-40 years of age and 10 percent of them have their age groups from 41-50 years and there was no age group above 50 years in the study area. It is analysed that majority of the respondents have their age group from 31-40 years of age in the study area

**Table: 1.2 : Marital status of the Respondents**

SL.No.	Factors	No. of Respondents	Percentage
1	Married	200	60
2	Unmarried	100	35
3	widow	50	05
4	Total	350	100

Source: Field study

It reveals from the table 1.2 that 60 percent respondents are belongs their marital status as Married while 35 percent of them are Unmarried and 5 percent of them are Widow in the study area. It is analysed that majority of the respondents are belongs from Married category in the study area.

**Table: 1.3: Educational qualification of the Respondents**

SL. No.	Factors	No. of Respondents	Percentage
1	Illiterate	150	40
2	HSLC	100	30
3	HS	80	20
4	Graduate	20	10
5	Total	350	100

Source: Field Study

It reveals from the table 1.3 that 40 percent of respondents are Illiterate while 30 percent of them are H.S.L.C passed and 20 percent of them are H.S and 10 percent of them are Graduates in the study area. It is analysed that the majority of the respondents are illiterate in the study area.

**Table: 1.4: Types of family of the Respondents**

SL. No.	Factors	No. of Respondents	Percentage
1	Nuclear	200	70
2	Joint	150	30
3	Total	350	100

Source: Field study

It reveals from the table 1.4 that 70 percent respondents are belongs from nuclear family while 30 percent of them are belongs from joint family. So it is analysed that that the majority of the respondents are belongs from nuclear family in the study area.

**Table: 1.5: Types of livestock**

SL. No	Factors	No. of Respondents	Percentage
1	Cattle	70	20
2	Pigs	35	10
3	Duck	35	10
4	Goatary	35	10
5	Poultry	175	50
6	Total	350	100

Source: Field study

It reveals from the table 1.5 that 20 percent respondents have cattle rearing while 10 percent of them have their livestock both pigs, ducks and goatary rearing and 50 percent respondents have their poultry rearing in the study area. Hence, It is analyzed that majority of the respondents have their poultry as their livestock in the study area.

**Table: 1.6: Monthly income of the Respondents**

SL. No.	Factors (Rs)	No. of Respondents	Percentage
1	1000-5000	175	50
2	5001-10000	105	30
3	10001-15000	35	10
4	Above 15000	35	10
5	Total	350	100

Source: Field study

It reveals from the table and figure 1.6 that 50 percent respondents have their monthly income for Rs 1000-5000 while 35 percent of them have their monthly income from Rs 5001-10000 and 10 percent of them have their monthly income both from Rs 10001-15000 and above Rs 15000. Hence, it is analysed that majority of the respondents have their monthly income from Rs 1000-Rs 5000.

**Table: 1.7: Investment of the Respondents**

SL. No	Factors(Rs)	No. of Respondents	Percentage
1	10000-15000	140	40
2	15001-20000	105	30
3	20001-25000	35	10
4	Above 25000	70	20
5	Total	350	100

Source: Field study

It reveals from the table 1.7 that 40 percent respondents have invested from Rs 10000-15000 while 30 percent of them have their investment from Rs 15001-20000 and 10 percent of them have their investment from Rs 20001-25000 and 20 percent of them have invested above Rs 25000. It is therefore analyzed that majority of the respondents have their investment from Rs 10000- 15000 in the study area

**Table: 1.8: Location of Sale**

SL. No.	Factors	No. of Respondents	Percentage
1	Local	315	90
2	Outside	35	10
3	Total	350	100

Source: Field Study

It reveals from the table 1.8 that 90 percent respondents have sold their livestock in the local markets while 10 percent of them have sold their livestock outside of the markets. It is analysed that majority of the respondents have sold their livestock's in the local markets.

**Table: 1.9: Financial Support From Government**

SL. No.	Factors	No. of Respondents	Percentage
1	Yes	35	10
2	No	315	90
3	Total	350	100

It is depicted from the table 1.9 that 10 percent respondents have availed financial support from the Government while 90 percent of them do not avail any financially support from the governments in the study area. So, it is analysed that the majority of the respondents do not get any support from the Government.

**Table: 1.10: Where do you avail loan?**

SL. No.	Factors	No. of Respondents	Percentage
1	Money lender	105	30
2	Bank	35	10
3	Relatives	140	40
4	Others	70	20
5	Total	350	100

Source: Field study

It is transparent from the table 1.10 that 30 percent respondents avail loan from the Money lenders while 10 percent of them avail loan from Banks and 40 percent respondents avail loan from their Relatives and at last 20 percent to them avail from others. It is analysed that majority of the respondents avail loan from their relatives in the study area.

**Table: 1.11: Monthly savings of the respondents**

SL. No.	Factors	No. of Respondents	Percentage
1	100-500	140	40
2	501-1000	105	30
3	1001-2000	170	20
4	2001-3000	35	10
5	Above 3000	00	00
6	Total	350	100

Source: Field study

It reveals from the table 1.11 that 40 percent respondents have their monthly savings from Rs 100-500 while 30 percent of them have their monthly savings from Rs 501-1000 and 20percent of them have their monthly savings from Rs 1001-2000 and 10 percent of them have their monthly savings from Rs 2001-3000 and there are no monthly savings above Rs 3000. It is therefore analyzed that majority of the respondents have their monthly savings from Rs 100-500 in the study area.

**Table: 1.12: Type of business**

SL. No.	Factors	No. of Respondents	Percentage
1	Small scale	315	90
2	Large Scale	35	10
3	Total	350	100

Source: Field Study

It reveals from the table 1.12 that 90 percent respondents have small scale of business while 10 percent of them have large scale of business. So, It is analysed that majority of the respondents have small scale of business in the study area.

**Table: 1.13: Monthly sell of the Respondents**

SL. No.	Factors	No. of Respondents	Percentage
1	1000-5000	35	10
2	5001-10000	35	10
3	10001-15000	70	20
4	15001-20000	105	30
5	Above 20000	105	30
	Total	350	100

Source: Field study

It reveals from the table 1.13 that 10 percent respondents have their monthly sale both from Rs 1000-5000 and Rs 5001-10000 while 20 percent of them have their monthly sale from Rs 10001-15000 and 30 percent of them have their monthly sale both from Rs 15001-20000 and above 20000. It is therefore analyzed that majority of the respondents have their monthly sale from Rs 15000-Rs 20000 respectively in the study area.

**Table:1. 14: Do you receive subsidy from Government?**

SL. No.	Factors	No. of Respondents	Percentage
1	Yes	35	10
2	No	315	90
3	Total	350	100

Source: Field study

It reveals from the table 1.14 that 10 percent respondents have received Subsidy from the Government while 90 percent of them do not receive Subsidy from the Government in the study area. So, it is analysed that majority of the respondents do not receive Subsidy from the Government.

**Table: 1.15: Have you taken any training work for livestock?**

SL. No.	Factors	No. of Respondents	Percentage
1	Yes	50	10
2	No	300	90
3	Total	350	100

Source: Field study

It reveals from the table 3.15 that 10 percent of the respondents have took training for livestock while 90 percent of the respondents do not took any training for livestock in the study area. So, it is analysed that the majority of 90 percent of the respondents do not took any training for livestock.

#### MAJOR FINDINGS OF THE STUDY

- 30 percent respondents are belongs from the age groups of 20-30 years while 60 percent of them are belongs from 31-40 years of age and 10 percent of them have their age groups from 41-50 years and there was no age group above 50 years in the study area.
- 60 percent respondents are belongs their marital status as Married while 35 percent of them are Unmarried and 5 percent of them are Widow in the study area.
- 40 percent of respondents are Illiterate while 30 percent of them are H.S.L.C passed and 20 percent of them are H.S and 10 percent of them are Graduates in the study area.
- 70 percent respondents are belongs from nuclear family while 30 percent of them are belongs from joint family.
- 20 percent respondents have cattle rearing while 10 percent of them have their livestock both pigs, ducks and goatary rearing and 50 percent respondents have their poultry rearing in the study area.
- 50 percent respondents have their monthly income for Rs 1000-5000 while 35 percent of them have their monthly income from Rs 5001-10000 and 10 percent of them have their monthly income both from Rs 10001-15000 and above Rs 15000.
- 40 percent respondents have invested from Rs 10000-15000 while 30 percent of them have their investment from Rs 15001-20000 and 10 percent of them have their investment from Rs 20001-25000 and 20 percent of them have invested above Rs 25000.
- 90 percent respondents have sold their livestock in the local markets while 10 percent of them have sold their livestock outside of the markets.
- 10 percent respondents have availed financial support from the Government while 90 percent of them do not avail any financially support from the governments in the study area.
- 30 percent respondents avail loan from the Money lenders while 10 percent of them avail loan from Banks and 40 percent respondents avail loan from their Relatives and at last 20 percent to them avail from others.
- 40 percent respondents have their monthly savings from Rs 100-500 while 30 percent of them have their monthly savings from Rs 501-1000 and 20percent of them have their monthly savings from Rs 1001-2000 and 10 percent of them have their monthly savings from Rs 2001-3000 and there are no monthly savings above Rs 3000.
- 90 percent respondents have small scale of business while 10 percent of them have large scale of business.
- 10 percent respondents have received Subsidy from the Government while 90 percent of them do not receive Subsidy from the Government in the study area.

14. 10 percent respondents have their monthly sale both from Rs 1000-5000 and Rs 5001-10000 while 20 percent of them have their monthly sale from Rs 10001-15000 and 30 percent of them have their monthly sale both from Rs 15001-20000 and above 20000.
15. 10 percent of the respondents have taken training courses for livestock while 90 percent of the respondents have not taken any training courses for livestock in the study area.

#### SUGGESTIONS OF THE STUDY

1. The government of Assam should organize free training programmes for rural people those are engage in livestock resources in the study area.
2. The government should supply the materials with subsidy rate so that the respondents carry their business more effectively.

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**CORPORATE GOVERNANCE REGIME IN INDIAN CAPITAL MARKET**

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**Dr. Santanu Kumar Das<sup>1</sup> and Dr. Suman Kalyan Chaudhary<sup>2</sup>**  
Assistant Professor<sup>1</sup>, Kalam Institute of Tecnology, Berhampur, Odisha  
Faculty<sup>2</sup>, Berhampur University, Berhampur, Odisha

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**ABSTRACT**

*The fundamental principles of corporate governance have been enshrined in the Companies Act, which contains various provisions relating to shareholder rights, disclosure and transparency and Board responsibility. The legal framework relating to corporate governance is broadly covered in the Indian Companies Act, 1956 (“Companies Act”) and the regulations/ directives that are issued by the Securities and Exchange Board of India (“SEBI”). Companies were thought to be the legal personalities, & hence it was difficult to fix the standards for them. But now with the concept of corporate governance growing across the Universe this issue has been amicably handled. The very basic aspect of the corporate governance is to establish that everyone in this era should be responsive & transparent. It has been an squabble against mandatory corporate governance norms, across the globe that not all well governed companies make profit and conversely not all bad governed companies sink either, still it need to be followed. The scope of the paper is limited to Corporate Governance in India; however necessary references (in terms of evolution of these norms) to position in the United States of America and European Union are made wherever necessary.*

*The paper is dealing with the different legal obligations like listing agreements, company law etc. required to be followed which ensure effective security market. It also deals with the future possibilities and problems in the Indian market. In the end, the authors have proposed some suggestion and conclusion.*

*Keywords: Corporate Governance, Securities Market, Financial Market, SEBI*

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**INTRODUCTION**

Root of corporate governance is from “gubernate” which means steer. In India, Kautilyas Arthshastra maintains that for Good Governance all administrators, including king were considered servants of people. There is no Universal definition of Corporate Governance. In narrowest sense, Noble laureate Milton Friedman defines “Corporate Governance as conduct of Business in accordance with shareholders desires, which generally is to make as much money as possible, while confirming to the basic rule of society embodied in law and local customs”. The initiatives taken by Indian Government in 1991, aimed at economic liberalization and globalization of domestic economy, led India to initiate reform process. This includes Corporate Governance norms as well in order to suitably respond to the developments taking place worldwide.

**CORPORATE GOVERNANCE: A NECESSITY**

Corporate governance became important in Indian context because of the scams that occurred since liberalization from 1991, for e.g. the UTI scam, Ketan Parekh scam, Harshad Mehta scam & the latest & the biggest of them all the Satyam Fraud scam. Further it is contested that in emerging market like India when investments take place on a large scale, investors want to verify that not only the capital markets or the companies on which they have invested run competently but they also have good corporate governance.

Another reason is that the legal & administrative environment in India provides excellent scope for corrupt practices in business. However it should be noted that the corporate governance problems in India is different from that in U.S. or U.K. The governance issue in U.S. or U.K. is that of disciplining the management while the problem in the Indian corporate sector is that of disciplining the dominant shareholder & protecting the minority shareholders.

Good corporate-governance practices reduce this risk by ensuring transparency, accountability, and enforceability in the marketplace. Moreover, well-governed firms likely will obtain capital more cheaply than firms that have poor corporate-governance practices because investors will require a smaller “risk premium” for investing in well-governed firms.

While the presence of a good corporate-governance framework ensures neither stability nor success, it is widely believed that corporate governance can “raise efficiency and growth,” especially for countries that rely heavily on stock markets to raise capital. In fact, some contend that the “Asian financial crisis gave developing countries ... a lesson on the importance of a sound corporate governance system.” Thus, in an efficient capital market, investors will invest in firms with better corporate-governance frameworks because of the lower risks and the likelihood of higher returns.

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**INDIA IN DEVELOPMENT OF CORPORATE GOVERNANCE**

On account of the interest generated by Cadbury Committee Report, The CII, ASSOCHAM & SEBI constituted committees to recommend initiatives in Corporate Governance. KPMG in its survey on State of Corporate Governance in India has stated that, the Good corporate governance is characterized by a firm commitment and adoption of ethical practices by an organization across its entire value chain and in all of its dealings with a wide group of stakeholders encompassing employees, customers, vendors, regulators and shareholders (including the minority shareholders), in both good and bad times. To achieve this, certain checks and practices need to be whole-heartedly embraced. In India, corporate governance initiatives have been undertaken by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

India has the largest number of listed companies in the world, and therefore efficiency and well being of the financial markets is critical for the economy in particular and the society as a whole. According to a report prepared by Pune-based India forensic Consultancy Services (ICS), at least 1,200 companies listed on domestic stock exchanges have forged their financial results. The figure included 20-25 firms on benchmark sensx and Nifty indices. The study called 'Early Warning Signals of Corporate Frauds' had alleged that such improper accounting included deferring revenue and inflating expenses.

The survey examined 4,867 companies listed on the BSE and 1,288 companies listed on the NSE. With the Satyam Fraud unfolding the report does not seem improbable. In fact putting it in Mayur Joshi's (the founder of India forensic Consultancy Firm) words; "Satyam is just one component of all those companies which are indulging in such frauds. More than 73% of respondents in our report named Early Warning Signals of Corporate Frauds said companies are indulging into financial statement frauds with the objective to beat the analysts' expectation."

Adversarial-trained lawyers often facilitate avoidance and evasion of corporate liability through 'creative compliance' with legal requirements. With a need for greater Foreign Direct Investment, the entry of transnational and multinationals to the country, a need for greater accountability and investor protection arose and the Corporate Governance norms became imperative for discerning securities market.

The first step taken in this regard was in 1996, when the Confederation of Indian Industries took a special initiative on Corporate Governance – the first institutional initiative in Indian industry. The objective was to develop and promote a code for Corporate Governance to be adopted and followed by Indian companies, be these in the Private Sector, the Public Sector, Banks or Financial Institutions, all of which are corporate entities.

The code however focused on listed companies for the simple reason that these are financed largely by public money (be it equity or debt) and, hence, need to follow codes and policies that make them more accountable and value oriented to their investing public. The preference was given to the shareholders and the creditors for instead of the employees, local communities, suppliers or ancillary units.

With this background, the Corporate Governance regime in India is more towards, legalizing the norms than leaving it to the ethical conscience of the company. Further, the corporate governance landscape in the country has been changing very fast over the past decade, particularly with the enactment of Sarbanes-Oxley type measures in Clause 49 of the listing agreements, and legal changes to improve the enforceability of creditor's rights.

The paper further deals with feasibility of present and future proposed changes in the Corporate Governance Regime, the law, regulations and the listing agreement shall be the focal point of the paper.

**INDIAN SECURITIES MARKET & CORPORATE GOVERNANCE NORMS**

Improved corporate governance is the key objective of the regulatory framework in the securities market. After discussing need of corporate governance, there are many factors that are responsible for ensuring corporate governance in India.

**CLAUSE 49 OF THE LISTING AGREEMENTS**

The SEBI implemented the recommendations of the Birla Committee through the enactment of Clause 49 of the Listing Agreements. Clause 49 may well be viewed as a milestone in the evolution of corporate governance practices in India. It is similar in spirit and in scope to the Sarbanes-Oxley measures in the United States. The requirements of Clause 49 were applied in the first instance to the companies in the BSE 200 and S&P C&X NIFTY stock indices, and all newly listed companies, on March 31, 2001.

These rules were applied to companies with a paid up capital of INR 100 million or with a net worth of INR 250 million at any time in the past five years on March 31, 2002, and to other listed companies with a paid up capital of over INR 30 million on March 31, 2003. The Narayana Murthy Committee worked on further

refining the rules, and Clause 49 was amended accordingly in 2004. The key mandatory features of Clause 49 regulations deal with the following:

- a. Composition of the board of directors;
- b. The composition and functioning of the audit committee;
- c. Governance and disclosures regarding subsidiary companies;
- d. Disclosures by the company;
- e. CEO/CFO certification of financial results;
- f. Reporting on corporate governance as part of the annual report; and
- g. Certification of compliance by company with the provisions of Clause 49.

The composition and proper functioning of the board of directors emerges as the key area of focus for Clause 49. It stipulates that non-executive members should comprise at least half of a board of directors. It defines an “independent” director and requires that independent directors comprise at least half of a board of directors if the chairperson is an executive director and at least a third if the chairperson is a non-executive director. It also lays down rules regarding compensation of board members, sets caps on committee memberships and chairmanships, lays down the minimum number and frequency of board meetings, and mandates certain disclosures for board members.

Clause 49 pays special attention to the composition and functioning of the audit committee, requiring at least three members on it, with an independent chair and with two-thirds made up of independent directors--and having at least one “financially literate” person serving. The Clause spells out the role and powers of the audit committee and stipulates minimum number and frequency of and the quorum at the committee meetings.

The areas where Clause 49 stipulates specific corporate disclosures are: (i) related party transactions; (ii) accounting treatment; (iii) risk management procedures; (iv) proceeds from various kinds of share issues; (v) remuneration of directors; (vi) a Management Discussion and Analysis section in the annual report discussing general business conditions and outlook; and (vii) background and committee memberships of new directors as well as presentations to analysts. In addition, a board committee with a non-executive chair is required to address shareholder/investor grievances. Finally, it is mandated that the process of share transfer (that had been a long-standing problem in India) be expedited by delegating authority to an officer or committee or to the registrar and share transfer agents.

### **COMPANY LAW**

The primary protection to minority shareholders is laid down in the company’s law. Some of these provisions are the regulatory equivalent of an atom bomb - they are drastic remedies suitable only for the gravest cases of dry governance. Company law provides that a company can be wound up if the Court is of the opinion that it is just and equitable to do so. This is, of course, the ultimate resort for a shareholder to enforce his ownership rights. In most realistic situations, this is hardly a meaningful remedy as the break-up value of a company when it is wound up is far less than its value as a “going concern.” It is well known that winding up and other bankruptcy procedures usually lead only to the enrichment of the lawyers and other intermediaries involved.

Company law also provides for another remedy if the minority shareholders can show that the company’s affairs are being conducted in a manner prejudicial to the interests of the company or its shareholders to such an extent as to make it just and equitable to wind it up. Instead of approaching the Court, they can approach the Company Law Board (now proposed to be renamed as the Company Law Tribunal). In particular, the Tribunal may regulate the conduct of the company’s affairs in future, order the buyout of the minority shareholders by the other shareholders or by the company itself, set aside or modify certain contracts entered into by the company, or appoint a receiver. The Tribunal could also provide for some directors of the company to be appointed by the Central Government, or by proportional representation. The Tribunal normally entertains such complaints only from a group of shareholders who are at least one hundred in number or constitute 10% of the shareholders by number or by value.

Another safeguard in the company law is the requirement that certain major decisions have to be approved by a special majority of 75% or 90% of the shareholders by value. This may not be an effective safeguard where the dominant shareholders hold a large majority of the shares so that they need to get the approval of only a small chunk of minority shareholders to reach the 75% level. Company law provides for regular accounting information to be supplied to the shareholders along with a report by the auditors. Disclosure is also a vital element in the ability of the capital market to exercise its discipline on the issuers of capital.

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**SECURITIES LAW-SEBI**

Historically, most matters relating to the rights of shareholders were governed by the company law. Over the last few decades, in many countries, the responsibility for protection of investors has shifted to the securities law and the securities regulators at least in case of large listed companies. In India, the Securities and Exchange Board of India (SEBI) was set up as a statutory authority in 1992, and has taken a number of initiatives in the area of investor protection.

Another area in which SEBI has intervened to tackle the dominant shareholder is the pricing rule that it has imposed on preferential allotments. Company law itself provides that new issue of shares must be rights issues to existing shareholders unless the shareholders in general meeting allow the company to issue shares to the general public or to other parties.

As discussed above, the company law itself mandates certain standards of information disclosure both in prospectuses and in annual accounts. SEBI has added substantially to these requirements in an attempt to make these documents more meaningful. Some of these disclosures are important in the context of dealing with the dominant shareholder. One of the most valuable is the information on the performance of other companies in the same group, particularly those companies which have accessed the capital markets in the recent past. This information enables investors to make a judgment about the past conduct of the dominant shareholder and factor that into any future dealings with him.

**CORPORATE GOVERNANCE IN SCRA**

Another aspect of the SEBI regulations is that in most public issues, the promoters (typically the dominant shareholders) are required to take a minimum stake of about 20% in the capital of the company and to retain these shares for a minimum lock-in period of about three years as per the provisions of The Securities Contracts (Regulation) Act, 1956 (SCRA) Further it also provides that any stock exchange, which is desirous of being recognized, may make an application in the prescribed manner to the Central Government. Securities Contracts (Regulation) Amendment Act, 2007 has been enacted in order to further amend the Securities Contracts (Regulation) Act, 1956, with a view to include securitization instruments under the definition of 'securities' and provide for disclosure based regulation for issue of the securitized instruments and the procedure thereof. This has been done keeping in view that there is considerable potential in the securities market for the certificates or instruments under securitization transactions.

**INSIDER TRADING & TAKEOVER REGULATIONS**

Securities regulators around the world have framed various regulations to deal with the problem of insider trading. The existence of regulations does not necessarily mean that they are enforced. However, in the United States and the United Kingdom there have been a large number of well publicized and successful actions against insider trading.

The take-over regulations in India require that a slice of this cake be shared with other shareholders. The acquirer of a controlling block of shares must make an open offer to the public for 20% of the issued share capital of the target company at a price not below what he paid of the controlling block. Of course, if more than 20% of the shareholders want to sell at that price, the acquirer is bound to accept only 20% on a pro-rata basis functioning market for corporate control; he can expect to get a premium over the market.

**STOCK EXCHANGES IN CORPORATE GOVERNANCE**

India currently has two major stock exchanges--the National Stock Exchange, established in 1994, and the Bombay Stock Exchange (BSE), the oldest stock exchange in Asia, established in 1875. Until 1992 the BSE was a monopoly, marked with inefficiencies, high costs of intermediation, and manipulative practices, so external market users often found them disadvantaged.

The National Securities Clearing Corporation is the legal counter-party to net obligations of each brokerage firm, and thereby eliminates counter-party risk and the possibility of payments crises. It follows a rigorous 'risk containment' framework involving collateral and intra-day monitoring. The NSCC, duly assisted by the National Securities Depository, has an excellent record of reliable settlement schedules since its inception in the mid-1990s. The number of trades is an important indicator of the extent of investor interest and participation in equities and equity trading, and provides important incentives for improving corporate governance practices in India.

**DEPOSITORY REFORM**

The major aspect contained in Depositories Act, 1996 is relief from stamp duty to the investors & a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on

behalf of a beneficial owner. However, it shall not have any voting rights or any other rights in respect of securities held by it. The beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of his securities held by a depository.

### **RECENT ICDR & CORPORATE GOVERNANCE**

SEBI has issued its latest regulation in 2009 for Issue of Capital & Disclosure called ICDR 2009 wherein significant amendments has been made for strengthening corporate governance norms in Capital market.

In 1994, SEBI issued new guidelines on preferential allotment that prohibited preferential allotments at a price lower than the average market price during the last six months. It is now replaced by the SEBI (ICDR) Regulation, 2009.

This regulatory intervention illustrates very nicely the problems that the regulator faces in dealing with governance abuses by the dominant shareholder. There are many situations where it may be in the interests of the company as a whole (and not just the dominant shareholders) to issue equity at below the six monthly average prices. One situation where compromises may be desirable on price is when the company is making a private placement of equity to large investors in an arms' length transaction. The private placement may be to avoid the costs of a public issue or because the company does not satisfy the entry norms for a public issue. It is well known that a company making a large additional issue of equity (whether by public issue or by private placement) has to price its equity significantly below the ruling market price. Many public issues for example are typically made at discounts of 15-20% to the ruling market price. The prohibition on making preferential issues at a discount would effectively rule out such private placements altogether.

At the same time for reasons of size or otherwise, a public issue may be infeasible. The regulatory intervention on preferential allotment may thus have the wholly unintended consequence of denying the company access to the capital market completely. Again, one can think of modifications in the regulations that would exempt arms' length transactions defined in some suitable way, but no such definition can be wholly satisfactory.

According to that amendment The Ministry of Corporate Affairs (MCA) has recognized need to harmonize the financial reporting standards for Indian companies with the IFRS and have tentatively announced that the Indian Accounting Standards be converged with the IFRS from the accounting periods commencing on or after 1st April, 2011 for all public interest entities.

In terms of the present requirements of Clause 49 of the Listing Agreement pertaining to 'Corporate Governance', the CEO and the CFO of a listed entity are required to certify that they have reviewed the financial statements and the cash flow statement for the year and that to the best of their knowledge and belief, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading. The CEO and the CFO are also required to certify that these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

In SEBI Board Meeting - Press Release No. 344/2009, dated 9-11-2009 it has also been declared that Companies listed on the SME exchanges would be exempted from the eligibility norms applicable for IPOs and FPOs prescribed in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR) along with all the provisions of Clause 49 of Listing Agreement.

### **CORPORATE GOVERNANCE IN FEMA**

FEMA emerged as an investor friendly legislation which is purely a civil legislation in the sense that its violation implies only payment of monetary penalties and fines. FEMA permits only authorized person to deal in foreign exchange or foreign security in Capital Market. The rules, regulations and norms pertaining to several sections of the Act are laid down by the Reserve Bank of India, in consultation with the Central Government. The Act requires the Central Government to appoint as many officers of the Central Government as Adjudicating Authorities for holding inquiries pertaining to contravention of the Act.

### **ETHICAL PRACTICE OF CORPORATE GOVERNANCE**

In India Capital market by itself exercises considerable discipline over the dominant shareholder who is supported by company law & SEBI Regulations. Minority investors may rarely attend shareholder meetings where the dice are loaded against them, but they are continuously voting with their wallets. They can vote with their wallets in the primary market by refusing to subscribe to any fresh issues by the company. They can also sell their shares in the secondary market thereby depressing the share price. A cash rich company with no foreseeable need for additional funds can be relatively unconcerned about this kind of action by minority

shareholders. Even in this case, however, the dominant shareholder (unless he holds a clear 51%) faces the risk of being ousted in a take-over battle.

A depressed share price makes the company an attractive take-over target. A well functioning market for corporate control makes this threat more real. The most powerful impact of voting with the wallet is on companies with large growth opportunities that have a constant need to approach the capital market for additional funds.

For these companies, shareholder disenchantment can be very expensive. In fact, in equilibrium, the price at which such companies can raise funds from the public will reflect the true worth of the business less the present value of all privileges that the market expects the dominant shareholder to extract in future. If these market expectations are fulfilled, the minority shareholders have little cause for complaint since they end up getting what they paid for. The market may be fooled once or twice, but pretty soon they can form a fair idea of the nature of the dominant shareholders and what they are likely to do. It is quite common for investors in India to value script using a standard financial model (like the price-earnings model, dividend discount model or discounted cash flow model) and then to subtract a "management discount" of 15% or 20% depending on the particular management group involved. This management discount reflects the present value of all future losses to the minority shareholder from governance abuses by the dominant shareholder.

This impact is further strengthened when the minority shareholders are large institutions (both domestic and foreign) who, in a sense, act as the gatekeepers to the capital market. When they vote with their wallets and their pens, they have an even more profound effect on the ability of the companies to tap the capital markets. Indian companies that opened their doors to foreign investors have seen this power of the minority shareholder in very stark terms. These investors can perhaps be fooled once as easily as any other intelligent investor, but the next time around, the company finds that its ability to tap the international markets with an offering of Global Depository Receipts (GDRs) or other instrument has practically vanished. In the mid-90s, company after company in India has woken up in this manner to the power that minority shareholders enjoy when they also double up as gatekeepers to the capital market. In well-developed capital markets, large investment banks perform the gate keeping function of making a judgment about the company and its management. The investment bank definitely is no stranger to the capital markets, and it has a reputation to defend because it needs to come back to the market again and again. The privileged relationship that the investment bank, particularly the lead manager has with the issuer enables it to make a better assessment about the corporate governance of the company involved. This judgment is reflected in its pricing decisions. What makes capital market discipline so much more attractive than regulatory intervention is that unlike the regulator, the market is very good at micro level judgments and decisions. The regulator can then concentrate on making the markets more efficient at performing this function. Similar views have been expressed about corporate governance problems even in the United State, but they apply with far greater force to the Indian context.

## **CONCLUSION**

It can be concluded that the real threat to maximizing shareholder returns centrally risk management and policy decisions taken by the Board instead of responsibility and accountability. A responsible and honest decision need not always be a discerning decision; however one can also not do away with requirements of fair play and accountable behavior in the name of profit. Hence what is required today is a moderate regulatory regime with strong ethical code of conduct for the key players in the governance of a company. A board which is accountable to the owners would only be one which is accountable to the dominant shareholder; it would not make the governance problem any easier to solve. Clearly, the problem of corporate governance abuses by the dominant shareholder can be solved only by forces outside the company itself. This paper has discussed the role of two such forces– the regulator (the company law administration as well as the securities regulator) and the capital market.

In spite of the corporate governance shortcomings, the Indian economy and its financial markets have started attaining impressive growth rates in recent years, and display an exceptionally high level of optimism. The reason is that India is now clearly and strongly committed to sustaining and rapidly furthering the major economic reforms and the liberalization started in the early nineties. Specifically, the Securities and Exchanges Board of India established as a part of these reforms, has a rigorous regulatory regime to ensure fairness, transparency and good practice, and the National Stock Exchange of India, also established as part of the reforms, functions efficiently and transparently to now trade among the highest number of trades in the world, just behind NASDAQ and NYSE. The traditional Bombay Stock Exchange has also reformed effectively. In short, the key to better corporate governance in India today lies in a more efficient and vibrant capital market.

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**AN EXPERIMENTAL STUDY OF TEACHING ENGLISH THROUGH TRADITIONAL METHOD AND FUNCTIONAL COMMUNICATIVE APPROACH AT SECONDARY LEVEL**

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**Amal Kumar Chakrabarty<sup>1</sup> and Dr. Tuhin Kr. Samanta<sup>2</sup>**Assistant Professor<sup>1</sup>, B.Ed. Departmen, Katwa College, Burdwan, West BangalAssociate Professor<sup>2</sup> Departmen of Education, The University of Burdwan, West Bangal

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**ABSTRACT**

*Teaching second in the ESL classroom situation is a vital and tremendous assignment for the ESL teacher. The teacher has to give the maximum effort to generate the four basic language skills among the learners who form an anomalous group in the class. In most of the cases the teacher adopts the traditional grammar translation method to develop competencies among the learners. But the learners belonging to different level of capability cannot be made equally competent through this method. Again if teaching situation is operated through Functional Communicative Approach, second language learning becomes animating so that the learners get motivated to be associated in the language process. The present Study is an attempt to explore experimentally the comparative effectiveness of the traditional method of teaching and teaching with Functional Communicative Approach in the second language classroom situation.*

*Key Words: Traditional Method, Communicative Approach, Secondary Learners*

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**INTRODUCTION**

Language teaching is a complex network of activities. In the conventional ESL classroom situation the target language teacher has to make hectic effort to accelerate the process of second language acquisition by the mere application of the verbal skills with the help of text books. In the phase of target language learning, the second language teacher seeks to generate productive skills (speaking and writing) and receptive skills (listening and reading) among the learners by means of rendering adequate verbal exposure of the second language in the conventional method. But the skill development can be made more positive if second language learning situation is operated with relevant application of methodological procedures that will essentially be child-centric in nature and practice.

**OBJECTIVES OF THE STUDY**

Teaching second language through the frequent usage of mother tongue as a point of reference is possibly the easiest strategy in the domain of second language teaching. Traditional teaching is generally manipulated inside the classroom situation in a stereotyped manner, whereby, the teacher consistently builds a pattern of connected discourse following the principles of grammar translation method. But he seems to be least concerned about how much the learners get benefitted in as far as the skill development in the target language process is concerned. Keeping this view in mind the researcher undertakes an experimental project to know-

- 1) Whether the administration of specific **new approach** is more effective in language acquisition process in the rural school than the effectiveness of **traditional method** in generating those skills among the **rural learners**.
- 2) Whether the administration of specific **new approach** is more effective in language acquisition process in the urban school than the effectiveness of **traditional method** in generating those skills among the **urban learners**
- 3) Whether the application of specific methodological application enhances the requisite degree of learning behaviour in terms of second language acquisition among the **low achievers and the high achievers** belonging to the secondary level under W.B.B.S.E.in the district of Birbhum.
- 4) Whether the **communicative approach** are more effective in concept attainment than the **traditional mode** of teaching English texts.
- 5) Whether second language leaning with the **Functional Communicative Approach** in classroom situation enhances the performances of the **low achievers** belonging to the **rural** background in comparison to the **traditional method** of teaching the same category of learners.
- 6) Whether second language leaning with the **Functional Communicative Approach** in classroom situation enhances the performances of the **low achievers** belonging to the urban background in comparison to the **Traditional Method** of teaching the same category of learners.

- 7) Whether the **high achievers** in the rural background school may expose more proficiency when they are taught through **Functional Communicative Approach** than their being taught through the **traditional method**.
- 8) Whether the **high achievers** in the urban background school may expose more proficiency when they are taught through **Functional Communicative Approach** than their being taught through the **traditional method**.
- 9) Whether there is difference in the competence levels of the second language **rural** learners when they are taught respectively through **traditional method** and **Functional Communicative Approach**.
- 10) Whether there is difference in the competence levels of the second language **urban** learners when they are taught respectively through **traditional method** and **Functional Communicative Approach**

### REVIEW OF RELATED LITERATURE

Gupta (1996) compares trained and untrained English language teachers and reports that untrained teachers have difficulties in comprehension and have a poor knowledge of synonyms. The findings highlight the needs for viewing teacher competence as one of the main strategies in language teaching.

Deivasundaram (1995) discusses the advantages of using the principles of transformational generative grammar of CLT for teaching mother mother-tongue

Khalique (1995) compares the use of direct, structural and translation methods of teaching and reports that most of them use translation method for language teaching whereas Bose (1993) also emphasises the need for a functional approach rather than a structural one for English language teaching. The use of pre-unit activities is also advocated to familiarise learners about the concepts to be learnt at the higher primary levels of education.

The study of Ganguly and Ganguly (1996) makes a significant finding. They report to the use of strategies like explaining rules of languages, questioning, paraphrasing, and lessons in their text books, dictating model, answers and pattern drills for teaching English. However, according to their findings, in spite of these strategies learners are not in a position to use language fluently at all. This finding is significant in the Indian context because it brings to the fore the need for using different strategies for first and second language. In the first language, the oral skills are naturally developed.

Buch (1997) empirically shows the benefits of using remedial package for teaching oral skills for secondary students learning English. These materials are reportedly helpful even for slow learners in enhancing language skills. From these findings it appears that for successful skill development, particularly at the upper primary and secondary stage, the learner has to be totally involved in the learning activity to the point of being un-self conscious. The use of strategies like role play and performing arts help learners to be actively involved in the learning process.

Austin J Damiani (2003) in his article “The Grammar Translation Method of Language Teaching” states “As a teacher, I liked using the grammar translation method because I could assume the intelligence of my students; I could talk to them like the intelligent people that they are, and we could talk about the grammar and vocabulary that I was teaching. In another method, I would have had to use simple language and familiar phrases to communicate in the target language, and even then I could not be sure that my students knew and understand what it was that they were saying”.

### STATEMENT OF THE PROBLEM

The problem under the present study is entitled as:

**An Experimental Study of Teaching English through Traditional Method and Communicative Approach at Secondary Level**

### Terms Definitions

**Traditional Method:** The traditional method of teaching implies the strategy of teaching that employs grammar and translation as prime vehicle for teaching any sort of second language texts. Here, mother tongue is used as a point of reference to translate the meaning of the literary texts or vice versa.

**Communicative Approach** is a much talked about language teaching paradigm that resulted from a focus on communication as the organising principle for teaching rather than a focus on mere structural mastery as the goal of language teaching. It is based on the assumption that learning a language comes successfully through having the capability to communicate the real meanings with learners getting involved in contextual communication. According to American and British Applied linguists Communicative Approach categorically

aims to i) make communicative competence as the goal of language teaching and ii) develop procedures for the teaching of the four language skills that acknowledge the interdependence of language and communication. Communicative Approach systematically caters to generate communicative competence which is an interpersonal construct that can only be examined by means of the overt performance of two or more individuals in the process of negotiating meaning. In the present study the Communicative Approach is experimented for the purpose of generating the four fundamental language skills among the learners by means of teaching some selected prose units of 10<sup>th</sup> class of the West Bengal Board of Secondary Education from functional point of view.

### HYPOTHESES

In order to test the relative effectiveness of second language teaching with Functional Communicative approach and Traditional Method some null hypotheses are formulated. The null hypotheses state that there exists no significant difference between the achievements levels of two groups of pupils upon whom the two types of instructional strategies have applied experimentally in exclusive manner. The following null hypotheses are formulated:

- 1) There exists no significant difference between the mean scores of the experimental group and the control group on pre-test. ( **urban school** )
- 2) There exists no significant difference between the mean scores of the high achievers of the experimental group and the control group on pre-test ( **urban school** )
- 3) There exists no significant difference between the mean scores of the low achievers of the experimental group and control group on pre-test ( **urban school** )
- 4) There exists no significant difference between the experimental group and the control group on post-test. ( **urban school** )
- 5) There exists no significant difference between the mean scores of the high achievers of the experimental and control group on post-tests. ( **urban school** )
- 6) There exists no significant difference between the mean scores of the low achievers of the experimental and control group on post-test. ( **urban school** )
- 7) There exists no significant difference between the mean scores of the experimental group and the control group on previous achievement tests. ( **rural school** )
- 8) There exists no significant difference between the mean scores of the high achievers of the experimental group and control group on previous achievement test. ( **rural school** )
- 9) There exists no significant difference between the mean scores of the low achievers of the experimental group and the control group on previous achievement tests. ( **rural school** )
- 10) There exists no significant difference between the mean scores of the experimental group and the control group on post-test. ( **rural school** ).
- 11) There exists no significant difference between the mean scores of the high achievers of the experimental group and the control group on post-test. ( **rural school** )
- 12) There exists no significant difference between the mean scores of the low achievers of the experimental group and the control group on post-test, ( **rural school** )

### DESIGN OF THE STUDY

Keeping in mind the objectives of the Present research the researcher has devised the necessary design which comprises the following components:

- a) Method of Study
- b) Population of Study
- c) Sample of the Study
- d) Sources of collection of data
- e) Procedure for investigation and data collection
- f) Date treatment

### Method of Study

The present study has been designed under experimental method. It aims at evaluating the effectiveness of the second language teaching with functional communicative approach in comparison with the traditional method of teaching the second language at secondary level classroom situation under West Bengal Board of Secondary Education. For the proper implementation of experimental design two schools, one from the rural backdrop and other from the urban backdrop have been selected. The two schools have been taken from two different blocks of the Birbhum district. Class X has been chosen for the purpose of experimentation of the teaching methods.

### Population of the Study

The two schools belonging to two different blocks, namely, Suri I, and Dubrajpur have been selected deliberately selected for the specified purpose of investigation. The school from the urban background is, Benimadhab Institution and The rural school is Jashpur High School. Thus the pupils of the two schools constitute the population of the present study.

### Sample of the Study

The 10th class of the two schools have been fixed up for experimentation. Two sections of the 10th class of each school comprising 30 students have been taken up for present study. Thus taken together total 120 students constitute the sample of the present study.

### Sources of Collection of Data

In order to achieve of the present study The following **tools** were employed for collection of data:

- 1) Pre-test of the students of the urban school
- 2) The previous achievement records of the pupils of the rural school
- 3) The post-tests of both schools

The following scores will constitute the **data** for the present experiment

- a) The scores of the pre-test of the 10<sup>th</sup> class students under urban schools
- b) The scores of the previous achievement records of the 10th class students belonging to rural school
- c) The scores of the post-test of the 10th class students of the rural school
- d) The scores of the post-test of the 10<sup>th</sup> class students of the urban school

### Procedure for Investigation and Data Collection

As mentioned earlier, two sections of 10<sup>th</sup> class of an urban school and two sections of the 10<sup>th</sup> class of a rural school are definite backdrop for the present experimental research. A pre-test of the 10<sup>th</sup> class students of the urban school is taken. On the basis of the scores of the pre-test of the pupils of the said class of the urban school the pupils are equalized and they are divided into Experimental and Control group by using **pair random sampling technique**. Pupils of the rural students are also divided into Experimental and Control group on the basis of the previous achievement test by using the same pair random sampling technique. It is to be mentioned at the outset that the number of pupils under each group is 30. The **Solomon Four Group Design** is selected as the proper design for the present research. The design is as follows:

1. Pupils are randomly assigned to four Groups (R)
2. Two groups will receive Experimental treatment (X)
3. Two groups will receive Control treatment (C)
4. One Experimental Group will receive a Pre-test (O<sub>1</sub>)
5. One Control Group will receive a Pre-test (O<sub>2</sub>)
6. All the four groups will receive Post-tests (O<sub>3</sub>O<sub>4</sub>O<sub>5</sub>O<sub>6</sub>)

### Experimentation

After careful observation of the teaching learning situation of the Birbhum district two schools from two different blocks are selected. The rural school, namely, Jashpur High School, belong to Dubrajpur Block, whereas, Benimadhab Institution is the urban school belonging to Suri I block. Two English teachers, one belonging to rural school and one from urban school having equal qualification are selected to teach the Experimental group and the Control group. The teachers were provided with necessary orientation regarding the following points on the use Functional Communicative Approach:

- There is a consistent focus throughout on learning English in order to develop practical and functional skills.
- Students are engaged in practical tasks that relate to real world uses of English.

- Realistic and communicative uses of language are given priority.
- Maximum use is made of pair work and group work activities in which students complete tasks in a collaborate manner.
- There is an appropriate balance between accuracy-focused and fluency-focused activities.
- Teachers serve as facilitators of learning rather than as presenters of information.
- Assessment procedures reflect and support a communicative and skill-based orientation to teaching and learning.
- Students develop an awareness of the learning process and their own styles, strategies and weakness.
- Students develop the ability to monitor their own learning progress and ways of setting personal goals for language improvement.

The following prose texts of the Learning English book for class X is selected to teach the students. 1) **Engine Trouble**, 2) **A Great National Hero** 3) **The Refugee** 4) **Most Beautiful** 5) **Gifts of the Wise**

The Experimental group is taught with the techniques and strategies based on the tenets of functional communicative approach to help them gather concepts on the above mentioned texts. Mostly and basically the teachers followed a **learner-centred approach** to motivate the students to be engaged in the language learning process. To develop the language skills individually the teachers consistently and rigorously followed the principles of the communicative approach and encouraged the **pair work and group work** techniques so that the learners can gather skills through the process of peer learning. The teachers triggered the interaction process so that the pupils can share and exchange their views in a mutual manner and develop the basic skills with the minimum help but active supervision of the teachers. Here the teachers did not take the initiatives to teach but become instrumental to creating the conditions for self learning and group learning. The teachers were tolerant enough not to over criticize the errors committed by the learners but helping them find out their areas of linguistic deviations and at last providing them necessary clarifications so that concepts formations become possible among the learners.

The Control Group, on the other hand, is taught with rigorous application of the **teacher-centric** method. He takes the upper hand to manipulate the second language learning situations in an absolute manner and always taking initiatives to rectify the learners' mistakes in a corrective manner. Basically they followed the traditional strategy of teaching by translating the texts into Bengali and followed **the principle of grammar translation method**. While teaching the target language texts they explained the rules of English grammar in a deductive manner encouraging the learners to memorize the rules with the assumption in mind that they will be able to use the rules for the purpose of constructing English structures. They also assumed that the learners will be able to use the rules to form their speech habits. The pupils are taught in a passive manner.

### TEST CONSTRUCTION

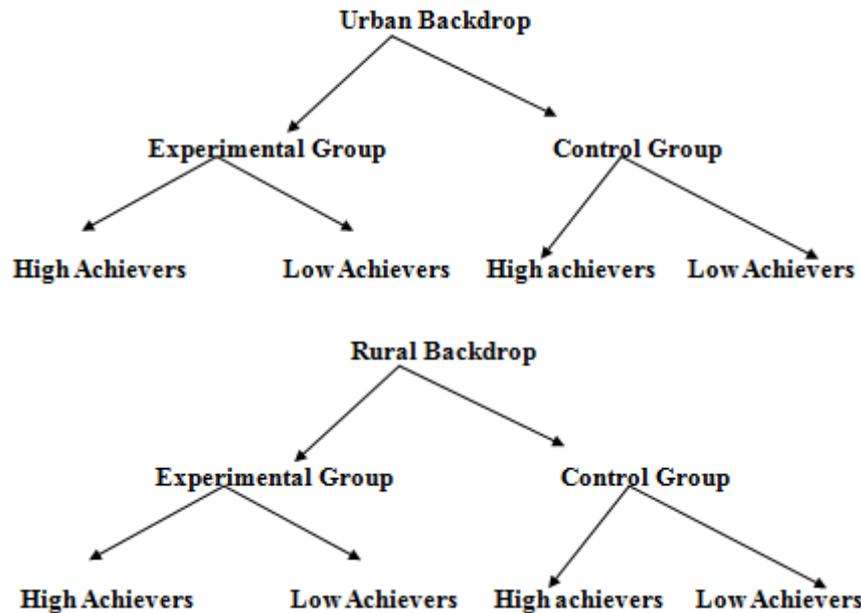
After the experimentation of teaching comprising two weeks duration is over, a teacher-made post-test is taken to compare the effectiveness of the experimental method. The investigator constructed both the pre-test and post-test after a thorough of the techniques of the principles of test construction relevant sections of selected prose units. In addition, the consent of the class teacher and teaching experts were also weighed in the construction of the tests. Each test comprises 50 multiple choice types items based on the selected prose units of 10<sup>th</sup> class. While constructing the texts the dimensions of the language and structures are taken into consideration.

### RELIABILITY OF THE TEST

Spearman-Brown Prophecy formula is used to determine the reliability of the pre-test and post-test. Here the reliability is estimated by comparing the halves of the pre-test and post-tests. In this way the reliability coefficient is found to be 0.78.

### ANALYSIS OF DATA

Raw scores obtained from pre-tests, school record, and post-test were presented in a tabular form for the purpose of interpretation. For the manipulation of data the means, standard deviations, and differences of means were calculated for each group. Significances of difference between the mean scores of both the experimental and control groups on the variables of pre-test scores, school record scores and post-tests scores was tested at 0.05 level by applying T-tests. The Solomon Four group Design is employed for the treatment of the data. The symbolic representation of the SFGD is as follows:



**H<sub>0</sub>1:** There exists no significant difference between the mean scores of the experimental group and the control group on pre-test.( **urban school** )

**Table-1:**Significance of difference between the mean scores of Experimental and Control groups on pre-test.

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	30	61.33	15.18	3.96	0.29
Control	30	60.17	15.52		

df =58

**Table 1** indicates that the difference of mean scores of the Experimental and Control Group is not significant at 0.05 level. Hence the null hypothesis is accepted so that both the groups could be treated as equal on the variable of pre-test.

**H<sub>0</sub>2:** There exists no significant difference between the mean scores of the high achievers of the experimental group and the control group on pre-test ( **urban school** )

**Table 2:** :Significance of difference between the mean scores of the High Achievers of the Experimental and Control groups on pre-test.

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	75.33	4.39	1.67	0.516
Control	15	74.47	4.73		

df = 28

Table 2 reflects that the obtained t value is 0.516 which is less than the statistical table value i.e. 2.14 at 0.05 level. Thus the null hypothesis is accepted so that we can safely state that there exists no significant difference between the mean scores of the high achievers experimental and the control group on pre-test. Thus both the groups could be treated as equal.

**H<sub>0</sub>3:** There exists no significant difference between the mean scores of the low achievers of the experimental group and control group on pre-test (**urban school**)

**Table 3:** Significance of difference between the mean scores of the low Achievers of the Experimental and Control groups on pre-test.

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	47.33	6.20	2.26	0.645
Control	15	45.87	6.19		

df =28

**Table 3** reflects that the obtained t value is 0.57 which is less than the statistical table value i.e. 2.04 at 0.05 level. Thus the null hypothesis is accepted so that we can safely state that there exists no significant difference

between the mean scores of the low achievers of the experimental and the control group on pre-test. Thus the low achievers of both the groups could be treated as equal.

**H<sub>04</sub>:** There exists no significant difference between the experimental group and the control group on post-test. (urban school)

**Table-4:** Significance of difference between the mean scores of Experimental and Control groups on post-test.

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	30	76.27	9.44	2.55	9.05
Control	30	53.17	10.32		

df = 58

The table 4 exhibits that the obtained t value is 9.05 which is greater than the statistical table value which is 2.04 at 0.05 level. So we can assert that that there exists significant difference between the mean scores of the experimental and the control group on post-test. So the null hypothesis is rejected and we can say that the students of the experimental group have performed better since they were taught by the communicative approach.

**H<sub>05</sub>:** There exists no significant difference between the mean scores of the low achievers of the experimental and control group on post-tests. (urban school)

**Table-5:** Significance of difference between the mean scores of the high Achievers of the Experimental and Control groups on post--test.

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	84.07	5.26	2.54	9.50
Control	15	59.87	8.34		

df = 28

The table 5 exhibits that the obtained t value is 9.50 which is greater than the statistical table value which is 2.04 at 0.05 level. So we can assert that that there exists significant difference between the mean scores of the high achievers of the experimental and the control group on post-test. So the null hypothesis is rejected and we can say that the high achieving students of the experimental group of the urban backdrop has performed better since they were taught by the communicative approach.

**H<sub>06</sub>:** There exists no significant difference between the mean scores of the low achievers of the experimental and control group on post-test. (urban school)

**Table 6:** Significance of difference between the mean scores of the low achievers of the Experimental and Control groups on post--test.

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	68.47	5.17	2.33	9.44
Control	15	46.47	7.40		

df = 28

The table 6 exhibits that the obtained t value is 4.02 which is greater than the statistical table value which is 2.04 at 0.05 level. So we can assert that that there exists significant difference between the mean scores of the low achievers of the experimental and the control group on post-test. So the null hypothesis is rejected and we can say that the low achieving students of the experimental group of the urban backdrop has performed better since they were taught by the communicative approach.

**H<sub>07</sub>:** There exists no significant difference between the mean scores of the experimental group and the control group on previous achievement tests. (rural school )

**Table-7:** Significance of difference between the mean scores of Experimental and Control groups on previous achievement test

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	30	58.3	15.66	4.01	0.14
Control	30	57.73	15.37		

df = 58

Table 7 indicates that the difference of mean scores of the Experimental and Control Group of the rural backdrop is not significant at 0.05 level. Hence the null hypothesis is accepted so that both the groups could be treated as equal on the variable of pre-test.

**H<sub>0</sub>8:** There exists no significant difference between the mean scores of the high achievers of the experimental group and control group on previous achievement test. ( **rural** school)

**Table-8:** Significance of difference between the mean scores of the high achievers of the Experimental and Control groups on previous achievement test

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	72.07	4.5	1.56	0.42
Control	15	71.4	4.05		

df =28

Table 8 reflects that the obtained t value is 0.42 which is less than the statistical table value i.e. 2.14 at 0.05 level. Thus the null hypothesis is accepted so that we can safely state that there exists no significant difference between the mean scores of the high achievers of the experimental and the control group on pre-test. Thus both the groups could be treated as equal.

**H<sub>0</sub>9:** There exists no significant difference between the mean scores of the low achievers of the experimental group and the control group on previous achievement tests. (**rural** school)

**Table-9:** Significance of difference between the mean scores of the low achievers of the Experimental and Control groups on previous achievement test

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	44.53	9.05	3.21	0.14
Control	15	44.07	8.52		

df = 28

Table 9 reflects that the obtained t value is 0.71 which is less than the statistical table value i.e. 2.04 at 0.05 level. Thus the null hypothesis is accepted so that we can safely state that there exists no significant difference between the mean scores of the low achievers of the experimental and the control group from the rural background on pre-test. Thus the low achievers of both the groups could be treated as equal.

**H<sub>0</sub>10:** There exists no significant difference between the mean scores of the experimental group and the control group on post-test. (**rural** school)

**Table-10:** Significance of difference between the mean scores of the Experimental and Control groups on post-test

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	30	72.47	9.69	2.69	5.67
Control	30	57.23	11.07		

df= 58

The table 10 exhibits that the obtained t value is 5.67 which is greater than the statistical table value which is 2.04 at 0.05 level. So we can assert that that there exists significant difference between the mean scores of the experimental and the control group on post-test. So the null hypothesis is rejected and we can say that the students of the experimental group have performed better since they were taught by the communicative approach.

**H<sub>0</sub>11** There exists no significant difference between the mean scores of the high achievers of the experimental group and the control group on post-test. (**rural** school)

**Table-11:** Significance of difference between the mean scores of the high achievers of the Experimental and Control groups on post- test

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	81	4.72	1.71	8.62
Control	15	66.27	4.64		

df= 28

The Table 11 exhibits that the obtained t value is 8.62 which is greater than the statistical table value which is 2.04 at 0.05 level. So we can assert that there exists significant difference between the mean scores of the high achievers of the experimental and the control group from rural background on post-test. So the null hypothesis is rejected and we can say that the high achieving students of the experimental group of the rural backdrop has performed better since they were taught by the communicative approach.

**H<sub>0</sub>12:** There exists no significant difference between the mean scores of the high achievers of the experimental group and the control group on post-test, (**rural** school)

**Table-12:** Significance of difference between the mean scores of the High Achievers of the Experimental and Control groups on post- test

Group	N	M	SD	SE <sub>D</sub>	T-value
Experimental	15	63.93	4.04	2.21	7.12
Control	15	48.2	7.54		

df=28

The Table 12 exhibits that the difference between the mean scores of the experimental and control group on post test is not statistically significant at 0.05 level since the calculated value, i.e. 7.12 is greater than the table value at 0.05 level. So the null hypothesis, "there exists no significant difference between the mean scores of the high achievers of the experimental group and the control group on post-test" is rejected, stating that high achievers of the Experimental performed much better than the control group.

## RESULTS & DISCUSSION

After systematic analysis of data the 12 hypotheses were experimentally verified and necessary results were drawn. The **H<sub>0</sub>1, H<sub>0</sub>2 and H<sub>0</sub>3** exhibit that there exists no significant difference between the experimental group and the control group on pre-test. The hypothesis test of **H<sub>0</sub>4** states that there exists significant difference between the experimental and the control group on post tests. The testing of **H<sub>0</sub>5** states there is significant difference between the level of the high achievers of the experimental and control group on pre-test in case of the urban school. From the testing of **H<sub>0</sub>6** it is evident that the low achievers of the experimental group performed better than the low achievers of the Control group. Similarly the **H<sub>0</sub>7, H<sub>0</sub>8, H<sub>0</sub>9** uphold that there is no level of difference between the experimental and the control group on pre-test at the urban school. So the groups can be treated as equal on the basis of I.Q. level. The **H<sub>0</sub>10** exhibits that the experimental group performed better than the control group when they were taught by the Functional Communicative approach. The results of **H<sub>0</sub>11, H<sub>0</sub>12** show that the high and the low achievers of the experimental groups performed significantly better than those sections of control groups. So from the experimental treatment we can gather the general notion that the application of the Functional Communicative Approach in case of the English language teaching may yield better result than the application of the traditional method on students belonging to different educational backdrops.

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**OPPORTUNITIES AND CHALLENGES IN THE MICROFINANCE SECTOR OF INDIA WITH  
SPECIAL REFERENCE TO HARYANA**

**Priyanka Sharma**

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**ABSTRACT**

*Microfinance in India started in 1974 in Gujarat as Shri Mahila SEWA (Self Employed Women's Association) Sahakari Bank. Registered as an Urban Cooperative Bank, they provided banking services to poor women employed in the unorganised sector. Microfinance later evolved in the early 1980s around the concept of informal Self-Help Groups (SHGs) that provided deprived poor people with financial services. From modest origins, the microfinance sector has grown at a steady pace. Microfinance Institutions (MFIs) currently operate in 28 States, 5 Union Territories and 561 districts in India. Haryana being one of the wealthiest states of India having the second highest per capita income in the country at 132,089 in the year 2013–14 provides great opportunity to the microfinance sector. 65.2% of Haryana's population lives in Rural areas which makes it even more lucrative. The Rural population of Haryana was 1,65,31,493 in 2011. Haryana is also one of the most economically developed regions in South Asia and its agricultural and manufacturing industry has experienced sustained growth since the 1970s. These things have attracted many Microfinance Institutions to Haryana. At present 12 microfinance institutions are working in Haryana covering 19 districts. The total clients based are more than 3 lakhs which is being managed by 1061 employees. This paper tries to study the various microfinance institutions that are operating in the state of Haryana and also tries to identify the various opportunities and challenges that these microfinance institutions are facing.*

*Key Words: Microfinance, Self-help groups, Rural, Haryana*

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**CURRENT SCENARIO OF MICROFINANCE IN INDIA**

The poor and vulnerable continue to face a dearth in banking and financial services in India. According to report prepared by CRISIL, the number of households facing financial exclusion in the country at around 120 million. Over the past decade, microfinance has played an important role in filling this gap. Microfinance Institutions (MFIs) are uniquely positioned to facilitate financial inclusion, and provide financial services to a clientele poorer and more vulnerable than the traditional bank clientele. There is no comprehensive regulatory framework for the microfinance sector in India. MFIs exist in many legal forms. Many mid-sized and large MFIs are however, acquiring and floating new companies to get registered as non – banking financial companies (NBFCs), which will help them achieve scale.

The term microfinance refers to small – scale financial services – both credit and saving, that are extended to the poor in rural, semi-urban and urban areas. The poor need microfinance to undertake economic activity, smoothen consumption, mitigate vulnerability to income shocks (in times of illness and natural disasters), increase savings and support self – empowerment. In India, most microfinance loans are in the range of Rs.5000 to Rs.20000 (the Development and Regulation Bill 2007, defines microfinance loans as loans with amounts not exceeding Rs.50000 in aggregate per individual / small enterprise).

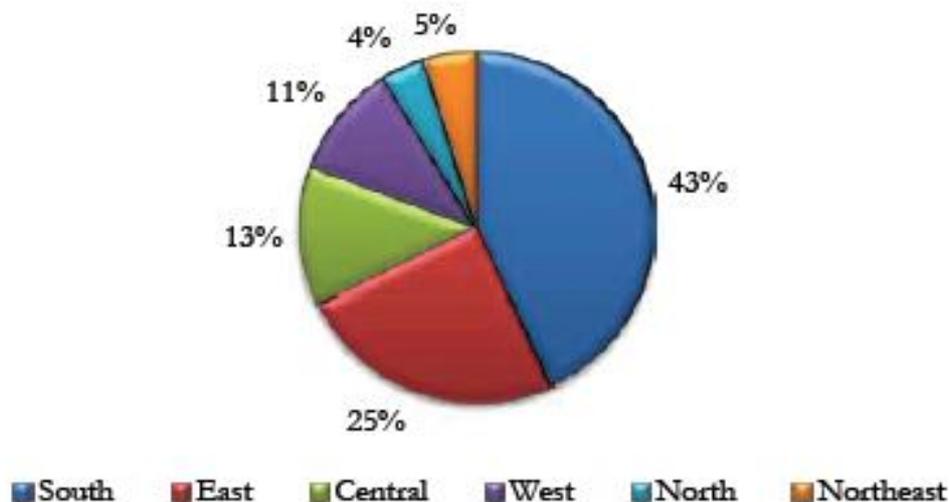
Microfinance in India started in 1974 in Gujarat as Shri Mahila SEWA (Self Employed Women's Association) Sahakari Bank. Registered as an Urban Cooperative Bank, they provided banking services to poor women employed in the unorganised sector. Microfinance later evolved in the early 1980s around the concept of informal Self-Help Groups (SHGs) that provided deprived poor people with financial services. From modest origins, the microfinance sector has grown at a steady pace. Now in a strong endorsement of microfinance, the National Bank for Agriculture and Rural Development (NABARD) and Small Industries Development Bank of India (SIDBI) have committed themselves to developing microfinance.

The Indian Microfinance Sector has witnessed a phenomenal growth over the past 15 years. The number of Institutions providing microfinance services has gone up from a few to several hundreds. The quantum of credit made available to the poor and financially excluded clients have gone past 33,500 crore and number of clients benefitted crossed 33 million as of March 2014. The SHG bank linkage program has equally grown to touch the lives of individuals through SHGs with an outstanding loan portfolio of approx 43,000 crores.

Microfinance Institutions (MFIs) currently operate in 28 States, 5 Union Territories and 561 districts in India. The average loan outstanding per borrower stood at `10,079 and 80% of loans were used for income generation purposes.

MFI sector employs more than 80,000 personnel, out of which 19% are women, and 63% are field staff. Active borrowers per credit officer (ABCO) is 438. The total number of clients served by MFIs stood at 330 lakh as on 31 March, 2014. Out of the total client base of 330 lakh, the South alone contributes to 43% followed by 25% in East. Central region and West have 13% and 11% of total outreach respectively. Northeast and North have the least client outreach numbers with 5% and 4% respectively.

Figure 1 : Regional Break up of Client Outreach



Source : The Bharat Microfinance Report 2014

#### LITERATURE REVIEW

**Seibel and Parhusib ( 1990 )** mentioned in their study that expansion of credit coverage through state interventions approach was based on the premise that rural micro entrepreneur are enable to organize themselves. They need subsidized credit for increasing their income and are too poor to serve.

**Barry ( 1996 )** is of the view that MFI's to become financially viable, self sustaining and integral to the communities in which they oprate, must have the potential to attract more resources and services to clients. Despite the focus of MFI's, only about 2% of the suffering world and 500 million small entrepreneurs are estimated to have access to financial sector.

**Benjamin and Piprek ( 1997 )** have traced a traditional approach in the rural finance. Under this approach the key problem area visualize the rural finance market included a lack of market in rural areas, absence of moderate technology in rural areas and prevalence of unspurious money lenders.

**Sharma and Zellar ( 1997 )** show that repayment problems increase when there are more relatives in the same group.

**Wydick ( 1999 )** found evidence that the social ties within groups reduce pressure, the members put on each other to repay loans. If the members are more homogeneous they have lower incentives to screen, monitor and enforce each other and/or may start to collude against the program.

**Naila kabeer (2005)** in a study apparently concludes that while access to financial services can and does make important contributions to the economic productivity and social well-being of poor women and their households, it does not "automatically" empower women – any more than do education, political quotas, access to waged work or any of the other interventions.

**M. Anjugam (2007)** observed that socially backward, landless and marginal farm house holds participate more in the self help group programme. Possession of livestock and consumer goods by the member households has been found to deter the joining of group.

**Ahlin and Townsend ( 2007 )** empirically found the support for the fact that repayment performance is negatively associated with higher levels of relatedness and sharing within groups and with higher levels of joint liability and is positively associated with the strength of local sanctions and with higher correlations between borrower return. They also found that social ties between group members are not necessarily positive in promoting repayment.

**Gladis Mary John (2008)** found that membership in SHG inculcated a great confidence in the mind of majority of women to succeed in day to day life. Positive change was found in the attitude of relatives and friends towards the women in self help groups.

### OBJECTIVE OF THE STUDY

- To analyze the structure and pattern of microfinance model.
- To analyze the growth of microfinance sector in Haryana.
- To understand the marketing of microfinance products in rural market of Haryana.
- To identify the reasons for the success of microfinance.
- To study the factors affecting microfinance and suggestions on how micro finance could be delivered in future.

### RESEARCH METHODOLOGY

The study is basically based on secondary data. Data have been found out by googling in different websites. The secondary data also been collected from various sources like journals, books, manuals, reports and magazines. The study has covered Micro Financing activities in different districts of Haryana.

### THE DIFFERENTIATING FACTORS OF MFI'S

The MFI's differ from one another in terms of:

- Lending model
- Mode of interest rate calculation
- Product offering
- Loan repayment structure
- Legal structure

In terms of lending model, MFIs may be classified as lenders to groups or as lenders to individuals. In India, MFIs usually adopt the group based lending models, which are of two groups

- The self help group ( SHG )
- The joint liability group ( JLG )

Under the SHG model, an MFI lends to a group of 10 to 20 women. Under the SHG bank linkage model, an NGO promotes a group and gets banks to extend loans to the group. Under JLG model, loans are extended to and recovered from, each member of the group. Most of the large MFIs in India follow a hybrid of the group model.

MFIs are also differentiated on the basis of their loan repayment structures. Most MFIs following the JLG model adopt the weekly and fortnightly repayment structure. MFIs following the JLG model charge flat interest rates of 12 to 18 % on their loans, while MFIs following the SHG model charge 18 to 24 % interest per annum based on the reducing balance method. With respect to legal structure, MFIs may be classified as follows :

- **Not for profit MFI**
  - Societies ( such as Bandhan, Seva Samithi, Gram Utthan )
  - Public trusts ( such as community Development center )
  - Non profit companies ( such as Cashpor Micro Credit )
- **Mutual benefit MFI**
  - Co-operative registered under State or National Acts ( such as Sakh Sakhari Samiti Limited )
  - Mutually aided co-operative societies ( such as Sewa Mutually Aided Co-operative Thrift Societies Federation Limited )
- **For profit MFI**
  - Non banking financial companies ( such as SKS microfinance Ltd and Spandana Sphoorthy Financials Ltd )
  - Producer companies ( such as Sri Vijaya Visakha Milk Producer Co Ltd )
  - Local area banks ( Krishna Bhima Samruddhi Local Area Bank )

**KEY STRENGTHS OF INDIAN MFI'S**

► **Improving earnings profile**

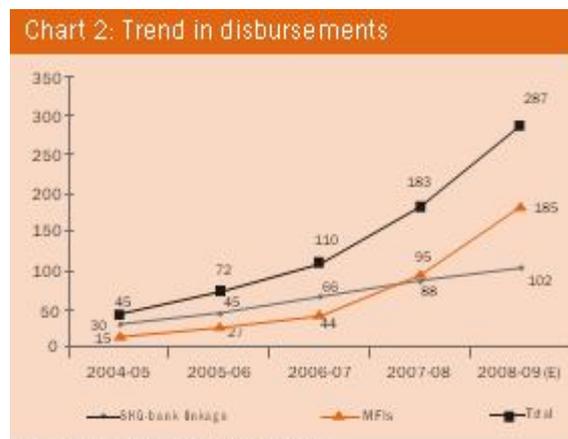
Improvement in lending rates, in branch and employee productivity and increasing efficiencies on account of growth in loan portfolios have helped MFIs of all categories enhance their operating self – sufficiency ( OSS ) ratios. MFIs adopting the JLG lending model have higher lending rates and therefore higher OSS ratios than those adopting the SHG model. The effective interest rates of MFIs adopting the Grameen / ASA lending models range from 25 to 40 percent.

► **Strong business growth , improving geographic diversity**

The microfinance market in India is expected to grow rapidly , supported by the Government of India’s initiatives to achieve greater financial inclusion and growth in the country’s retail sector. MFIs have a grass – root level reach and understanding of the economic needs of the poor. The growing retail market in India provides opportunities for MFIs to act as intermediaries in the retail supply chain. The banking sector will also help the microfinance sector grow. Banks are expected to use MFIs to meet their financial inclusion targets by allowing MFIs to open accounts and distribute financial services and structure products.



Source: Industry, NABARD, CRISIL estimates



Source: Industry, NABARD, CRISIL estimates

The microfinance sector and MFIs in India are estimated to have outstanding total loans of Rs.160 to 175 billion and Rs.110 to Rs.120 billion respectively, as on 31<sup>st</sup> March 2009. The microfinance sector in India is fragmented. There are more than 3000 MFIs , NGOs and NGO – MFIs of which about 400 have active lending programmes. The top 10 MFIs are estimated to account for around 74 percent of the total loans outstanding for MFIs. Around 17 MFIs had outstanding loans of more than Rs. 1 billion as on 31<sup>st</sup> March 2009, with top three MFIs crossing Rs.10 billion in terms of outstanding loan portfolio on that date. Majority of MFIs operated mainly in South India till 2005 have extended their presence to states such as Maharashtra , Chhattisgarh , Orissa , Jharkhand and West Bengal

► **Healthy Asset quality**

MFIs asset quality indicated by their current portfolio and the portfolio at risk ( PAR ) by more than 30 days has improved ( refer chart ) and is healthier than those of other financial service players in India. MFIs have maintained relatively healthy asset quality mainly because of strong group pressure and efficient collection mechanisms, which have ensured high repayment rates.

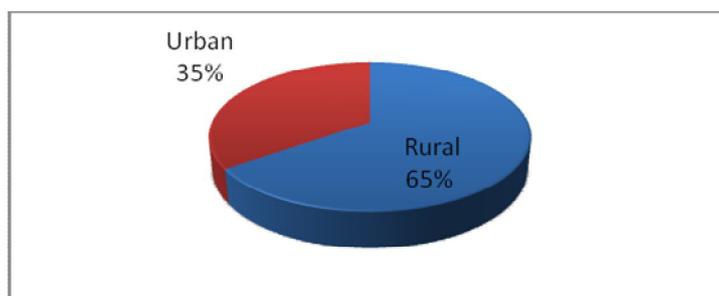


The current portfolio improved significantly during the first half of 2008 – 09 over the corresponding period 2007 – 08 and was at similar levels before March 2006.

**MICROFINANCE IN HARYANA**

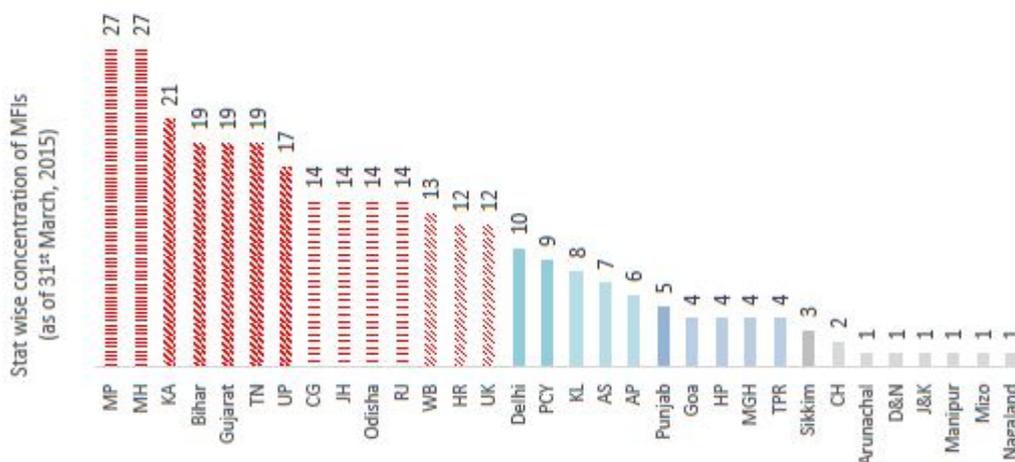
Haryana is one of the wealthier states of India and had the second highest per capita income in the country at 132,089 in the year 2013–14. 65.2% of Haryana’s population lives in Rural areas and 34.8% lives in urban areas. The Rural population of Haryana is 1,65,31,493 in 2011. Haryana is also one of the most economically developed regions in South Asia and its agricultural and manufacturing industry has experienced sustained growth since the 1970s. Despite all these positive aspects of the rural market of Haryana there are many problems to be tackled in this area.

**Figure 2: Total Population of Haryana**



Source: www.censusindia.gov.in

**Figure 3: Statewise MFI's in India**



Source: Micrometer Report issue 13, 31<sup>st</sup> March 2015.

12 microfinance institutions are working in Haryana covering 19 districts by 111 branches by end of year 2014 – 15. The total client based are more than 3 lakhs, managed by 1061 employees.

**Table 1: Details of MFI in Haryana**

Year	No. of MFIs Operating in Haryana	No. of districts in Haryana where MFIs operate	No. of Branches
2013 - 14	12	19	76
2014 - 15	12	19	111

Source: The Bharat Microfinance Report 2014 & Micrometer Report issue 13, 31<sup>st</sup> March 2015.

**Table 2: MFI's Details in Haryana**

Year	Total No of Clients	Total No of Employees	Average Loan Disbursed per Account
2013 - 14	203440	582	17,779
2014 - 15	313269	1061	17,917

Source: Micrometer Report issue 13, 31<sup>st</sup> March 2015.

**Table 3: Outreach of MFI in Haryana – 2013 & 2014 ( in lakh )**

2014	2013	Growth (%)
2	4	-53%

Source: The Bharat Microfinance Report 2014

**Table 4: Loan Portfolio Outstanding in Haryana – 2013 & 2014 ( in crore )**

2014	2013	Growth (%)
220	215	2%

Source: The Bharat Microfinance Report 2014

A scheme for the promotion and financing of Women Self Help Groups (WSHGs) is being implemented across 150 backward districts of the country. The scheme is an attempt to use the services of Self Help Promoting Institutions (SHPIs) not merely for promoting and enabling credit linkage with banks, but also serving as the anchor for a particular district, as a banking/business facilitator in tracking, monitoring these groups and also being responsible for loan repayments.

**Table 5: WSHG Status of Haryana ( 30th June, 2014 )**

District Covered	Total No. of WSHGs Sanctioned	Total No. of WSHGs Saving Linked	Total No. of WSHGs Credit Linked	Total Grant Sanctioned ( Lakh)
2	3000	2380	569	52.09

Source: NABARD

**Table 5: Comparative performance of savings of SHGs in Haryana**

Year 2011-12		Year 2012-13		Growth (%)	
No. of SHGs	Savings Amount	No. of SHGs	Savings Amount	No. of SHGs	Savings Amount
44, 184	367.84	42, 580	403.07	-3.63	9.58

Sources: NABARD

**OPERATION OF MAJOR MICROFINANCE IN HARYANA**

**A. KHUSHI MICROFINANCE**

Khushi Microfinance is a private limited company registered as a Companies Act 1956 (No.1 of 1956) with headquartered in Indri Karnal, Haryana and has its initial focus on Haryana. Khushi Microfinance has a gender and poverty focused program, targeting rural and peri-urban areas, with a specific focus on poor women.

Small enterprises like kiriyana stores, small vendors, repair shops, service centres, boutiques, micro ancillary units, livestock, embroidery centres, beauty parlours, small shops, small teaching centres, toy making, dairy farming, fruit & vegetable selling, basket making etc. and other home based workers can apply for loan. After assessment of the progress of the micro enterprise, the loan is given to further strengthen the business.

Khushi Microfinance has adopted a for-profit model of operation. The loan is based on Joint Liability of the members of a group. There is no collateral security. The joint liability assures timely repayment of the instalments. These loans are given between Rs.10000 to 12000/-. It provide loans to women members in poor regions of India for a range of income-generating activities. Business Loan provides economically active women an opportunity to support their micro-enterprises. The borrowers have an access to the funds for their financial needs.

State	1
District	2
Branch	2
Center	55
Group	165
Member	825
Loan Client	119
Total Loan Disbursement	1190000
Outstanding	680000

Presently it has two branches in two district of Haryana with 165 groups and 825 members. It had total loan disbursement of 1190000.

**B. MIDLAND**

Midland Microfin Ltd came into existence in January 2011, with a mission to contribute in eradication of global poverty. In short span it become very active in underserved areas of Punjab, Haryana and Rajasthan. Presently it having 28 branches in Punjab, Haryana and Rajasthan.

Business loan gives the members access to finance to support in order to support their micro enterprises. Members may use this to cater to their diverse business needs such as working capital, tools and equipment purchase, stock purchase etc. This Loan provides economically active women an opportunity to support their micro-enterprises like small grocery stores, small vendors, repair shops, service centres, boutiques, micro ancillary units, livestock, embroidery centres, beauty parlours, small shops, small teaching centres, toy making, dairy farming, fruit & vegetable selling, basket making etc.

The loan is based on Joint Liability of the members of a group. There is no collateral security. The joint liability assures timely repayment of the instalments. The loan would range from Rs. 7,000/- to Rs. 13000/- which would increase to Rs. 15,000/- in second and up to 25,000 in subsequent years depending upon the need of the customer, previous repayment record, repayment capacity, track record etc. The instalments are payable fortnightly & the loan cycle is of 25 fortnights for an loan amount till Rs. 15000/- and 51 fortnights for a loan amount exceeding Rs. 15000 to Rs. 25000/-

**C. UTKARSH MICRO FINANCIAL SERVICES**

Utkarsh's started its operations in August 2009 with four branches, two urban and two rural branches in Varanasi district and subsequently it has expanded to Sixty Six other districts. The company operates from 263 (246 JLG and 17 Micro Enterprize Loan) branches in these Sixty Seven districts as on 31st May, 2015.

In FY 2013-14, the company expanded its operation in Haryana and covers Ambala, Faridabad, Jhajjar, Kurukshetra, Palwal, Sonipat & Yamuna Nagar. It has two loan products in Haryana, Utkarsh Pragati and Utkarsh Kiran. The loan amount ranging from 6000 to 300000/- depending upon type of loan with repayment period varies from 58 – 104 weeks. The annulized rate of interest is 25% with processing and insurance fee is 1% of loan amount.

**D. UJJIVAN**

Ujjivan, a Bangalore based urban microfinance company has entered Haryana with 5 branches at Rohtak, Jind, Hissar, Bhiwani & Bahadurgarh. Ujjivan provides small loans to economically active poor women at at 1.07% interest rate per month and encourage them to use it for expanding business for building a better life for the family. In this endeavour, the company forms a group of five economically active poor women through its customer relationship staffs assigned for a specified area. The groups are formed with the clear mandate to lift them from current position in order to eliminate poverty or lift them above the poverty line and support them through funds during this period. Ujjivan offers a range of financial services including loan for business and consumption purposes, education, emergency, festival loan and funeral advance besides providing accidental life insurance coverage to the women and her husband as well.

**E. SHARE MICROFIN LIMITED (SHARE)**

SHARE Microfin Limited (SHARE) , one of the largest microfinance institutions in India, started its operations for the poor in 1989 as a not-for-profit society. It was the first microfinance institution (MFI) in India to obtain a Non Banking Financial Company (Non Deposit) licence. SHARE has adopted a for-profit approach to create social returns by channelling funds from development institutions and commercial banks as collateral-free loans to Joint Liability Groups (JLGs).

In this methodology the group lending technique is used to extend loans to women members who have formed themselves into groups of five each, with the general criteria that they have to be of the same age group, of the same area, and known to one another. Members of each group receive seven days of training on various aspects of the operating model, during which they learn their own signature to have an identity for themselves. The loans have to be repaid in 50 weekly instalments. There is no collateral to back these loans and repayment is ensured using social/peer pressure, as the group is responsible for collecting the loans. Field staff members facilitate weekly group meetings, in which members undertake the responsibility of approving loans and repayments.

SHARE currently serves more than 3.71 million members across 17 Indian states - Andhra Pradesh, Chhattisgarh, Delhi, Karnataka, Maharashtra, Madhya Pradesh, Uttar Pradesh, Rajasthan, Bihar, Uttarakhand, Gujarat, Haryana, Tamil Nadu, West Bengal, Jharkhand, Kerala and Assam. SHARE caters to the needs of poor rural women through its 3,616 staff members spread across 798 branches (as on 31 March 2014). The total outstanding portfolio is about Rs 1,758 crore (USD 293 million).

In Haryana, SHARE have covers 8 districts with 14 branches. In Haryana it offers two kinds of loan products - group loans and individual loans. Group loans are used by women, SHARE's main clients, for income generating activities. Other kinds of group loans offered by SHARE are special loans and education loans. For individual loans, SHARE targets small and medium enterprises, regardless of the client's gender. The load amount ranging from 2000 to 250000/- depending upon type of loan with repayment period varies from 12 – 24 months. The rate of interest is 24 to 26%.

**F. BANDHAN**

Bandhan was set up in 2001 to address the dual objective of poverty alleviation and women empowerment. The microfinance activities are carried on by Bandhan Financial Services Pvt. Ltd. (BFSPL), incorporated under the Companies Act, 1956 and also registered as a Non Banking Financial Company (NBFC) with the Reserve Bank of India (RBI). The main thrust of Bandhan is to work with women who are socially disadvantaged and economically exploited. Bandhan works for their social upliftment and economic emancipation. To achieve the above objective, Bandhan is basically engaged in the delivery of microfinance services to the poor women.

Bandhan has tied up further with Life Insurance Corporation of India to solicit and procure life insurance from the hitherto unreached segments under a corporate partnership approved by the Insurance Regulatory and

Development Authority (IRDA). Bandhan currently operating in 19 Indian states covering more than 200 districts. In Haryana, it have covers 9 districts with 16 branches.

#### Distribution of Outstanding Portfolio of Bandhan in Haryana

As on Mar. 31, 2010		As on Mar. 31, 2011		As on Mar. 31, 2012		As on Sep. 31, 2012	
Rs. crore	( % )						
2.1	0.14	5.6	0.22	10.9	0.29	10.6	0.30

#### G. SATIN CREDITCARE NETWORK LIMITED (SCNL)

Satin Creditcare Network Limited (SCNL) is a Delhi-based microfinance company. In 2008, the company started group lending business with joint liability group model, wherein the company provides micro loans to individual members in the group with each group consisting of five members. As on December 31, 2013, SCCNL was operating in 14,543 villages being managed through 187 branches. The operations of the company are spread across ten states/ UTs i.e. Uttar Pradesh, Delhi/ NCR, Madhya Pradesh, Bihar, Uttarakhand, Rajasthan, Haryana, Punjab, Chandigarh and Jammu & Kashmir.

In Haryana, it have covers 7 districts with 13 branches. It follows the Joint Liability Group (JLG) model of microfinance for its microfinance operations. SCNL's clients are organized in customized groups and are provided with Compulsory Group Training (CGT) by the field staff of SCNL. The Training Program covers product details, rules and regulations, policies & procedures and empowers them to access financial and social services. After the training, Group Recognition Test (GRT) is conducted to test group members' understanding about SCNL's microfinance program and to identify their genuine interest in sharing voluntary-joint-liability, credit-absorption capacity and thereby assuring to migrate to better livelihood standard. Successful completion of GRT leads to credit extension and thereby marking the entry of member into a long-term, sustainable and mutually gainful association.

Till 31st March 2014, SCNL has successfully promoted 1256 Women Self Help Groups (15072 members) to get credit facilities from Union Bank of India, Central Bank of India and Central Madhya Pradesh Grameen Bank and continuously supporting them for socio-economic development and improving their quality of life.

#### H. FUSION MICROFINANCE PVT. LTD.

Fusion Microfinance Pvt. Ltd. is an NBFC founded to provide financial services to the underprivileged segment of the society. Fusion is head quartered in New Delhi and is operational in the less penetrated North Central part of India (Madhya Pradesh, Uttarakhand, Uttar Pradesh, Haryana and Delhi).

It provides loans ranging from INR 12,000 to INR 30,000 for loan tenure of 1.5 years to 2 years. The poor section of the society undertake these loans to start new business or expand existing businesses. In addition to micro-credit services, Fusion offers life insurance for its clients and their spouse. In case of unfortunate event of death of either client or her husband, not only the principal due to the client is waived off but also the principal repaid to Fusion is returned to the client/ nominee. In a span of 3.5 years its operation, the company has disbursed 165,218 loans amounting to INR 22,222.56 lacs and got sanction of INR 13,415.04 lacs from 15 banks and financial institution. Fusion's member and her guarantor is insured with Kotak Old Mutual Life Insurance Company.

#### CHALLENGES FOR MICROFINANCE INDUSTRY

##### ► Steady access to capital

The proportion of over – leveraged MFIs has reduced considerably in recent months

##### ► Heavy dependence on banks and financial Institutions

For many MFIs, funding sources are restricted to private banks. The public sector banks have not been aggressive lenders to MFIs. The lending model plays a key role in determining the MFIs borrowing profile. Public sector banks prefer lending directly through the SHG bank linkage route, they prefer to lend to those MFIs that have adopted the SHG model.

##### ► Absence of regulatory control

Microfinance activities are undertaken by organisations that are registered under several legal forums. However the NBFCs are regulated by RBI. The absence of prudential norms and accounting guidelines for non-NBFC MFIs leads to lack of uniformity in accounting practices. The financial statements of the microfinance programmes of most non NBFC MFIs do not provide the true financial picture.

##### ► Political sensitivity of Interest rates

Interest rates charged to the poor is a politically sensitive issue and therefore a challenging proposition for

MFIs. Although acts pertaining to money lending and usurious loans in the states specify interest rate ceilings, these are applicable largely to societies and trusts. Over the past five years, MFIs, especially in Andhra Pradesh, Tamil Nadu and Karnataka, have often been accused of charging excessively high interest rates and have been targeted by local district administrations.

► **Pressure on processes and controls due to aggressive growth plans**

Poor management of operations may pose added credit risks for MFIs, especially as MFIs continue to scale up operations aggressively. MFIs risk management practices have weakened over the couple of years on account of a shift in focus towards business growth and network expansion.

► **Weak governance architecture**

The legal structure and attendant regulatory requirement of MFIs have a strong bearing on governance practices because they influence management practices and level of transparency. All legal structure other than the formal company structure, suffer for want of adequate regulations and disclosure standards.

## RECOMMENDATIONS

- 1. Proper Regulation:** The regulation was not a major concern when the microfinance was in its nascent stage, however, as the sector completes almost two decades of age with a high growth trajectory, an enabling regulatory environment that protects interest of stakeholders as well as promotes growth, is needed.
- 2. Field Supervision:** In addition to proper regulation of the microfinance sector, field visits can be adopted as a medium for monitoring the conditions on ground and initiating corrective action if needed. This will keep a check on the performance of ground staff of various MFIs and their recovery practices.
- 3. Encourage rural penetration:** Encouraging MFIs for opening new branches in areas of low microfinance penetration by providing financial assistance will increase the outreach of the microfinance in the state and check multiple lending.
- 4. Complete range of Products:** MFIs should provide complete range of products including credit, savings, remittance, financial advice and also non-financial services like training and support. As MFIs are acting as a substitute to banks in areas where people don't have access to banks, providing a complete range of products will enable the poor to avail all services.
- 5. Transparency of Interest rates:** It has been observed that, MFIs are employing different patterns of charging interest rates which makes the pricing very confusing and hence the borrower feels incompetent in terms of bargaining power. So a common practice for charging interest should be followed by all MFIs so that it makes the sector more competitive and the beneficiary gets the freedom to compare different financial products before buying.
- 6. Technology to reduce Operating Cost:** MFIs should use new technologies and IT tools & applications to reduce their operating costs. Also initiatives like development of common MIS and other software for all MFIs can be taken to make the operation more transparent and efficient.
- 7. Alternative sources of Fund:** In absence of adequate funds the growth and the reach of MFIs become restricted and to overcome this problem MFIs should look for other sources for funding their loan portfolio. Some of the ways through which MFIs can raise their fund are:

- By getting converted to for-profit company i.e. NBFC
- Portfolio Buyout
- Securitization of Loans

## CONCLUSION

Microfinance has enormous growth potential as half the world's population earns less than US\$2 per day, which is insufficient to meet their basic needs. Microfinance loans serve the low-income population in multiple ways like providing working capital to build businesses, infusing credit to smooth cash flows and mitigate irregularity in accessing food, clothing, shelter, or education and cushioning the economic impact of shocks such as illness, theft, or natural disasters at much lower interest rates compared to local moneylenders. The potential for growing micro finance institutions in India is very high. Annual growth rate of about 20 % is expected in the next five years. Haryana having a major chunk of its population in the rural areas provides a lot of potential to the Microfinance institutions. However the microfinance institutions have to overcome the various challenges that have been discussed above. If the recommendations mentioned in the paper are adopted then the author believes that the microfinance industry can do very well.

**LIMITATION OF THE STUDY**

The limitations of the present study emerge from non availability of certain data. Moreover due to time constraint, a detailed districts wise analysis couldn't be done. Moreover this study relies only on secondary data. The paper analysed only published reports in different microfinance websites and does not cover any of the unpublished research work.

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## USER EDUCATION PROGRAMME IN BURDWAN UNIVERSITY CENTRAL LIBRARY (BUCL): A STATE-OF-THE-ART REPORT

Supriya Mallik

Research Scholar, Department of Library & Information Science, Vidyasagar University, Midnapore

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### ABSTRACT

*This paper highlights the present scenario of information explosion, meaning of User Education, its scope, needs and practical User Orientation programme in Burdwan University Central Library as a part of User Education.*

*Keywords: Information Explosion, User Education, Orientation Programme, Bibliographic Instruction*

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### 1. INTRODUCTION

This is the age of **Information Explosion** where the world produces between 1 and 2 exabytes (exabyte =  $10^{18}$  or 1,000,000, 000,000,000,000 bytes approx.) of unique information per year, or roughly 250 megabytes (megabyte =  $10^6$  or 1,000,000 bytes approx.) for every man, woman and child on earth (The world population is calculated as 6,048,469,000 in the year 2000.). This is equivalent to the textual content of 250 books of approximate 169 pages each. This is the outcomes of the study conducted by Professors Hal R. Varian and Peter Lyman of University of California, Berkeley in 2000.

Varian and Lyman's study investigated the amount of *new* information stored in four storage media (print, optical, film and magnetic), and asked how much storage would be required if it were all presented in digital form.

So, enormous growth of interdisciplinary subjects through information explosion, the changing concept of Library and Library and Information Science, etc. are some of the factors which have made the library system a complex organism, all the more underscoring the need for **user education**. As there is a huge amount of information exist in the library so it is very difficult for a user to find out his/her right information in the right time. Library can help the users by CAS, SDI, indexing and abstracting services. However, users have to know the process by which he/she can aware himself/herself about his/her information. Based on various case studies with different kinds of users and different types of libraries, **user education** has become a pre-requisite for dependable know-how of library system in many countries. It not only helps the user to get the information but also removes his/her anxiety to use the library in a right way. In other words, users get to know various approaches to information, and library gets a better image projected of its utility as a social institution. The nature and level of uses may vary but user education in one form or the other is essential for the effective and efficient use of a library and its services. Indian National Scientific Documentation Centre (INSDOC), New Delhi and Documentation Research and Training Centre (DRTC), Bangalore have conducted some workshops and seminars on user education.

### 2. SCOPE

User education aims to provide advice and instruction about the use of the library to the user, actual or potential, individually or collectively, in a formal or informal manner. Every product, for attaining popularity, requires some marketing techniques. While the physical outlay of the library and its services, display of most popular material and other such techniques can attract the users temporarily, user education is still necessary as it acquaints the user with the information processing techniques used and the information services available in the library. It acquaints user with some basic elements of the Library and Library and Information Science. User education programmes according to Stevenson, are generally of two types<sup>1</sup>:

- (i) **Orientation Programme:** Introducing the user to techniques of library usage and services in general and to the organization and arrangement of a particular library.
- (ii) **Bibliographic Instruction:** Instructing about the use of library tools like abstracts, indexes, bibliographies, reports, patents and theses, etc.

### 3. NEED

User education, if designed and conducted properly, can be very useful in various ways:

- (i) **Promotion of Information Use:** User education leads to the satisfaction of the librarians by increasing the use of the available information services. Studies reveal that in the absence of such an instruction, libraries may not be utilised at all or remain under-utilised. *Mr. Ruth Alston, a librarian of the Cambridge University, has observed, "The stock of Indian libraries was significantly under-used because of user*

*ignorance, and may thought that the information profession had not, on the whole succeeded in projecting a good image of its capabilities".<sup>2</sup>*

The stress, now-a-days is shifting from the conservation and storage of information to the transfer of information. The transfer of information being a complex process, user education becomes necessary for its optimum utilisation. It enables the users to identify and formulate their needs and to match them with the library resources. User, if properly educated, can also make an evaluation of the resources and services available and help in the redesigning of these services according to their needs or make an adjustment between the two.

- (ii) **Close Relationship between Librarians/other staff of library and Users:** Through user education, librarians/other staff of the library and the users come in direct contact, enabling the librarian to understand the latter's needs better. The librarian in that case by understanding the actual requirements of the users can design and provide the information services oriented towards user needs, and the user by getting his required information without wasting his time, can utilise it to better purpose.
- (iii) **Bridging of Gap between Users and Information:** User education brings the users and information closer to each other, ultimately reducing the role of an intermediary i.e., the librarian. The time saved by the librarian as an intermediary can be utilised in search and provision of more information, thus increasing the pace of research.
- (iv) **Implementation of Laws of Library Science:** User education puts in practice four out of the five laws of Library Science enunciated by Prof. S.R.Ranganathan. By introducing the users to the information available, user education satisfies the first law of Library Science i.e., (1) Books are for use. By bridging the gap between the user and the information, it satisfies the second and third laws which are (2) Every reader his book; and (3) Every book its reader and by reducing the role of an intermediary, it satisfies the fourth law i.e., (4) Save the time of the reader.

#### 4. USER EDUCATION PROGRAMME IN BUCL

Presently, almost all information is available through Internet so reading habits among users have been reducing remarkably all over the world. Again, photocopying of reading materials also reduces the reading habits. Burdwan University Central Library authorities are very much anxious with this matter. To aware about the know-how of Central Library and to increase the reading habits as well as library use we communicate with all the departmental Heads to arrange for a time slot for User Orientation programme.

#### OUR USER ORIENTATION PROGRAMME DEMONSTRATIONS ARE:

**4.1 Introduction:** brief history of BUCL; its area; departments covered; users of Central Library

### INTRODUCTION

- In the beginning, the B.U. Library was situated in Rajbati campus (Year of establishment 1960), it was shifted to Golapbag campus in 1964. Area of Central Library is 4364.60 sq. mt.;
- It facilitates students, scholars and teachers of 29 Departments (17 Arts Departments & 12 Science Departments) of the university;
- It also facilitates outside scholars, teachers of the affiliated colleges and to the students of other universities as well as ex-students, ex-employees of our university on the basis of the Library Rules

#### 4.2 Opening Hours

### ❖ Opening Hours

❖ Monday to Friday: 8 A.M. to 7 P.M

❖ Saturday: 10 A.M. to 5 P.M.

❖ Sunday: Closed

### 4.3 Why We Go for Library

## ■ WHY WE GO FOR LIBRARY

- The library system grew because the individual could not afford to buy and store all the books he/she might need. With a change from print to electronic media the question again arises who will hold a key to such information and the answer again should be libraries ... amongst others;
- The note system study is not the proper way. If we study books and journals more and more then we can learn something more which is very important when we face interviews;
- Book reading helps us to draft the official correspondence or other things in a right way;
- The books regarding career guidance and career guidance part of the newspapers (available one or two days in a week) help the students for better career choice which is available in the library;
- Information regarding various job advertisements on daily newspapers/employment news etc. available on library ;
- Study materials regarding NET/SLET which is very important to PG students;
- ... many more

### 4.4 Services Covered

## ■ SERVICES COVERED

- Reference Service
- Reprographic Service (Xerox service in the right side of Central Library entrance)
- Internet Search (Available in E-Resource Centre [right side of Ground floor] for scholars, teachers. PG students can use for Seminar/Conference/Workshop preparation/dissertation purpose if forwarded by HOD. [INFLIBNET Centre extension work is completed recently to facilitate the general students regarding e-journal search, e-mail service and others]
- Offline CD-ROM/DVD Search Service (Available in E-Resource Centre) regarding database search [subject to availability].
- E-Journal search service under UGC-Inforet Consortium (Electronic Journal search service) [subject to availability] & AICTE mandatory E-Journals available here like EBSCO Business Source Elite, J-Gate (JET), J-gate (JSMS), ASCE, IEEE (ASPP+POP), ASTM Digital Library etc.
- Lending (Home Issue) and Reading Room (only for Reading Room study) Service
- Inter-Library Loan Service (Book loan facility to other departmental libraries or other colleges/universities library [subject to availability of books])
- Loose issue & Back volume Journals or Newspaper service to fulfill the users' need
- OPAC (Online Public Access Catalogue) available in Central Library as well as in Departmental Libraries. To avail this service within the campus, go to Burdwan University website (<http://www.buweb.buruniv.ac.in>) then click on 'Central Library OPAC service' in the left side menu of the web page. or login 192.168.8.100:8001 and for outside the campus login 14.139.211.19:8001. For Digital Library Services (within the campus) login 192.168.8.1:8080/jspui and for outside the campus login 14.139.211.19:8080/jspui.

### 4.5 Library Resources

\* Total number of books in the library till now is 254309 (purchased - 192121 nos., DSA/DRS project – 20544 nos., Gift – 31456 nos., Raj Collection – 10383 numbers of Raj Collections (donated by Burdwan Maharaja) on various Rajas, Literature, Medicine, Ramayana, Mahabharata, Purana, Upanishadas etc.

Out of which departmental collections are: Mass Communication (1207 nos.), Sociology & Pol. Sc. (2884 nos.), MBA (3961 nos.), History (1606 nos.) and Sanskrit (1144 nos.), Bengali – 2469. Commerce – 2107. Economics – 639. Philosophy – 858. English – 3143. Law – 6168. Besides this, Departmental Books collection in Central Library are as follows:

Sl. No.	Name of the Arts, Commerce Subjects	Total No. of Books in Central Library
1	Bengali	15070
2	Business Admn. (HR)	952
3	Commerce	6494
4	Comp. Sc.	1600
5	Economics	9742
6	English	8507
7	Foreign Language	1527
8	Hindi	4108
9	History	9343
10	Philosophy	7217
11	Pol. Sc.	3799
12	Reference Section	7063
13	Report Section (purchased report-700, Gift report-200, PG Books-1500, NET Books-600)	3000
14	Sanskrit	7056
15	Sociology	3333
16	Tourism Management	669
Sl. No.	Name of the Science Seminar Library	Total Books Transferred to Seminar Library from Central Library
1	Biotechnology(DST sponsored dept.)	1444
2	Botany	5587
3	Botany DSA Project Books	460
4	Chemistry	5237
5	Chemistry DRS Project Books	704
6	Computer Sc.	2228
7	Education	2087
8	Environmental Science	1001
9	Geography	5436
10	Mathematics	6084
11	Mathematics NBHM Project Books	3674
12	Microbiology	561
13	Physics	7521
14	Physics DSA Project Books	206
15	Statistics	915
16	Statistics DSA Project Books	1013
17	Zoology	3647
18	Zoology DRS Project Books	22

PG level questions, NET questions up to 2013 and different important reports of Govt., NGO, World Bank and other institutions are kept here for consultation of students, scholars and teachers. There are 700 numbers of purchased reports, Census report upto 1951 to 2011, 2500 numbers of NET/SET study materials and 200 numbers of gift reports available here for reading purpose. Photocopy facility is also available.

\*\*2757 numbers of manuscripts (donated by Burdwan Maharaja, Sri Anantalal Thakur and others) on Ramayana, Mahabharata, Purana, Jyotisha, Nyaya, Smriti, Bhagbata, Kabya, Byakaran, Tantra etc.

\*\*\*6502+ E-Journals and 9 databases are available through UGC-Infonet

\*\*\*\*2283 numbers of Ph.D. theses (Arts, Commerce, Law etc. -1125, Science-1158), D.Litt – 12 (Honoris Causa -87), D.Sc. - 09 (Honoris Causa -47)

4.6 Different Sections

## DIFFERENT SECTIONS

<p><b>GROUND FLOOR:</b></p> <ol style="list-style-type: none"> <li>1. ARCHIVAL SECTION</li> <li>2. INFLIBNET CENTRE</li> <li>3. MANUSCRIPT SECTION</li> <li>4. BOOK LOAN COUNTER (ISSUE/RETURN) (WITH 'OPAC' SEARCH FACILITY)</li> <li>5. XEROX COUNTER</li> </ol>	<p><b>FIRST FLOOR</b></p> <ol style="list-style-type: none"> <li>1. THESIS SECTION</li> <li>2. PERIODICAL SECTION</li> <li>3. MERGE SECTION (MBA, POL.Sc., SOCIOLOGY, MASS COMM., SANSKRIT &amp; HISTORY DEPARTMENTAL COLLECTIONS)</li> <li>4. REFERENCE SECTION</li> </ol> <p><b>SECOND FLOOR</b></p> <ol style="list-style-type: none"> <li>1. REPORT SECTION/STUDY CENTRE</li> </ol>
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4.7 Users

Central Library users' growth from 2002-03 are as follows:

Total No. of Registers users					
Years	Students	Teachers	Researchers	Others*	Total
2002-03	1706	225	116	631	2678
2003-04	1761	232	137	564	2694
2004-05	1639	241	157	720	2757
2005-06	1750	256	197	599	2802
2006-07	1759	265	245	664	2933
2007-08	1804	292	297	676	3069
2008-09	1834	302	358	695	3189
2009-10	1968	306	375	719	3368
2010-11	1982	310	385	739	3416
2011-12	1989	313	388	746	3436
2012-13	2000	185 (reduced due to retirement)	429	787	3401
2013-14	2005	191	452	798	3446

\* Officers, Staff, College teachers of BU affiliated colleges & other universities, pass out students, external students of other universities and external academicians.

2012-13 – New Membership of Teachers, Officers & Others - 77, up to Apr '14 - New Membership of Teachers, Officers & Others -70

4.8 Purchased Books Growth

Purchased books from inception to 2009 with a decade interval and their growths are as follows:

Year	Books	Increase
1960	962	
01.01.1970	41482	40520
01.01.1980	90104	48622
01.01.1990	119847	29743
01.01.2000	139004	19157
27.05.2009	171870	32866
10.12.2009	175134	3264
29.08.2012	183464	8330
03.06.2013	187663	4200
18.06.2014	191701	4038
23.02.2015	191799	98

#### 4.9 Project Books Growth

DSA, DST, FIST etc. Projects Purchased books from 1998 to 2009 and their growths are as follows:

Year	Books	Increase
02.11.1998	START	
01.01.2000	2541	2541
27.05.2009	11796	9255
10.12.2009	13226	1430
29.08.2012	17573	4347
03.06.2013	18768	1196
18.06.2014	19590	822
23.02.2015	20389	799

#### 4.10 Gift Books Growth

Gift books from 1964 to 2009 with a decade interval and their growths are as follows:

Year	Books	Increase
07.02.1964	START	
01.01.1970	3570	3570
01.01.1980	8192	4622
01.01.1990	11245	3053
01.01.2000	17315	6070
27.05.2009	25802	8487
10.12.2009	27594	1792
29.08.2012	28747	1153
03.06.2013	28968	221
18.06.2014	30135	1167
23.02.2015	31415	1280

#### 4.11 Library Membership

DEPARTMENT	LIBRARY MEMBERS	
	2012-14	2014-16
Academic Staff College	181	78
B.Ed. Life Sc.	35	34
B.Ed. Phy. Sc.	33	31
Bengali	184	198
Bio-Technology	19	08
BLIS	47	Closed
Botany	55	54
Certificate in German		NIL
Chemistry (Add)	29	72
Chemistry (Day)	45	
Commerce	78	65
Diploma in German		NIL
Diploma in French		01
Economics	66	48
English (Add.)	60	146
English (Day)	99	
Environmental Sc.	25	15
French (Certificate)	10	05
Geography	60	65
German (Certificate)	03	NIL
Guidance Counseling	21	21(Jan-Dec' 14-14 & Jan-Dec' 15-07

Hindi	60	38
History (Add)	60	144
History (Day)	87	
LLB	57	51 (2014-16)
LLB		46 (2015-17)
LLM	25	22
M.Ed.	27	27 (Fresher22, Deputed 5)
M.Phil	58	NIL
Mass Communication	45	31
Mathematics (Add)	34	102
Mathematics (Day)	72	
MBA	25	22
MBA (HR)	25	24
MCA	19 (2012-15)	17 (2014-17)
M.Tech (E & CE (Microwave))		
Microbiology	16	13
MLIS	14	29 (2014-15)
MLIS (2 Years)		11
Philosophy	85	76
Physics (Add)	31	67
Physics (Day)	52	
Pol. Sc.	101	89
Post Graduate Diploma in Guidance & Counseling Life Long Learning		14 (Jan2014 – Dec2014)
Post Graduate Diploma in Guidance & Counseling Life Long Learning		07 (Jan2015 – Dec2015)
Reading Room Card	168	110
Russian	01	Nil
Sanskrit	100	106
Sociology	49	34
Statistics	12	16
Tourism Management	09	09
Women's Studies	28	19 (2013-15)
Zoology (Add)	38	76
Zoology (Day)	41	
Total	2389	2024

#### 4.12 Mantras for Success

### **MANTRAS FOR SUCCESS**

- USE LIBRARY REGULARLY FOR SUCCESS IN NET/SET OR OTHER COMPETITIVE EXAMINATIONS
- NOTE BASED READING IS A FATAL. ONLY DEPTH KNOWLEDGE IN YOUR SUBJECT HELPS YOU TO QUALIFY IN REGIONAL AND NATIONAL LEVEL EXAMINATIONS.
- STUDY MORE → LEARN MORE → DREAM MORE = LIBRARY VISIT MORE → LEARN MORE → SUCCESS MORE.

• A GOOD STUDENT IS NOT ONLY MASTER OF SELECTED NOTES BUT ALSO MASTER OF HIS/HER SUBJECT.

• WE ARE ALWAYS WITH YOU. DON'T HESITATE.

#### 4.13 CIRCULATION RULES

(a) Fine for each lost card/pass book for duplicate card – Rs. 30.00

(i) Library cards are not transferable. Special care should be taken so that the membership card and book are not lost. All losses are to be reported immediately to the Librarian.

(ii) Members while going on lien shall return the books to the library.

(b) Fine for lost book – (a) If available then new book to be replaced (b) if out of print then photocopy of the same (c) If old copy is not available then existing printed price+100% fine on existing printed price.

(c)

(i) Ex-Teachers & Ex-Librarians from affiliated Colleges/University Employees & Other outsiders with the permission of authorities – deposit Rs. 1000.00+ service charge Rs. 1000.00 (**Total Rs. 2000.00**) (**Issue of 2 books at a time for 30 days**) and **refund of only deposit amount Rs. 1000.00 at the time of withdrawal of membership.**

(ii) Research scholars/Research Fellows/Research Assistants – Service Charge of Rs. 500.00 (non-refundable) (Issue of 5 books at a time for 30 days)

(iii) Project Fellows – Deposit of Rs. 300.00 (non-refundable) (Issue of 2 books at a time for 30 days)

(iv) Teacher Fellows – Deposit Rs. 1000.00 and Service Charge Rs. 500.00 (Total Rs. 1500.00) (**Issue of 10 books at a time for 30 days**) and **refund of only deposit amount Rs. 1000.00 at the time of withdrawal of membership.**

(v) Scholars (Non-Stipend holders) – Service Charge of Rs. 1000.00 (non-refundable) (**Issue of 2 books at a time for 30 days**)

(vi) Ex-Teachers & Ex-Librarians from affiliated colleges/university Ex-Employees & Other outsiders with the permission of authorities - Deposit Rs. 500.00 and Service Charge Rs. 500.00 (**Total Rs. 1000.00**) (**Issue of 2 books at a time for 30 days**) and **refund of only deposit amount Rs. 500.00 at the time of withdrawal of membership.**

(vii) Library Fee for MCA, M.Tech, Biotechnology & Microbiology – Rs. 550.00, Other than these 4 departments Library Fee – Rs. 200.00

(viii) **University Teachers – 30 books at a time for 30 days.**

(ix) Visiting Lecturers/Readers/Professors – Provision of 3 books issued to Visiting Lecturers (Asst. Prof)/Readers (Asso. Prof.)/Professors. Head of the respective department will take the responsibility regarding returning of book(s) from the same. Library Clearance must be produced to the appropriate authority before reimbursement of last month's salary.

(x) Ex-Teachers & Ex-Librarians from affiliated Colleges/University Employees & Other outsiders – Reading Room card Rs. 100.00 (for 1 year)

**(xi) Rules regarding Books issue to students'**

**Arts, Commerce:**

(i) **1 book for 10 days (in Seminar Library card);**

(ii) **1 book for 10 days (in Central Library Lending card)**

(iii) **1 book for 5 days (in Central Library reference card)**

**Law & Science:**

(i) **1 book for 10 days (in Seminar Library Lending card);**

(ii) **1 book for 5 days (in Seminar Library reference card)**

**As there is no Science book available in Central Library so Science students will get 2 books**

**NB:**

- In case of overdue, the lending card may be suspended for double the number of days the book was retained by the student
- Library Clearance must be obtained before submission of final report to Executive Council
- Library Clearance must be obtained before end of the courses

- In addition to his/her entitlement books purchased against specific research project entering them on a special issue register only from Central Library against Pass Book
- No reference book, thesis and journals issued to the users Finance Officer would verify Library Clearance Certificate at the time of disbursement of last salary and renewal of contract

#### 4.14 Termination of membership

- (a) To terminate one's membership a member shall return to the library all the books borrowed as well as his/her membership card/pass book.
- (b) Student-members should return the library book(s) borrowed by him/her along with library card before commencement of their final semester examination and their membership of the library and its facilities will cease thereafter.
- (c) Research scholars / students (M.Phil/M.Tech) shall have to return books, if any, to the library before submitting theses / dissertations.
- (d) Admit card to the student will be issued only on submission of library clearance certificate from the Central Library.

#### 4.15 Loss of Book(s)

In case of loss of a book(s) the borrower shall have to return the same copy if available in the market, otherwise he/she has to return a Xeroxed copy with Rexene binding if available anywhere, failing which, cost will be realized as under:

- (i) Indian Book: Cost price *plus* 100% of the cost price as fine.
- (ii) Foreign Book: Cost price converted into Indian currency with current conversion rate *plus* 100% of the cost price as fine

#### 4.16 Rules to be observed for controlling the wicket gates of the library

- (a) At the time of entering the library all personal belongings such as attaché cases, brief cases, umbrellas, private copies of book, etc. books not belonging to the University Central Library and books though borrowed from the Central Library but not meant to be returned to the library on the day in question shall be deposited with the Library Attendant at the entrance to the library and the depositor must insist on getting a numbered token for the article or articles so deposited.
- (b) All persons while in the library should maintain the basic and elementary library ethics, obey the rules and procedures of the library and submit to the discipline enforced by the Librarian.
- (c) Discussion, gossiping, sleeping, yawning, smoking, loitering etc. are not allowed in the library.
- (d) No readers shall bring non-member friends in the library, nor shall he/she lend library books borrowed by him to others.
- (e) Dogs or other animals shall not accompany any member or visitor inside the library.
- (f) Nobody is allowed to enter into the stack room without obtaining special permission from the Librarian.
- (g) Silence shall be strictly maintained in the library premises.
- (h) Spitting, chewing pan, eating food, snuff taking, smoking, or sleeping are prohibited.
- (i) No tracing on any map or manuscript should be done.

**4.17** (a) Persons detected to be acting in contravention of rules 9 (a-i) shall be liable to be deprived of the library facilities temporarily or permanently,

- (b) No reader who has thus been excluded from the library shall be allowed to use the Reading Room or to borrow books unless and until the Library Committee permits him to do so.

**4.18** On 'Inter-Library Loan' facility issue of spareable books, other publications may be issued to other university research institute, educational institute etc.

**4.19** Book(s) shall be reissued to the same member after the expiry date if there is no recorded demand for it.

**4.20** University provides Online access over the Internet to scholarly literature in all areas of knowledge such as E-journals searching, database searching, e-mail and also off line access to CD-ROMs and other electronic documents on electronic media to its users as per rules.

#### 4.21 Photocopying services

A private vendor provides the photocopying services in the ground floor attached to the library building on payment whereas the users are responsible for complying with the Copyright Act.

Photocopying Charges as follows:

Size of the page	Rate (as quoted by the vendor)
A6/A3	50 paise
B4	70 paise
A4	50 paise
Enlarge	No extra charge
Reduction	No extra

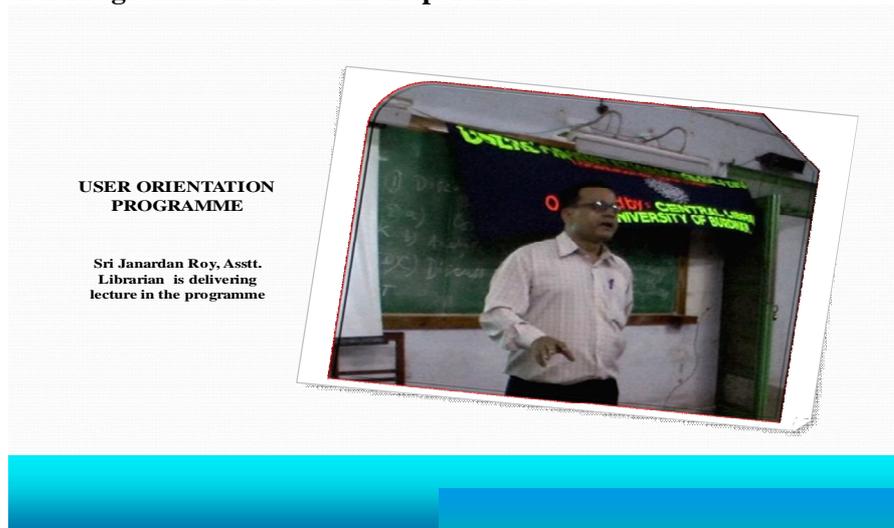
4.22 A first time visitor to the library should contact the wicket gate and should produce a letter of introduction or an identity card for admittance to the library.

4.23 The Central Library arranges for Inter-Library loan as per rules.

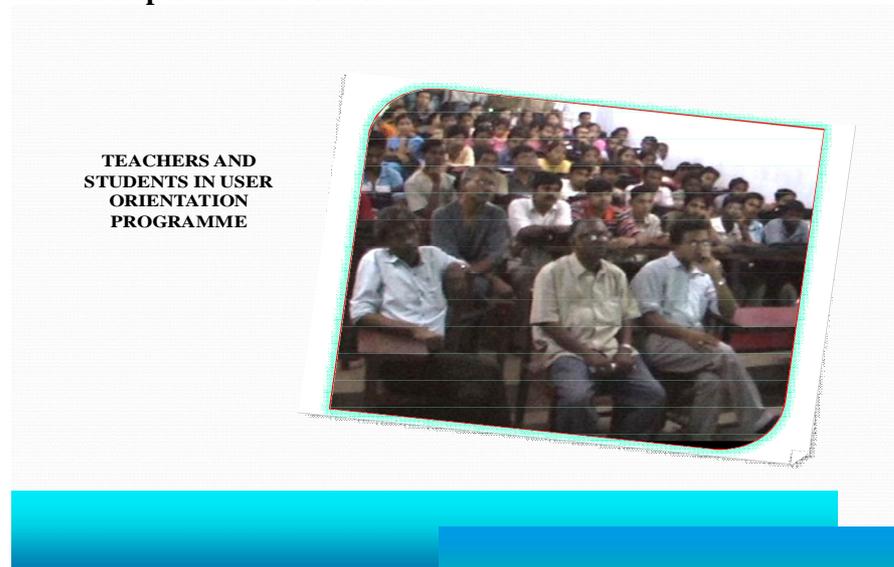
4.24 The university library provides online access over the internet to scholarly literature in all areas of knowledge and searching of electronic journal, e-mail, database surfing etc. and also off-line access to CD-ROM and other documents on electronic media to its users as per rules.

4.25 The above mentioned library rules may from time to time be changed / altered and amended or new rules may be added to by the Library Committee after they are approved and ratified by the Executive Council.

#### 4.26 User Orientation Programme in Academic Departments



#### 4.27 Our Valued Users in Departmental Classroom



#### 4.28 User Orientation Stall at Samhati Cultural Programme



#### 5. CONCLUSIONS

In conclusion, it can say that some firm steps should be taken in this direction, resulting in a national level policy and programme in the instruction of library use, and the establishment of an agency like NAAC at the national level to help and guide the libraries throughout India to organise and conduct user education programmes. However, we have decided that in every year, we will conduct User Orientation Programme to aware all types of user about the know-how of library and to increase the reading habits of the user. Besides the departmental user orientation programme, we conduct this type programme every year in SAMHATI presently MUKTADHARA (Cultural programme conducted by Chhatra Samsad for University and affiliated college students). Without this programme, Laws of Library Science will not be fulfilled in a proper way and the image of the Library will not be projected in a better way.

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## EDUCATION: VALUE & ASPECTS

**Dr. Manoj Kumar Sharma**

Assistant Professor, S. P. U. (PG) College, Falna, Rajasthan

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### ABSTRACT

*Education is the vehicle of knowledge, self-preservation and success. Education not only gives us a platform to succeed, but also the knowledge of social conduct, strength, character and self respect. The greatest gift education gives us is the knowledge of unconditional love and a set of values.*

*These values include the simple difference between right and wrong, a belief in God, the importance of hard work and self respect. Education is a continuous learning experience, learning from people, learning from success and failures, learning from leaders and followers and then growing up to be the person we are meant to be.*

*Keyword: Knowledge, Value, Development, Aspects*

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### EDUCATION

what a huge meaning it has in our life, but sadly the meaning is reduced to the fact that it will go on to become our source of bread and butter – nothing more and nothing less. Is this what education stands for in our life? Is not education a way to make life better? I believe that education is not an accessory to life but it is a necessity.

### CONCEPT OF VALUE EDUCATION

Value Education, as it is generally used, refers to a wide gamut of learning and activities ranging from training in physical health, mental hygiene, etiquette and manners, appropriate social behaviour, civic rights and duties to aesthetic and even religious training.

To some, value education is simply a matter of developing appropriate behaviour and habits involving inculcation of certain virtues and habits. In opposition to such a conception, it is pointed out that value education has an essentially cognitive component in it and that this should not be ignored. Actually the ability to make moral judgement based on sound reasoning is a very important aim of value education and has to be deliberately cultivated.

Moral development of a child, according to some, results automatically from the social life of the school. The child as a member of the group imbibes the attitudes, values and general behaviour of the group and continually tries to mould himself according to the group norm. Such adjustment to life constitutes his moral development. Value Education is a process of aiding the child in such adjustment. Such a view is contested on the ground that although children learn the rules of group living from the social life of the school, such learning does not constitute value education. For morality, it is pointed out, is not concerned so much with 'what is' as with 'what ought to be' and 'what ought to be done'.

Value Education, according to one more view, is essentially a matter of educating the feelings and emotions. It is the 'training of the heart' and consists in developing the right feelings and emotions. It does not involve any cognitive abilities that can be trained. Like poetry, it is 'caught' rather than taught. It is essentially a matter of creating the right atmosphere, imitation and learning by example communion with nature or modelling one self after an ideal. Such a view is countered by saying that mere imitation of a 'good' person and modelling oneself after an ideal does not confer any morality on an individual. Morality is not a thing that simply 'radiates' from one person to another. Moral development includes both thinking morally and behaving morally. Moral thinking is a distinct type of thinking characterised by the exercise of rational choice. A moral person is not only a person who does the 'right' thing but also one who does the 'right' thing for the 'right' reason.

### OBJECTIVES OF VALUE EDUCATION IN THE MODERN CONTEXT

Objectives, especially in value education, have a temporal dimension. Traditionally the objectives of value education were based on religion and philosophy. There was no secular value education and very little scope for the development of moral thinking and the capacity for independent moral decision. In the modern world these are varieties of social demands made on the people. A civilised individual must possess certain minimum social skills. He has to establish decent relationship with people with whom he may come across for a short while or for a long duration. He may have to transact business in his private or public capacity. He has to function as a citizen of his state, or his country and of the world, all at the same time playing appropriate roles in each of these contexts. There are also many other demands made on him that need not be enumerated. Value education

should therefore, it is pointed out, prepare an individual to meet these demands. That these cannot be accomplished in the form of a few do's and don'ts of the traditional form is quite evident.

The Working Group on value oriented education has identified five dimensions on value education, these being physical education, emotional education, mental development, aesthetic development and the moral and spiritual domain. The values to be pursued in the moral and spiritual realm, according to them are:

Sincerity, faithfulness, obedience to what one conceives to be the highest, gratitude, honesty, benevolence, generosity, cheerfulness, selflessness, freedom from egoism, equanimity in joy and suffering, in honour and dishonour, success and failure, pursuit of the deepest and the highest of the absolute and ultimate and the progressive expression of this pursuit in thought, feeling and action.

In many countries today the emphasis is on socio-economic reconstruction with the declared intention of a more equitable distribution of the benefits brought about by modernisation. Traditional cultural values have had little time to adjust to certain attributes of modernisation. Planners of value education curriculum then are faced with the problems of identifying values and character traits that will best equip the individual to take to his place in modern society. The objectives of value education should be such that the curriculum should recognize the tensions that are brought about by the conflicts between tradition and change. The planned programme should aim at developing a critical value perspective in our pupils that will enable them to employ modern skills for the betterment of mankind while helping them renew their commitment to fundamental traditional values.

### **FUNDAMENTAL ASPECTS OF EDUCATION**

Untold volumes have been spoken and written on the true value and purpose of education. What aspects however, can we as educators really offer to those whose mental, psychological and physical development have been charged to us? In my personal opinion, here are nine fundamental aspects of a basic education and the contribution that we as educators can potentially make in each.

#### **1. SELF CONFIDENCE**

Development of self – confidence in one's self and one's abilities is fundamental to human nature. Our value to ourselves and to others stems from our own self-esteem. A fundamental role of the educator is to recognize and develop the strengths and weaknesses of learners under our charge. We help our learners to know themselves.

#### **2. ANXIETY MANAGEMENT**

Stress and anxiety form an ever-growing portion of our lives no matter what stage or level we may occupy at any given moment. Learning to manage our hopes, fears, concerns and other anxieties is fundamental to our mental and physical health. Risk and opportunity management allow us to gauge and act on those aspects which most affect our lives.

#### **3. AUTONOMY**

Our ability to effectively function on our own initiatives allows us to take responsibility, control and authority for our actions. It also gives us power to direct our own destiny. Right or wrong, good or bad, autonomy grants us final control over the forces and effects that shape our lives. As educators, we must aid our learners to find the means to develop autonomy in their education and their personal lives.

#### **4. ACCEPTANCE OF RULES AND REGULATIONS**

In any orderly society, its function and success ultimately lies in the regulations and rules it imposes. It also relies heavily on members of society accepting and abiding by those rules and regulations. Without this structure, anarchy and chaos soon result. As educators, we should strive to instill those values in our learners that promote respect for and acceptance of societies rules, regulations, restrictions, prohibitions and limits. Hopefully, as we ourselves do. We all make errors.

#### **5. CONSIDERATION OF OTHERS**

In the process of growth, development and learning, we must respect and uphold the rights of others. This may be challenging to the extreme at times, but is fundamental to education in a free and open society. Tolerance of those around us, especially those who may be different from us in some way, is the essence of a cultured society no matter where on the planet that culture might be.

#### **6. WORKING TOWARDS COMMON GOOD**

The quality of life in a society largely depends on the willingness of its people to contribute individually towards the benefit of the greater number. Self-centered pleasure-seeking might sound good at first glance, but its overall effect soon negates much of its promised benefits. As the members of a society unite in working towards a common good or a common goal, that society will prosper or falter for lack of such cooperative

efforts. True educators can instill the value and benefit of cooperative effort into their learners in a variety of ways, means, activities and tasks.

### 7. WORK AS OPPORTUNITY

What is the purpose of life? All our efforts continually drive us toward a perceived goal, a holy grail, the pot of gold at the end of the rainbow, fame, fortune or immortality, among other life quests. To view one's efforts as affecting the path, direction and eventual outcome of our life is a purpose which begins its installation into our hearts and minds at a very early age. Just note the number of successful people who reach a high pinnacle of some type at a relatively early age. Educators can be essential in promoting those aspects into the lives of their learners.

### 8. TRUE LOVE AND FRIENDSHIP

To give unselfishly of one's self, one's time, energy and resources is a fundamental of true love and a genuine basis of friendship. Educators should strive to instill in their learners that "it is better to give than to receive". True value often comes not from what we might receive, but rather from what we willingly give to others.

### 9. REFLECTION

Reflection on what we are, what we do and the results of our individual and collective efforts in life can result in rich insights into our values and path in our existence. Why? Is the basis of all manner of scientific and insightful discovery. How, why, who, what and where, continually fuel our thoughts, minds, imagination and influence our actions. We may lose some of our childhood curiosity and wonder as we age – or not, but it and our reflections on the events of our everyday lives can offer us much towards our personal development and that of our learners as well.

### THE QUESTION IS; WHAT TRULY IS EDUCATION?

Which Aspects of Education Do You Consider Fundamental?

No matter whether you agree, disagree or are unconvinced in some way, each of us has educational values which we personally hold as fundamental. Take some time for reflection on just what exactly you think those essential aspects of education truly are. Then act on them.

In my opinion education is the vehicle of knowledge, self-preservation and success. Education not only gives us a platform to succeed, but also the knowledge of social conduct, strength, character and self respect. The greatest gift education gives us is the knowledge of unconditional love and a set of values.

These values include the simple difference between right and wrong, a belief in God, the importance of hard work and self respect. Education is a continuous learning experience, learning from people, learning from success and failures, learning from leaders and followers and then growing up to be the person we are meant to be.

Value based education is a three fold development of any individual of any gender and age, but most importantly of a child. Education tries to develop three aspects: physique, mentality and character. Even though physique and mentality are important, they are menaces without the third because character is the greatest of these. Education plays a huge role in precisely this area.

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## LAW ON DNA TEST AND HUMAN DIGNITY; A LEGAL CONFLICTION IN INDIA

**Baharul Islam**

Assistant Professor, Centre for Juridical Studies, Dibrugarh University, Dibrugarh , Assam

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### ABSTRACT

*DNA Profiling is receiving recognition as a highly accurate means of scientific evidence; the Profiling Bill of 2007 espoused setting up Data Banks all over the country with such safeguards as to prevent privacy concerns. Now with the introduction of Human DNA Profiling Bill 2012 the bar as to significant and striking human rights and privacy concerns has been raised even higher. This paper attempts to provide a brief comparative analysis of the two Bills and concludes that not only will the passing of Bill in its current form even though if passed would place India far outside the mainstream of both law and policy in this area, the breadth of the structural and financial costs of enacting the Bill in its current form should also be seriously considered as they would most certainly be staggeringly high.*

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### INTRODUCTION

The Deoxyribonucleic Acid (DNA) analysis of body substances is a powerful technology that makes it possible to determine whether the source of origin of one body substance is identical to that of another, and further to establish the biological relationship, if any, between two individuals, living or dead without any doubt.

Creating DNA profiles and using them to solve crimes has been a growing global practice over the past two decades. The first forensic or legal application of DNA testing occurred in 1986 in England by Sir J. Jeffery in the famous *Collin's case*. Since then, DNA technology has continued to be rapidly evolved. DNA technology had such a dramatic impact 'on crime detection'<sup>1</sup> and such has been magnitude of its success that even international crime prevention and Detection organization like "INTERPOL"<sup>2</sup> have also accepted it and are now whole heartedly, supporting the new crime investigation tool.

This sophisticated new method for criminal investigation gained legal validity in India in 1985<sup>3</sup> by a paternity case. Over the years Indian law enforcement agencies have been permitted, through evolving legislation, to collect material containing DNA as a way of providing additional evidence for the conviction of criminals in India. Starting in the 1920s, the collection and use of biometrics for identification of criminals legally began for India with the approval of the Identification of Prisoners Bill.<sup>4</sup> The object of the Bill is to-

"provide legal authority for the taking of measurements of finger impression, foot-prints, and photographs of persons convicted or arrested."<sup>5</sup>

Other Indian legislation pertaining to forensic evidence is the Code of Criminal Procedure (Cr.P.C.) and the Indian Evidence Act. In 2005, the Cr.P.C was amended to authorize investigating officers to collect DNA samples<sup>6</sup> with the help of a registered medical practitioner.<sup>7</sup> Both the Cr.P.C and the Indian Evidence Act fail to address the collection and testing of DNA effectively as they do not set procedures for how the DNA samples should be collected, stored, shared, accessed, secured, and destroyed.

Thus the Draft DNA Profiling Bill 2007 was introduced in the Parliament to address these issues. However, it failed to adequately regulate the collection, use, sharing, analysis and retention of DNA samples, profiles and data, whilst its various loopholes created a potential for abuse. Consequently, the most recent version of DNA Profiling Bill was drafted named as Human DNA Profiling Bill 2012.

But before go into an in-depth analysis of the provisions of the current version of the Bill it is desires to gain a brief introduction as to the basic concepts of DNA and DNA Profiling and the present legal status of DNA tests in India.

### MEANING OF DNA

The deoxyribose nucleic acid of every human is unique. Furthermore, DNA is ubiquitous. It is commonly referred to as "THE BLUE PRINT OF LIFE". These properties have made DNA an important tool for the identification of the individuals, both in the forensics and security applications.

DNA consists of two twisted strands of the polymers, made up of mononucleotide units. Each nucleotide is composed of a 2- deoxyribose sugar, a phosphate, and one of the four bases: adenine (A), guanine (G), cytosine (C), thymine (T). The deoxyribose sugar and phosphate are linked by phosphodiester bridges in such a way as to form an unbranched polynucleotide chain.

**MEANING OF DNA PROFILING**

DNA profiling, also termed as DNA typing, is the molecular genetic analysis that identifies DNA pattern. Aside from identifying an individual responsible for violent crimes, the judicial system also can use DNA profiling to determine family relationships in the case of the disputed paternity or for immigration cases.

In 1985, Professor Alec Jeffreys of Britain's Leicester University discovered the technique for (DNA) profiling and storing. He had no way of knowing then that his discovery would open the door to changes in criminal prosecutions, and raise the ire of human rights and privacy advocates around the world.

**DNA TEST, HUMAN DIGNITY AND LEGAL CONFLICTION IN INDIA**

The negative approach of Indian Courts towards DNA testing and its application, in fact finding is very guarded one. The courts are very cautious in following for this test as they think, that it may go against the basic principle of Human Rights and Human Dignity, as the order for such test may interfere with the personal liberty of that person guarantees under Article 21 of the Constitution of India, which must be just, fair and reasonable one. The courts also feel that such an order may violate the right of an accused person protected under Article 20(3), of the Constitution of India. The Hon'ble Supreme Court in the land mark case of *Gautam Kundu v/s State of West Bengal*,<sup>8</sup> has held that:

1. Courts in India cannot order blood test as a matter of course,
2. Whenever applications are made for such prayers in order to have roving inquiry the prayer for blood test cannot be entertained.
3. There must be a strong 'prima facie' case in that the husband must establish non access in order to dispel the presumption arising under Sec. 112 of Indian Evidence Act. 1872.
4. The court must carefully examine as to what would be the consequence of ordering the blood test. Whether it will have the effect of branding a child as a bastard and the mother as an unchaste woman.
5. No one can be compelled to give sample of blood for analysis.

In the case of *R. Rajgopal v. State of Tamil Nadu*<sup>9</sup> Hon'ble Supreme Court said again that. "It is an establishing fact that every citizen has a right to safeguard the privacy of his own, his family, marriage, procreation, motherhood, child bearing and education and other matter." Deriving analogy through the same case the Hon'ble Supreme Court in the case of *Sri Banarasi Das v. Miss Teeku Dutta and others*.<sup>10</sup> held that submitting to the DNA test in violation of Right to privacy under Article 21 of the Constitution of India. Through in the case of *Sharada v. Dharmपाल and Mr. X v. Hospital Z*<sup>11</sup> it was held by the Hon'ble Court that the Article 21 is not an absolute right and restriction can be imposed on it for the prevention of Crime, disorder or protection of health or morals or protection of rights and freedom of others. Thus for criminal cases DNA test is the most accurate evidence. Justice Malimath Committee recommended that DNA expert being included in the list of Expert under Section 295 (4) of Code of Criminal Procedure, 1973.

In *Thogorani Alias K. Damayanti v. State of Orissa*,<sup>12</sup> the Orissa High Court affirmed the legality of ordering a DNA test in criminal cases to ascertain the involvement of persons accused. Refusal to cooperate would result in an adverse inference drawn against the accused.

After weighing the privacy concerns involved, the court laid down the following considerations as relevant before the DNA test could be ordered: "(i) the extent to which the accused may have participated in the commission of the crime; (ii) the gravity of the offence and the circumstances in which it is committed; (iii) age, physical and mental health of the accused to the extent they are known; (iv) whether there are less intrusive and practical ways of collecting evidence tending to confirm or disprove the involvement of the accused in the crime; (v) the reasons, if any, for the accused for refusing consent."

**DNA Profiling Bill, 2007:** The initiative to draft a Bill regulating the use of DNA samples for crime-related reasons began in 2003, when the Department of Biotechnology (DoB) established a committee known as the DNA Profiling Advisory Committee to make recommendations for the drafting of the DNA profiling Bill 2006, which eventually became the Human DNA Profiling Bill 2007.<sup>13</sup> The 2007 draft Bill was prepared by the DoB along with the Centre for DNA Fingerprinting and Diagnostics (CDFD).<sup>14</sup> The CDFD is an autonomous institution supported by the DoB. In addition to the CDFD, there are multiple Central Forensic Science Laboratories in India under the control of the Ministry of Home Affairs and the Central Bureau of Investigation,<sup>15</sup> along with a number of private labs<sup>16</sup> which analyse DNA samples for crime-related purposes. India does not have a national DNA database. However, according to Interpol's 2008 survey it has used HID (Human Identification) software of a national design for the operation of regional databases.<sup>17</sup>

**Human DNA Profiling Bill, 2012:** In 2007, the draft Human DNA Profiling Bill was made public, but was never introduced in Parliament. In February 2012, a new version of the Bill was leaked. The February 2012 Bill was drafted by the Department of Biotechnology. Another working draft of the Bill was created in April 2012. If passed, the Bill will establish state-level DNA databases which will feed into a national-level DNA database, and proposes to regulate the use of DNA for the purposes of enhance the protection of people and administration of justice through analysis of DNA found at the crime scene, and establish identity of victim and offenders.<sup>18</sup>

The Bill will also establish a DNA Profiling Board responsible for 24 functions, including specifying the list of instances for human DNA profiling and the sources of collection, enumerating guidelines for storage and destruction of biological samples, and laying down standards and procedures for establishment and functioning of DNA laboratories and DNA Data Banks.<sup>19</sup> The lack of harmonisation and clear policy indicates that there is a need in India for standardising the collection and use of DNA samples.

### ADVANTAGES OF THE BILL

This Bill is a craftworthy piece of legislation as it helps very effectively in solving a criminal case. It is a powerful tool in detection of an accused and it also keeps in check the crime rate with the creation of DNA Database. It removes the handicappability of the courts in ordering DNA tests due to absence of specific legislation.

DNA Technology also has galore applications which have been envisioned over the years. For example, in 2010 the State of Tamil Nadu sought to amend the Prisoners Identification Act, 1920 to allow for the establishment of a prisoners' DNA database – which would require that any prisoner's DNA be collected and stored.<sup>20</sup> In another example, the home page of BioAxis DNA Research Centre (P) Limited, a private DNA laboratory offering forensic services states-

"In a country like India which is densely populated there is huge requirement for these type of databases which may help in stopping different types of fraud like Ration card fraud, Voter ID Card fraud, Driving license fraud etc. The database may help the Indian police to differentiate the criminals and non criminals."<sup>21</sup>

In 2012, the Department of Forensic Medicine and Toxicology at Armed Force Medical College, Pune proposed to establish a DNA data bank containing profiles of armed forces personnel.<sup>22</sup> And in Uttar Pradesh, the government ordered mandatory sampling for DNA fingerprinting of dead bodies.<sup>23</sup>

### LACUNAS OF THE BILL

**1. Extrinsic and Intrinsic Concerns:** Concerns that have been raised with regards to the Bill are both intrinsic, including problems with effectiveness of achieving the set objectives, and extrinsic, including concerns with the fundamental principles of the Bill. For example, the use of DNA material as evidence and the subsequent creation of a DNA database can be useful for solving crimes when the database contains DNA profiles<sup>24</sup> from DNA samples<sup>25</sup> only from crime scenes, and is restricted to DNA profiles from individuals who might be repeat offenders. If a wide range of DNA profiles are added to the database, the effectiveness of the database decreases, and the likelihood of a false match increases as the ability to correctly identify a criminal depends on the number of crime scene DNA profiles on the database, and the number of false matches that occur is proportional to the number of comparisons made (more comparisons = more false matches).<sup>26</sup> This inverse relationship between the effectiveness of the DNA database and the size of the database was found in the UK when it was proven that the expansion of the UK DNA database did not help to solve more crimes, despite millions of profiles being added to the database.<sup>27</sup>

**2. Independence of Indices:** The current scope of the draft 2012 Bill is not limited to crimes for which samples can be taken and placed in the database. Instead the Bill creates indexes within every databank including: *crime scene indexes, suspects index, offender's index, missing persons index, unknown deceased persons' index, volunteers' index, and such other DNA indices as may be specified by regulations made by the Board.*<sup>28</sup> How independent each of these indices are, is unclear. For example, the Bill does not specify when a profile is searched for in the database – if all indices are searched, or if only the relevant indices are searched, and the Bill requires that when a DNA profile is added to the databank, it must be compared with all the existing profiles.<sup>29</sup>

**3. Broad Scope of Databases:** The Bill also lists a range of offences for which DNA profiling will be applicable and DNA samples collected, and used for the identification of the perpetrator including, unnatural offences, individual identification, issues relating to assisted reproductive technologies, adultery, outraging the modesty of women etc.<sup>30</sup> This list can be expanded by the DNA Board as they deem appropriate.<sup>31</sup> Though the Bill is not incorrect in its list of offences where DNA profiling could be applicable, it is unclear if DNA profiles from all the listed offenses will be stored on the database. If it is the case that the DNA profiles will be stored, it would make the scope of the database too broad.. Most concerning, through a list that outlines

the circumstances in which DNA can be collected, the Bill allows for the DNA of innocents who are not related to a crime scene, are not victims, and are not criminals to be added to DNA databases.<sup>32</sup>

**4. Privacy concerns:** Unlike other types of identifiers, such as fingerprints, DNA can reveal very personal information about an individual, including medical history, family history and location.<sup>33</sup> Thus, having a DNA database with a broad scope and adding more DNA profiles onto a database, increases the potential for misuse of information stored on the database, because there is more opportunity for profiling, tracking of individuals, and access to private data. In its current form, the Bill protects against such misuse to a certain extent by limiting the information that will be stored with a DNA profile and in the indices,<sup>34</sup> but the Bill does not make it clear if the DNA profiles of individuals convicted for a crime will be stored and searched independently from other profiles.

**5. Surveillance Issues:** Though the main focus of the Bill is for the use DNA profiles and DNA samples to identification of perpetrators,<sup>35</sup> the provisions of the Bill also allow for population testing and research to be done on collected samples.<sup>36</sup> As noted by the American Constitution Society for Law and Policy, by adding the DNA data of individuals with no discretion to these databanks, the governmental intent is presumptively changed from one of criminal investigation to population surveillance.<sup>37</sup> This is further proved by the establishment of NATGRID, a program which aims to link information from different databases such as tax, travel, financial, and criminal information. The linking of these databases will allow intelligence agencies to create comprehensive profiles of residents in India.<sup>38</sup>

**6. Lack of standards and process for collection of DNA samples:** In three places the Bill mentions that a procedure for the collection of DNA profiles will be established, yet no process is enumerated in the actual text of the Bill.<sup>39</sup> According to the Criminal Procedure Code, section 53 and 54, DNA samples can only be collected by certified medical professionals. This must be reflected by the Bill.

**7. Caste identification:** An indication of the possibility of how a DNA database could be misused in India can be seen in the CDFD's stated objectives, where it lists "*to create DNA marker databases of different caste populations of India.*"<sup>40</sup> Similarly, in the Report of the Working Group for the Eleventh Five Year Plan, it lists the following as a possible use of DNA profiling technology: "*Human population analysis with a view to elicit profiling of different caste populations of India to use them in forensic DNA fingerprinting and develop DNA databases.*"<sup>41</sup> CDFD appears to be collecting this data by requiring caste and origin of state to be filled in on the identification form that is submitted with any DNA sample.<sup>42</sup> Though an argument could be made that this information could be used for research purposes, but the assumption that caste is an immutable genetic trait is itself faulty and seems to ignore the fact that individuals change their caste and that caste is not uniformly passed on in marriage. Furthermore, using caste for forensic purposes and to develop DNA databases could far too easily be abused and result in the profiling of individuals, and identification errors.

**8. Inadequate level of authorization for sharing of information:** The Bill allows for the DNA Data Bank Manager to determine when it is appropriate to communicate whether the DNA profile received is already contained in the Data Bank, and any other information contained in the Data Bank in relation to the DNA profile received.<sup>43</sup>

**9. Low standard of access:** The Bill only restricts access to information on the DNA database that relates to a victim or to a person who has been excluded as a suspect in relevant investigations. Additionally, the Data Bank Manager is empowered to grant access to any information on the database to any person or class of persons that he/she considers appropriate for the purposes of proper operation and maintenance or for training purposes.<sup>44</sup> The low standards for access that are found in the Bill are worrisome as the possibility for tampering of evidence and analysis is increased.<sup>45</sup>

**10. Inconsistent provisions:** The Bill contains provisions that are inconsistent including:

Preamble ... from collection to reporting and also to establish a National DNA Data Bank and for matters connected therewith or incidental thereto. Section 32 (1) The Central Government shall, by notification establish a National DNA Data Bank and as many Regional DNA Data Banks there under for every State or a group of States, as necessary. (2) Every State Government may, by notification establish a State DNA Data Bank which shall share the information with the National DNA Data Bank. The National DNA Data Bank shall receive DNA data from State DNA Data Banks...

**11. Inadequate appeal process:** Though the provisions in the Bill allow aggrieved individuals to appeal to the Board and the court, it is not clear if the individual has the right to appeal the collection, analysis, sharing, and use of his/her DNA. The text of section 58 implies that the Board and the Central government will have the power to take action based on complaints. This power was not listed above in the sections where the powers of

the board and the central government are defined, thus it is unclear what actions the Board or the Central Government would be able to take on complaint.

#### 12. Provisions delegated to regulation that need to be incorporated into text of Bill

The Bill empowers the board to formulate regulations for, and the Central Government to make Rules to, a number of provisions that should be within the text of the Bill itself. By leaving these provisions to Regulations and Rules, the Bill is a skeleton which when enacted will only allow for DNA Labs to be certified and DNA databases to be established.

13. **Jurisdiction:** The validity of DNA profiles found outside of India is unclear as the Act only extends to the whole of India.

14. **Lack of restrictions on labs seeking certification:** According to section 16(2), before withdrawing approval granted to a DNA laboratory...the Board will give time to the laboratory...for taking necessary steps to comply with such directions...and conditions.”

15. **Lack of Important Provisions:** The Bill is also missing important provisions that would be necessary to protect the rights of the individual. For example, individuals are not permitted a private cause of action for the unlawful collection, use, or retention of DNA, and individuals do not have the right to access their own information stored on the database.<sup>46</sup> These are significant gaps in the proposed legislation as it restricts the rights of the individual.

### CONCLUSION

In conclusion, India could benefit from having a legislation regulating, standardising, and harmonising the use, collection, analysis, and retention of DNA samples for crime-related purposes. The current 2012 draft of the Bill is a step in the right direction, and an improvement from the 2007 DNA Profiling Bill. The 2012 draft draws upon best practices from the US and Canada, but could also benefit from drawing upon best practices from countries like Scotland. Safeguards missing from the current draft that would strengthen the Bill include: limiting the scope of the DNA database to include only samples from a crime scene for serious crimes and not minor offenses, requiring the destruction of DNA samples once a DNA profile is created, clearly defining when a court order is needed to collect DNA samples, defining when consent is required and is not required from the individual for a DNA sample to be taken, and ensuring that the individual has a right of appeal.

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## SOCIAL CONDITION OF KAMRUP UNDER THE AHOM RULE: A STUDY ON CASTE BASIS

Dr. Pranita Choudhury

Associate Professor, Department of History, K.R.B. Girls College, Assam

Kamrup came under the Ahom Rule in the late seventeenth century and remained in the possession of the Ahoms till 1824-25 when the East India Company took over Assam after defeating the Burmese. The end of the eighteenth century affords us with ample materials to reconstruct the social life of the people of Kamrup. The account of the Muslim historians and foreign travelers also shed interesting light on the social life of the period<sup>1</sup>.

Society was class stratified. During the period of Ahom rule in Kamrup several castes and sub-castes are well recorded. The copper plate inscription of Barpeta Satra issued during the reign of Siva Singha records several castes, viz, Brahmin, Kayastha, Kalita, Keot, Saloi, Ganak, Kumar, Koch, Napit, Sudi, Chamar, Dhoba, Jogi, Hira and Chandal.<sup>2</sup> Again the Patbausi Satra land grant charter of Lakshmi Singha of *saka* 1694 bears caste names such as Brahmin, Baniya, Kumar, Baisya, Nat, Koch, Bej, Kumar, Chamar, Dhoba, Jogi, Hira and Chandal.<sup>3</sup> The recording of the castes and communities in the charters bears confirmation of the fact that the Assamese Hindu/Hinduised society was comprised of many castes and communities like other societies in India. Such grant of people of different castes as Bhakat (disciple) to one Satra suggests that the castes distinctions though existed were not very rigid or somewhat liberal.<sup>4</sup>

**Brahmin:** Since very early times, the rulers of Kamrup maintained Brahmins and assigned them with priestly duties. King Dharmapala of ancient Kamarupa assigned priestly duties to Brahmins and made ample provisions for their maintenance by grant of lands.<sup>5</sup> It was the systematic policy of the rulers to create *agrahara* for the Brahmin and other high class Aryans. This tradition continued afterwards and was noticed during the Ahom rule. When the Ahoms started their administration in Kamrup they granted lands to Brahmins. Gadadhar Singha, during whose reign Kamrup was finally annexed to the Ahom Kingdom, appointed one Govinda Chakravarty as priest, for the worship of Visvesvara Siva (Visvesvara-Pujana-Karmani Sri Govinda Chakravarty Vipra niyojitah asit) as recorded in the Visesvar Temple Grant.<sup>6</sup> His grandson King Siva Singha granted 400 *pura* of land to the Brahmins (*bipra*) of Gowalkuchi village of Kamrup who served as *Pujak* (priest worshipper) and *Pathak* (reader of sacred or religious books) at the temple of Kamakhya, Pandunath and Ugratara.<sup>7</sup> The same king appointed Raghunath as Medhi of the Barpeta Satra. King Rajesvar Singha appointed Bisarad as Medhi of the Jayar-Satra, for the propagation of the name of Vishnu through *sravana* (hearing) and *kirtana* (religious songs). These Brahmin Medhis initiated people in to the Vaisnava faith and organised Vaisnavite Satra institutions at different localities.<sup>8</sup> Thus we find that the Brahmin of Kamrup during the Ahom rule earned their livelihood by performing priestly works.<sup>9</sup> In the land grant copper plate Inscription of Asvakranta Temple of Siva Singha records that 31 *pura* of Brahmottara land in the Bangshar Paragana were granted to the Brahmins, Siva Deuri and Baladev.<sup>10</sup>

**Daivajnas:** The Daivajnas were astrologers and enjoyed a place of honour in ancient societies. They subsequently came to be known as Ganakas. In the copper plate inscription of Barpeta Satra of Siva Singha mentions Ganaka<sup>11</sup> (*daivajna*) as professional astrologers who studied astrology and earned their livelihood mainly by astrological calculations.<sup>12</sup> Ahom kings maintained learned Daivajnas in their court and consulted them before commencing any auspicious work or starting a war against the enemies, or taking any serious decision as clearly mentioned in the chronicles.<sup>13</sup> It was on the advice of Ganaka that king Siva Singha handed over royal authority to his first queen Pramathesvari by appointing her Bar- Raja (chief-king)<sup>14</sup> in 1722 A.D. Another example is that before the battle of Saraighat when Lachit Barphukan propose to rush upon the enemy then the astrologer Achyutananda Doloi dissuaded the general from starting as the time was not auspicious for such an action.<sup>15</sup> This professional class, however, in later times appeared as a distinct caste called Ganaka in Assamese.

**Kayastha:** The Kayasthas and another sub-group Karanas belonged originally to the same group and gradually formed a caste but later bifurcated into two sub-groups. The Karanikas and the Kayasthas are distinguished in an inscription of 870 A.D. where in we find the *Mahabhabapatalika* as Kayastha. They were originally a professional class who maintained accounts and served as scribes.<sup>16</sup> In medieval period the Kayasthas were appointed as accountants and scribes. During the Ahom period the Kayasthas were given honour. A copper plate inscription of Saka 1685 of king Rajesvar Singha records a grant of 80 *puras* of land to a Kayastha named Jagatananda Majumdar (accountant).<sup>17</sup> During the sixteenth and seventeenth centuries some of the Kayasthas turned into Vaisnava preachers and established *satras* to propagate Vaisnavism and initiated disciplines.<sup>18</sup> In

*saka* 1694 Banesvara, and Kames were two Kayasthas were appointed as *Bhakat* (disciple) to the Patbausi Satra<sup>19</sup>.

**Kalita:** Kalitas were agriculturist by profession.<sup>20</sup> During the Ahom period the Kalitas were also granted as *Bhakat* (disciple) to different *satras*. In the copper plate inscription of Barpeta Satra it is mentioned that the Ahom king Siva Singha appointed 96 houses Kalitas as disciples of this Satra.<sup>21</sup> Formerly they were the *Bhakatas* of this *Satra*. Again king Lakshmi Singha granted Jainaram and Ketha (Kalita) as *Bhakat* to Pat-Bausi Satra in Saka 1694.<sup>22</sup> In course of time the Kalitas were placed under Sudra caste.<sup>23</sup>

**Keot:** The Keots occupy the position next to the Kalitas. The inscription of Barpeta Satra of Saka 1667 records the grant of 59 houses Keots as *Bhakat* (disciples) and one Keot, as *paik* to the *Satra*,<sup>24</sup> allotting them specific duties. According to Buranjis<sup>25</sup>, the Keots community were mainly agriculturist by profession and some of them took fishing as their occupation other than agriculture. The Keot who professed agriculture were known as Haloi Keot and were treated as upper class Hindus, whereas Keots who look fishing as their main occupations called Jaloi Keot were considered as depressed class.<sup>26</sup>

**Other castes:** Inscriptions refer to several other minor castes such as Sudi, Jogi or Natha, Hadi or Baniya, Napit (barber), Hira, or Chandal, and Dom.<sup>27</sup> They were given lower status in the society. These people were also granted to the temples and Satra allotting their specific duties.

**Suris (Sunris):** Formerly the Sudis prepared and sold wine or liquor.<sup>28</sup> Few of them now follow their hereditary occupation, later on as this profession was not considered respectable in the society; they gave up this profession and accepted agriculture. At the beginning of the nineteenth century the Sudis lost their separate identity.<sup>29</sup> Few of them now follow their hereditary occupation The Sunris of Assam enjoy the same social rank as the higher class of *sudras*.<sup>30</sup> The inscription of Barpeta Satra of saka 1667 records the grant of 6 *Sudi* as *Bhakats* (disciples) to the *satra* and as a result of social mobility and intermarriage they merged into other castes like the Keots and Kalitas.<sup>31</sup>

**Saloi:** This was a small community allied to the Suris. The main profession of the Salois was agriculture and like the Sudis community they merged into the Keot community.<sup>32</sup>

**Hadis:** The Hadis or Baniyas were considered as one of the low-caste Hindu communities. They were divided into two sections, one section used to work as goldsmith and occupied a higher position in the society than the other section who were engaged as sweepers or scavengers.<sup>33</sup> The inscription of Barpeta Satra of Siva Singha mention the appointment 14 Haris as the disciple of that *satra*.<sup>34</sup>

**Jogi:** The term Jogi (Jogi) appears in the copper plate inscription of Saka 1657 were the people belonged to the Nath community. The main occupation of this community in Assam was rearing of silk worms and weaving of silk cloth and some of them engaged in agriculture.<sup>35</sup> In the copper plate inscription of the Barpeta Satra Siva Singha appointed 24 Jogis as the disciples of *satra*.<sup>36</sup>

**Napit:** The Napits are known of their profession. In upper Assam the Napit is called as *nat*. Koch King Naranarayan brought some of the *Napit* families from Koch Behar and established them at Nilachal.<sup>37</sup> During the Ahom period some of the Napits were appointed as *Bhakatas* of the *satras*. In the copper plate inscription of Barpeta Satra Siva Singha appointed 5 napits as *Bhakata* to that *satra*.<sup>38</sup>

**Nata:** The term *nata* that appear in the copper plate inscription of Patbausi Satra of *saka* 1694 denotes the community of musicians and dancers engaged in temples and *satras* to perform dance and music before the deities of the temples. In that inscription the name of Kaha Nat is also mentioned.<sup>39</sup>

**Hiras:** Hiras were also granted as *Bhakata* (disciple) to the *satras*. In the Inscription of Patbausi Satra of Lakshmi Singha, it is mentioned the name of Keho Hira and Jadu Hira were appointed as *Bhakata* to the *satras*.<sup>40</sup> The main occupation of the Hiras was pottery with or without the use of wheel and they supplied earthen wares to the *satras*.<sup>41</sup>

**Dhoba:** Washerman class existed in Kamrup and was known as Dhoba. Inscription records Dhoba (washer man) who were employed with specific duties of rendering their services to the temples and religious institutions.<sup>42</sup> Again in the Inscription of Patbausi Satra during the reign of Lakshmi Singha that he appointed one *Dhoba* named Krishna Ram as disciple of that *satra*. In the copper-plate Inscription of Barpeta Satra of Siva Singha that he appointed 8 *Dhoba* as *Bhakat* of that *satra*.<sup>43</sup> As their profession was of low status they gave up the profession in favour of agriculture.<sup>44</sup>

**Dom:** The Kaivartas (fisherman) whose profession was catching or selling fish were called Dom. Some of them accepted agriculture as their profession.<sup>45</sup> In the Inscription of Dharmottara grant in the Khatabari Govindapur

Village in Khata-Pargana of Siva Singha appointed one Kaivarta named Chaitana Kaivarta as the disciple of the Satra.<sup>46</sup>

**Koches:** Originally related to the Bodo-Kachari group, the Koch belongs to the Indo-Mongoloid stock. When a section of them after assuming the political power came under the religious influence of Brahmin and Vaisnava preachers and were the Koch converted to full-fledged Hindus they assumed the name *Rajvangshi* or Koch.<sup>47</sup> Koches were also granted as *Bhakat* (disciples) to the *satras*. In *saka* 1657 Siva Singha granted 8 persons belonged to the Koch community as *Bhakat* to the Barpeta Satra of Kamrup.<sup>48</sup>

The land grants of king Siva Singha to Barpeta Satra in the Saka year 1657 as well as other grants of the same king give the names of fifteen numbers of castes. They are Brahmin, Kayastha, Kalita, Keot, Saloi, Ganak, Koch, Kumar, Napit, Suri, Camar, Dhoba, Jogi, Hari (Hadi) and Chandala. The list not only covers almost all the castes of Kamrup (western Assam), but also give them in the social hierarchical order.<sup>49</sup>

**Gariyas:** The Muslims, generally called *Gariyas*, were outside the Hindu caste system. However, some of them were granted to the religious institutions with specific duties to perform. King lakshmi singha granted *Gariyas* to serve in the temple (*math*) of Kshudra Makhibaha, village of Nambarbhag, paragana, Kamrup, and Dharmottara land-grant to Bhognarayan Choudhury along with the people of other caste in *saka* 1692.<sup>50</sup>

In fact the Muslim society did not differ much from that of the Hindu Festival like Bihu, Mahoho and some of the Hindu rites accepted as in their own festival and ceremonies. Of course, the religious rites prescribed by the Koran and social and personal duties ordained by the *Shariat* were not abandoned.<sup>51</sup>

So far as the mediaeval tribal society is concerned, the different tribes had their own social organisation. But most of the tribes did not have written records, literary or otherwise, before the occupation of the country by the British. But there is no doubt that the tribes did not have caste system based on birth or profession. They were and are still continuing their separate identities in the present political boundaries of the state of Assam. The following Indo-Mongoloid tribes with their distinct traditional cultures and dialects still from a sizable population of Kamrup, the Bodo, the Rabha, the Karbi (Mikir), Garo, the Tiwa, the Deuri (Lalung). Most of them speak their own dialects but can speak Assamese fluently. In course of time many of the tribal people were converted to Hinduism and became Rajvangshi or Koch or Saraniya Kachari and gradually adopted Assamese as their mother tongue. This happened mainly in areas adjacent to non-tribal Assamese speaking areas. There is hardly any social hierarchy in their social life, although minor distinction is noticed in respect of clans.<sup>52</sup>

### SOCIAL PRACTICES

Provisions for entertaining guests were made in some copper plates. By an inscription in *saka* 1681, king Rajesvar Singha granted 88 $\frac{1}{2}$  *pura* of land to Holiram Kakati to construct a house (*math ghar*) to maintain guests.<sup>53</sup> Servitors, belonged to different castes and communities were also granted to the Kakati in order to fulfil this social obligation to increase the merit of the king. A copper plate inscription of Kamaleswar Singha of *saka* 1727 records the purchase of *paiks* by Sayani, the wife of Pratapballava Barphukan. She dedicated these *paiks* to the temple of Madhava and assigned them specific duties in the temple.<sup>54</sup> It is an evidence of sale and purchase of men (*paiks*) for special duties. It suggests that the *paiks*, the commonest subjects of the Ahom regime were saleable, and had the right to purchase not only by kings and high officials, even by the wife of the nobility.

### MARRIAGE

In the case of the marriage ceremony, the Vedic procedure was uniformly followed not only by all the high caste Hindus but almost all the lower castes and utilised the service of the Brahmin priests in celebrating the marriage ceremony.<sup>55</sup>

The custom of pre-puberty marriage was prevalent among the Brahmins and the Kayasthas of Kamrup, the bride was not escorted to her husband's home on the marriage day, but sometimes she was taken by the bridegrooms party for a few hours for the benefit of the relatives, mainly for the womenfolk, who could not accompany the marriage party. This custom was called *ghargachakona*, literally stepping into husbands house. She was sent back after a few hours to her parents' house where she was allowed to stay till she attained puberty. Castes, other than the Brahmins and the Kayasthas, married grown-up girls and therefore carried their brides immediately after the conclusion of the ceremony.<sup>56</sup>

**Dowry:** The dowry system was also prevailed in Kamrup. A copper-plate-inscription of Siva Singha of *saka* 1648 refers a charter of 10 *pura* of land bestowed on the Brahmin Vidyabhata and his newly-wed wife on the

occasion of their marriage. The term *Yautakatuena Britt* (dowry system) was existed in medieval Assam, at least among certain sections of the society.<sup>57</sup>

**Inheritance:** The Assamese Hindu society, being patrilineal followed the *daya-bhaga* system of inheritance. In this system the son inherits the ancestral property of the family. In the case of more than one son all equally shared the property of the father. The father could dispose of his property according to his needs or under legal necessity. He could also disinherit a son under certain circumstances. In a joint family, if a member died without any male issue his share of property remained in the family unless claimed by the male issue of his daughter.<sup>58</sup>

The local customs in western Assam considerably differ from central and eastern Assam. The popular local customs of central and eastern Assam are mostly uniform and only slight differences are noticed here and there. The main cause of this uniformity is the fact that the entire region from Guwahati to the easternmost point Sadiya was under one rule for a few centuries and therefore, it served as one of the unifying factors.<sup>59</sup>

**Widow:** The widow remarriage, though rare, did exist among castes other than the Brahmin and the Kayastha. It was more prevalent among the lower castes. Formerly, the practice of payment as bride's price was prevalent in western Assam. A man having several girls could aspire to be a rich man by obtaining bride's price from each of his daughters. This practice, however, does not exist now.<sup>60</sup>

The Assamese Muslim in social life is a synthesis of the Islamic and the Hindu social customs. The practice of the cross-cousin marriage, though approved by Islamic laws is not encouraged among Assamese Muslims. In certain parts of Assam the presentation of *Joran* before the marriage was prevalent among the Muslims, but the vermilion mark was not applied on the forehead and the parting of hair. The practice of singing marriage songs by women could also be noticed. The local custom of *athmangala*, i.e. inviting the newly married couple to the house of the brides father for a dinner on the eight day of the marriage was prevalent similar to the Hindus.<sup>61</sup>

Marriage system, inheritance, burial custom, period of impurity etc. differ from tribe to tribe. Tribes of the plains having been in close proximity for centuries with the Assamese speaking Hindu people have, however, imbibed some customs and rituals from their neighbours. The Tiwas and Rabha of the plains, though at present, patrilineal still retain some traces of their original matrilineal influence in giving priority to the maternal uncle in all-important ceremonies.<sup>62</sup> The easy process of marriage and the divorce indicates the liberal attitude of the tribes in respect of conjugal life. But adultery is not easily let off and the conjugal fidelity is very highly valued.<sup>63</sup> Before the advent of Christianity animism was prevalent and even now unconverted tribes follow their traditional customs and rituals.<sup>64</sup>

The Buddhist communities as they came late to Kamrup, their impact on the Kamrupi people and society is negligible, but the Assamese Hindu influence is discernible to a limited extent in their social life.<sup>65</sup>

## CONCLUSION

In social life, *Kamrupi* people enjoyed full autonomy. Although the caste distinctions existed in Assamese Hindu or Hinduised society, those were not very rigid and did not prevent cordial social communication between members of different castes. The Muslim festivals did not differ much from that of the Hindu festivals like Bihu, *Mahoho*, and some other Hindu religious functions were accepted and enjoyed by the Muslims as their own festivals and ceremonies.

The Ahom did not interfere in the social life of the *Kamrupi* people. They did not interfere in marriage system, inheritance, burial customs and period of impurity etc., and hence these traditions and customs continued. Therefore, the social life of *Kamrupi* people continued uninterrupted during the Ahom rule.

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62 Pramod Chandra Bhattacharya (ed.), *Assamese Janajati*, p.67; H.K.Barpujari, *op.cit.*, p.180.  
63 *Ibid.*, *Ibid.*  
64 H.K.Barpujari, *op.cit.*, p.180  
65 B.K. Barua, *Cultural History of Assam*, pp.86-87; H.K.Barpujari, *op.cit.*, p.179ion no.

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**A STUDY OF PERSONALITY OF ADOLESCENTS IN RELATION TO PARENTING STYLES**

**Dr. Rohit Bhandari<sup>1</sup> and Parminder Kaur<sup>2</sup>**

Assistant Professor<sup>1</sup> & Alumnus<sup>2</sup> (M.Ed.), Dev Samaj College of Education, Chandigarh

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**ABSTRACT**

*The present study examines the personality of adolescents in relation to parenting styles. The sample of the study comprised of 200 eleventh class students (50 boys and 50 girls) studying in government and private schools of Chandigarh. Descriptive survey method was employed to collect the data. The major findings of the study revealed a significant difference in the personality of adolescents studying in government and private schools in favour of students studying in government school. But, there was no significant difference in the personality of adolescents in relation to low and high score on parenting style.*

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**INTRODUCTION**

Family is the main pillar and the first of child's personality development. The quality of the relationship between parents and children is considered as the determining factor of adjustment and their interaction to each other as well as psychological and emotional atmospheres dominant on the family form the behavioural and personality characteristics of children (Sarmast, 2006). Family played main role in most societies and it has the most influence in the process of human's socialization and acculturation. Various studies have been performed indicating that one of the most effective factors on the development and formation of adolescent's personality is their parent's parenting practices (Belsky&Barrendz, 2002; Prinzieh et al., 2004).

Personality is all that a person is. It is totally of his being and includes his physical, mental, imaginations, instincts, thoughts and sentiments constitute his personality. Psychologists are different from each other in terms of the meaning of personality. Most of them agree that the term personality is a relatively stable trait, tendencies or features that perpetuate individual's behaviour to some extent; or more specialized, personality is made up of traits and tendencies which is led to individual differences in behaviour, behaviour stability over time and behaviour continuity in various situations (Feist & Feist, 2002).

Personalities are formed in the early years, before the age of eleven, some say before the age of seven. During the formative years, one of the major factors influencing the formation of the children's personalities is parenting. The foundation of personality of the children lies in the womb of family. Family is regarded as nursery of socialization. Parenting style is one of the important component of the family system. Parenting is the greatest responsibility. It involves careful attention to the need of the child in order to ensure that he has a complete and all round development.

Edmund and Gerard (2015) conducted a study entitled the influence of trait affect and the five-factor personality model on impulse buying, Additionally, studies on how the five-factor personality model's dimensions influence impulse buying have also produced contradictory results and found that trait affect does have a significant influence on impulse buying controlling for state affect, but that this influence is fully accounted for by the five-factor personality model, the extraversion, conscientiousness and neuroticism dimensions of which are found consistently to predict impulse buying.

Geetanjali (2011) conducted a study on academic achievement of 200 students of 11<sup>th</sup> class in relation to their personality and emotional intelligence and found that there exists significant relationship between academic achievement and emotional intelligence and partial relationship between academic achievement and personality.

Amanda et al. (2015) conducted a study entitled temperament and parenting styles in early childhood differentially influence neural response to peer evaluation in adolescence the study used functional neuroimaging to assess the moderating effects of different parenting styles on neural response to peer rejection in two groups of adolescents characterized by their early childhood temperament (M<sub>age</sub>= 17.89 years, N=39, 17 males 22 females, 18 with BI; 21 without BI). Found that BI in early life relates to greater neurobiological sensitivity to variance in parenting styles, particularly harsh parenting in late adolescence. These results are discussed in relation to biopsychosocial models of development.

Gogolinski (2012) conducted a study on different aspects of parenting and how it affects both the couple's relationship and the children involved this study, utilizing a clinical sample of 37 families, explored the relationship between differences in parenting styles and the child's perception of family support and the differences in parenting styles and the couple's distress level. No significant relationships were found among differences in parenting styles and a child's perception of family support.

**OBJECTIVES**

1. To compare the personality of adolescents studying in Government and Private schools.
2. To compare the parenting style as perceived by adolescents studying in Government and Private schools.
3. To compare the personality of adolescents with regard to gender.
4. To compare the parenting style as perceived by adolescents with regard to gender.
5. To compare the personality of adolescents in relation to parenting style.

**HYPOTHESES**

1. There will be no significant difference in the personality of adolescents studying in Government and Private schools.
2. There will be no significant difference in the parenting style as perceived by adolescents studying in Government and Private schools.
3. There will be no significant difference in the personality of adolescents with regard to gender.
4. There will be no significant difference in the parenting style as perceived by adolescents with regard to gender.
5. There will be no significant difference in the personality of adolescents in relation to parenting style.

**DESIGN**

In the present study, descriptive survey method was employed to collect the data.

**SAMPLE**

Stratified random sampling technique was employed. The sample comprised of 200 students of class 11<sup>th</sup> of Chandigarh. Out of these 200 students, 100 were taken from government school and 100 were taken from private school. Further 50 male and 50 female students were taken from each type of schools i.e. Government and Private.

**TOOLS**

1. Eysenck's Personality Questionnaire-revised (E.P.Q.-R) by H.J. Eysenck and S.B.G. Eysenck (1980).
2. Parenting Scale by Dr. R.L. Bharadwaj, Dr. H.C. Sharma and Dr.Amita Garg. (1998).

**STATISTICAL TECHNIQUES**

The obtained data was analyzed by employing t-test.

**RESULTS AND DISCUSSION**

Table-1: Mean Differentials with regard to the personality and parenting style as perceived by adolescents studying in Government and Private schools.

Variable	Mean		S.D		t-value	Level of Significance
	Govt. School	Pvt. School	Govt. School	Pvt. School		
Psychoticism	11.92	10.96	2.28	2.94	2.57	0.05
Extrovert	11.95	11.45	2.43	3.47	1.17	Not Significant
Neuroticism	14.10	12.22	2.72	4.44	3.60	0.01
Personality (Total)	47.51	42.49	5.21	6.90	5.79	0.01
Parenting style	696.90	625.58	74.35	104.17	5.57	0.01

Table 1.shows that the 't' values between Government and Private schools was not significant in the area of Extrovert (t=1.17) and 't' values between Government and Private schools weresignificant in the area of Psychoticism (t=2.57) and Neuroticism (t=3.60). It shows that there was significant difference in Government and Private schoolswith respect to Psychoticismand Neuroticism. It indicates that there was significant difference in the Personality of adolescents studying in Government (M1=47.51) and Private (M2=42.49) schools.Further, the higher mean scores of Government schools students with respect to personality indicate they are more open about their personality than their counterpart in private school students and the mean differential with regard to Parenting style as perceived by adolescents studying in Government and Private schools were significant at .01 level (t=5.57). It indicates that there was significant difference in parenting style of Government (M1=696.90) and Private schools (M2=625.58). It further indicates that the adolescents studying in Government school have high score on Parenting style than the adolescents studying in Private schools.Thus, hypotheses 1 and 2 stands rejected.

Table-2: Mean Differentials with regard to the personality and parenting style as perceived by male and female students studying in Government and Private schools.

Variable	Mean		S.D		t-value	Level of Significance
	Govt. School	Pvt. School	Govt. School	Pvt. School		
Psychoticism	11.01	11.87	2.31	2.93	2.30	.05
Extrovert	11.77	11.63	3.16	2.84	.32	Not Significant
Neuroticism	13.30	13.02	3.62	3.97	.52	Not Significant
Personality (Total)	44.98	45.02	6.87	6.35	.04	Not Significant
Parenting style	652.76	669.72	97.56	96.35	1.23	Not Significant

Table 2. shows that ‘t’ values between male and female adolescents studying in Government and Private schools were not significant in the area of Extrovert (t=.32), Neuroticism (t=.52) while it was found to be significant at .05 level in the area of Psychoticism (t=2.30). It indicates that there was no significant difference in personality of male (M1=44.98)and female (M2=45.02) adolescents studying in Government and Private schools. It further indicates that the both male and female adolescents studying in Government and Private schools have almost same Personality and the mean scores of Parenting style as perceived by male and female adolescents studying in Government and Privateschools is not significant at any level (t=1.23). It indicates that there was no significant difference in the personality of male (M1=652.76) and female (M2=669.72) adolescent studying in Government and Private schools. It further indicates that the both Private and Government senior secondary school male and female adolescents have almost equal scores on Parenting style.Thus, hypotheses 3 and 4 stands accepted.

Table-3: Mean Differentials with regard to the personality of adolescents in relation to Low and High score on parenting style.

Dependent Variables	Sub-Independent Variable	Mean Low PS	Mean High PS	SD Low PS	SD High PS	t-value	Level of Significance
Parenting Styles	Psychoticism	11.18	11.78	2.54	2.81	1.56	Not Significant
	Extrovert	11.88	11.44	3.09	2.87	1.03	Not Significant
	Neuroticism	13.16	13.15	3.86	3.72	.02	Not Significant
	Personality (Total)	44.60	45.52	6.92	6.14	.99	Not Significant

Table 3. shows that the ‘t’ values between the personality of adolescents in relation to low and high score on parenting style were not significant in all the areas of Personality viz. Psychoticism (t=1.56), Extrovert (t=1.03),Neuroticism(t=.02). It shows that there was no significant difference in the personality of adolescents in relation to low (M1=44.60) and high score (M2=45.52) on parenting style. It further indicates that the personality of adolescents with low and high scores on parenting styles is almost same with respect to various dimension of personality viz. Psychoticism, Extrovert and neuroticism. Thus, hypotheses -5 also stands accepted.

**EDUCATIONAL IMPLICATIONS**

Efforts should be made by teachers as well as parents to develop personality of their child. This study is helpful in nurturing of the personality of the adolescent. Teachers can help the adolescents in way of expressing their emotions. Adequate outlet for the emotions will help the adolescents in proper development of personality traits. Parents at home and teachers at school always play a major role in influencing and developing personality. They should provide such atmosphere at home, so that the child grows to an adult so perfectly who turns out to be a responsible and mature individual who can handle situations with calm and maturity.

The findings of this study will be an eye opening to the researchers, curriculum partitioners and parents. The findings of the present study may be helpful to the student, teachers, principals, administrators and educational planner. Students should be provided with enough ways to enhance their personality. Group activities and team work should be organised among students which develop the feeling of co-operation, social attitude, independence, tolerance, acceptance of others, self-confidence and responsibilities. The parents and teachers should help to create conducive environment tor children to keep them away from stressful environment.

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## JUVENILE DELINQUENCY: ITS CAUSES AND PREVENTION IN INDIA

Vinod Kumar<sup>1</sup> and Dr. Surendra Kumar<sup>2</sup>

Research Scholar<sup>1</sup>, Mewar University, Chittorgarh, Rajasthan

Principal<sup>2</sup>, Delhi Institute of Rural Development, Delhi

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### ABSTRACT

*Juvenile Delinquency is a social problem which can be checked or removed by the active participation of every member of the society including parents, family members, teachers, social activists, law enforcement agencies etc. we all have to remove causes of juvenile delinquency like abandonment, social institutions, peer pressure hereditary, psychological, environmental etc. in the effective manner .*

*Keywords: Juvenile Delinquency, Criminal law, Historical perspectives, Law governing Juvenile Delinquency in India.*

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### INTRODUCTION

Children are most important asset of a nation. The growth and decline of civilization can be determined by its degree of concern for the children. Government in general and society in particular must recognize that the children need protection and care. It is very unfortunate that children in addition to high Infant Mortality Rate Malnutrition., under nutrition, disease and drug addiction are also subjected to child neglect, child labour and child abuse. These disorders in our society lead to deviant behavior in children that is Juvenile Delinquency. These disorders in normal behavior are creating destruction in social set up. The problem of Juvenile Delinquency has been the concern of criminologists, penologists, social workers and the policy makers for a long time.

The problem has become a universal one for both developed as well as developing countries. Delinquency generally signifies deviant behavior . Deviant refers to divergence from the mean or standard position. Albert Cohn particularly emphasizes the context of “social system: deviant behavior” , he remarks is that “behavior which violate institutional expectations i.e. expectations which are recognized as legitimate within a social system”<sup>1</sup>

As a legal concept, Juvenile Delinquency is establishment of special court procedures for juvenile offenders. Juvenile Delinquency is integral part of criminology. “Delinquency has something to with misbehavior but not all mis-behavior is delinquent , even when it might be considered inappropriate behavior for the age of individual”-By Robert Dwirt and Peter F. Briggs.<sup>2</sup>

Delinquency is an act , course of conduct, or situation which might be brought before court and adjudicated whether in fact it comes to be treated there or by some resource or indeed remain untreated “- By Tappan.

Because of the statutory definitions and administrative practices there exists a “legislative wilderness” regarding the meaning of Juvenile Delinquency. Despite of the belief that Delinquency involve a violation of a criminal statute, the legal coverage of the term include a variety of moral judgments and codes. Criminal law is a body of specific rules and regulations regarding the human conduct that have been established by political authority through constitutions, legislative enactments, treaties, the system of common law and in judicial decisions and administrative tribunals.<sup>3</sup>

Criminal law applies to all age of groups, but the age factor is taken into consideration in the treatment procedure. A person under age is classed as a juvenile delinquent if he violates a law, and is treated accordingly. Besides, certain laws apply only to juveniles.

‘Juvenile’ or ‘child’ means a person who has not completed eighteenth years of age. <sup>4</sup>

Under section 82 of the Indian penal code “nothing is an offence which is done by a child under seven years of age” and under section 83 “nothing is an offence which is done by a child under seven years of age and under twelve, who has not attained sufficient maturity of understanding to judge the nature and consequence of his conduct on that occasion”

The dietary consumption data of a National Nutrition Monitoring Bureau (NNMB) <sup>5</sup> suggest that the girl in the age group 13-15 years consume less than two third of the recommended calorie intake. She remain intellectually underdeveloped, being denied the opportunity to attend school. Most tragically, the girl child in India is unwanted and considered a liability by her own family. Marriage is considered as priority as soon as she attains puberty. <sup>5</sup>

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On the basis of the classical theory of crime, a child is delinquent only when so adjudged by a juvenile court and the theory stresses the rigid application of law to all offenders, as a safeguard against arbitrary exercise of power by political and administrative authorities.

### **HISTORICAL PERSPECTIVES** <sup>6</sup>

The term Juvenile Delinquency may be new but the problem of children are as old as history as the children themselves. Every society has treated its children in accordance with its religious, social, and political beliefs. Several rapid socioeconomic changes such as breakdown of feudalism, rise of industrialization, colonization, migration and urbanization have influenced societies, attitudes to children. These attitudes were shaped by certain events such as epidemics, wars, depression and a breakdown of the family system with the emphasis on proper discipline of children. It was essential duty of the family to raise children to respect law and authority.

Eysenik explain the individual behavior in terms of extraversion neuroticism and genetically inherited characteristics of the nervous system . the Eysenik theory claims that- criminal behavior is determined by genetic causes, an expression of one's personality and the personality variables themselves are in part determined by genetic causes. <sup>7</sup>

### **NATURE AND EXTENT**

It is extremely difficult to assess precisely the extent of the problem in any part of the country since available statistics, are full of pitfalls and therefore no indicator of the true extent. This is because of the fact that a large number of such act remain undetected or unreported. Never the less, it has been observed that delinquency rate is highest in all developed countries. it is in countries with the highest level of technical and economic advancement that social changes occurs most rapidly and traditional social roles and institutional control over the child conduct tends to break down . <sup>8</sup>

In India Juvenile Delinquency is something different in nature as compared to other countries as it include violation of law or ordinance, habitual truant, knowingly associating with thieves or immoral persons, incorrigibles, beyond control parents, growing up idleness or crime , absence from house, immoral conduct, using narcotics, vagrancy, wandering streets at nights, operating motor vehicles dangerously while under the influence of liquor, giving to sexual irregularities, prostitution, unnatural relationship etc <sup>9</sup> . Child abuse and child neglect are two different kinds of Juvenile Delinquency.

### **CAUSATION OF JUVENILE DELINQUENCY**

1. Abandonment: In the context of Juvenile Delinquency child abandonment is recognized as a Juvenile Delinquency which comes in the category of neglected child. In this case the child is not physically harmed directly as part of abandonment, distinct from this widely recognized crime of infanticide.
2. Social institution: these are the group of social positions, connected by social relatives, performing social role. Common example include education, government, families, economics, religious and any people or groups that a child has social interaction with. These are related to delinquent juveniles get influenced by these institutions only.
3. Peer pressure: it is considered to have negative effects as drug and alcohol use and skipping alcohol. It is also considered as root cause of several recent tragedies in the country involving young people.
4. Physical: the study of skull as indicative of mental facilities and traits of character in interesting in phrenology.
5. Heredity: It emphasized a lot while studying the cause of delinquent behavior as "delinquent parent breed – delinquent children". Heredity and environment influences a child's behavior to a large extent. <sup>10</sup>
6. Psychological : Every child needs warmth. Affection, recognition, love and understanding. If any of these are denied, the result is frustration and emotional disturbance leading to social maladjustment , feeling of insecurity, inferiority and guilt make a child emotionally upset.
7. Environment: Home-The environment in which the child lives has a very deep influence in making his personality and character. Family- family which is disorganized is a criminogenic factor . family may be disorganized by death, divorce, desertion etc. <sup>11</sup>
8. Defective parental control and discipline: it is a contributory factor in delinquency. Parent's lack of education in child care and are in a position to enforce healthy discipline. A child generally starts his wrongdoing at home. On the other hand, strict control and severe punishment also spoil the child. <sup>12</sup>

9. The School: just as poor family training has an adverse effect on the child's development and character so does poor schooling.
10. Others: other factors include companions, urbanization, media, literature, poverty, employment, migration, and social stratification also play role in juvenile delinquency.

### LAW GOVERNING JUVENILE DELINQUENCY IN INDIA

The various laws governs the Juvenile Delinquency in India are The Children Act, 1960, National Policy for Children 1974, Convention on the rights of child(1989), The Juvenile Justice Act, 1986(repealed) and The Juvenile Justice (care and protection of children)act, 2000 etc. the issue of juvenile justice was discussed in the second United Nation Congress on prevention of crime and treatment of offenders held at London. Some concrete recommendations were adopted. The children act 1960 is an act to provide for the care, protection, maintenance, welfare, training, education and rehabilitation of neglected or delinquent children and for the trial of delinquent children in the Union Territories. The laws helps in preventive and promotive aspect of child health, nutrition for infants and children along with nutrition for nursing and expectant mothers, maintenance, education and training of orphan and destitute children and care, education, and rehabilitation of handicapped childrens.<sup>13</sup>

The children who are particularly disadvantaged because of their social, economic, physical or mental condition. The group of children under special or difficult circumstances include children in labour, street children, children who are physically or mentally challenged, destitute children in need of adoption, drug addicts, children in prostitution, children of prostitutes, prisoners, refugee's children, and slum and migrant children.<sup>14</sup>

The Juvenile Justice Act 1986 provide uniform legal framework for juvenile justice in the country. It establishes norms and standards for the administration of juvenile justice in terms of investigation and prosecution, adjudication and disposition and care, treatment and rehabilitation.<sup>15</sup> The Juvenile Justice( care and Protection Of Children) Act 2000 is passed to achieve objectives of Juvenile Justice Act 1986.<sup>16</sup>

The department of Women and child development was set up in the year 1985 as a part of ministry of human resource development to give holistic development of women and children. It include integrated Child Development Services (ICDS) providing package of supplementary nutrition, immunization, health check up and referral services, pre-school non formal education. Kishori Shakti Yojna (KSY) seek to empower adolescent girls to enable them to take charge of their lives.<sup>17</sup>

Public opinion has urged that the prohibition of consumption of intoxication drink and of drug injurious to health should be carried out as an essential item of social policy. In article 47 of the constitution this has been already accepted as a directive principle. The planning commission set up a special committee to examine the experience gained regarding measures adopted by state government and to make recommendations for a programme of prohibition on a national basis indicating the manner and stages of the program which is carried out. Setting up of technical committee have the following objectives:

1. Reducing progressively the number of liquor shops both in rural and urban areas.
2. Reducing quantities supplied to liquor shops with reduced strength.
3. Removal of shops to places away from main streets and living quarters in town and villages.
4. Assisting voluntary agencies in organizing recreation centers.

### PREVENTION

Prevention is divided into primary and secondary. The primary prevention includes preventive measures which are typically grass roots oriented, relying on key local institutions such as the school, church/ mosque/ temple, village council, social clubs etc. for the direct action. The school based approaches include : **Effective education** seek to prevent delinquent behavior by adjusting young people's world view, there by raising their self-image and self esteem. Such programmes impart educational experience to serve the socio-psychological need of each student. **Social-assertiveness programmes** are conducted by teachers in the regular class room setting student interaction produces skills in dealing with social situations and promotes social confidence and competence. **Cognitive skills training** approach uses small group encounter including brain storming sessions, to provide opportunities for role modeling, reinforcement, feedback and vicarious learning of personal and social skills. The teacher teach means of handling problems situations through a systematic, step by step problem-solving strategy. In addition, they provide students with self-instructional technique for social control assertiveness and managing stress, anxiety and pressure. **Life skill training** include the basic principles of

personal behavior change and self improvement. It provide the training in effective communication specific social skills, male/female relationships among adolescents and verbal and non verbal assertiveness skills and alternate activities should be avoided (academic-use of beer, stimulants, vocational-cigarette, beer, depressant or stimulants, sports-use of cigarette, beer, stimulants etc, religious- cigarette ,beer, marijuana, inhalants, depressants, stimulants etc. ). **Community based approaches** should be followed and promoting community empowerment.

The target population for secondary prevention(rehabilitation) is much narrower and more specific the target population for primary prevention. It include those juveniles who has been identified as delinquents by school staff, law enforcement officials or school welfare personals.<sup>19</sup>

### SUGGESTIVE MEASURES

1. Working children –a kind of cheap and exploitable labour in Zari Industry, silk industry, carpet in weaving, metal industry, fast food etc. The government should make further efforts to actually implementing the enforced laws properly.
2. The Juvenile Justice (care and protection of children) Act 2000, should be effectively enforced and implemented. Human right commission can effectively work for sensitization and will to take action on the part of bureaucracy.
3. Observation homes or special homes should be effectively equipped and their the programmes for counseling, psychological support, training and education must be given.
4. Board should be provided infrastructure of counselors, psychiatrists, medical personnel, trained social workers.
5. Role of media should be positive and it should not effect the identity and life of the child.
6. Children in need of special care and protection can be vulnerable to abuse and exploitation. So given extra care regarding begging, organ trade etc.
7. Financial and fiscal resources should be allocated.

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**EMPLOYER BRANDING AND ITS EFFECT ON ORGANIZATIONAL ATTRACTIVENESS AND INTENTION TO STAY**

**Nikhil Nandakumar and Vinayak Anil Bhat**

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**I. INTRODUCTION**

There has been public discussion on the problem of acute labour shortage in India and abroad. The scarcity in the availability of skilled labour has been haunting organizations in the recent years. Unlike in the past where job applicants competed intensely for a few positions in companies, the trend now is that of companies competing with each other to attract and retain the best talent available in the market. This problem has become all the more intense with recent studies suggesting that the most important source of sustainable competitive advantage today is Human Capital.

In contrast to most countries in the world, where the population is aging rapidly, India has a demographic dividend where a large percentage of the population is still below 35 years of age. The attempt of every organization in India is to exploit this demographic dividend that India has. For this they need to be able to attract the best of talent and make sure they are retained and also perform up to their potential.

The purpose of this research is to understand the relation between the employer branding and its impact on organizational attractiveness and ultimately how it affects the performance of its employees.

Another aspect to be noted is that most of the companies today have expanded beyond national boundaries and have operations across several countries. This adds another dimension to the problem of employee shortage with most companies hunting for talent worldwide.

Employer branding is basically aligning the desired branding that the employer wants to the actual work conditions that an employee experiences in an organization. Employer branding can be used as an effective long term strategy to overcome the problem of talent shortage. While most employment strategies are short term, branding can in fact supplement the whole process and give new life to it.

Minchington (2005) defines employer brand as *“the image of the organization as a 'great place to work' in the mind of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders).”*

Branding can also be defined as all efforts taken by the company to differentiate its products and services from others with similar quality. Employer branding is one major long term strategy to overcome the problem of acute talent shortage that organizations face today. It is observed that most strategies related to employment are short term and reactive. Putting together a solid employer branding strategy is a long term measure that proactive modern organizations are adopting to stay ahead of the curve. Borrowed from marketing concepts, employer branding helps build a constant supply of candidates.

Organizational attractiveness is a complex subject and is multi dimensional. Aiman-Smith et al. (2001) defined organizational attractiveness as an attitude or general positive feeling towards an organization. In order for an organization to be an employer of choice, it is imperative that the employer branding initiatives translate into organizational attractiveness. This organizational attractiveness also has to have a bearing on intention to stay. In this particular study organizational attractiveness is looked as a function of people focus. The attempts made by the organization to make employees feel comfortable in the organization, is the focus of organizational attractiveness in this study.

Intention to stay is basically the employee's commitment to the organization and his willingness to remain employed (Hewitt, 2004). It refers to as the propensity to leave, intent to quit, intent to stay, behavioral commitment and attachment (Halaby, 1986"; Mueller et al., 1999).

Over the years, several studies have suggested that “Intention to Stay” and “Propensity to leave” are the most important determinants of turnover. It is also seen that intention to stay is easier to deal with compared to employee exit. This is because, the organization will have to incur additional costs to hire and train new employees in case of exit. Intention to stay could be affected by many factors from remuneration, to workplace environment, corporate culture, hierarchy, career development and also employee perception about the organization.

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## II. REVIEW OF LITERATURE

A. **Buttenberg** (2013) conducted a research that basically aims to prove that employer branding impacts employees choices and that can ultimately lead to formation of certain beliefs in the employee about the organization. These beliefs thus lead to a psychological contract. The research conducted was exploratory in nature. The research found that employer branding was a prerequisite for psychological contract. Second finding was that employee perceptions changed with employer branding message and had a direct bearing on psychological contract. The third and last finding was that potential employees have employer associations, and this will lead to expectations regarding employment in an organization.

B. **Axelsen**(2012) carried out research which looks at the issue of attracting and retaining employees who fit into an organization. This research is conducted on intercontinental organizations with the focus on Svitzer, an intercontinental towing and salvage organization. The type of research conducted was qualitative research interview method. This method helped give deep insights into what the employees felt about Svitzer. This research was conducted across continents from Australia to Denmark. It was found at the end of the research that there is coherence between the management's view of the organization as a place to work, and the employee's view.

C. A study was conducted by **Annelize Botha** (2011) which intends to provide managers and employers with a predictive model to act as guide for effective talent attraction and retention strategies. The research was basically non empirical and a model building approach was used. Textual data pertaining to employer branding was accessed through various databases like Emerald, Ebsco, SAe. 129 manuscripts were reviewed for the purpose. The study was successful in determining the building blocks of an employer brand predictive model and how these blocks integrate to form the employer brand to attract and retain talent.

D. **TingTing Jiang** (2011) in this particular research paper looks at the process that leads to employees and potential recruits to be attracted to an organization and remain with the organization, or apply for jobs in private companies in Zhenjiang, China. The paper not only looks at people management but also brings in marketing concepts of Brand Equity to better understand the concept of employer branding. The research conducted for this purpose was mainly qualitative, in the form of interviews. In a province like Zhejiang, where the private economy plays a dominant role, the companies face problems of talent shortage and employee turnover. Employer Brand Equity and Organizational Attractiveness plays a major role in potential applicants accepting the job offer and further, employees deciding to stay with an organization.

E. The paper by Tuzuner & Cenk (2009) aims to determine the components of attractiveness from the perspective of potential employees. Along with the attractiveness components, the demographic characteristics were also examined. Sample size was 516, and they were all final year Business students who were potential employees. The instruments for the research were developed from Melin's master thesis (Melin, E. 2005). The group was divided into two groups. The male dominated first group preferred a competitive environment and competitive compensation as attractiveness. The other group valued features like telecommuting and use of technology as attractive.

F. The research by **Mortensen** (2010) aims to understand how the 12 components of employer brand mix be differentiated to create an effective employer brand mix and how should companies manage Talent Relationship Management approach to sustain the employees. The research was quantitative in nature.

G. The paper by **Ambler** (1996) identifies gaps in literature and attempts to address this gap regarding that fact that an employer brand can only produce results if the employee finds them attractive. Here, the Social Identity Theory is looked at and a comparative study was undertaken. The study included four organizations to validate the results through replication. The study found that what employees found attractive was different in different organizations. This was because every organization had unique characteristics which the employees found attractive.

H. The thesis by **Johanna Jonze** (2013) examines Employer Branding in the context of recruiting and retaining. The how and why of employer branding and its significance in Human Resources Management is also looked at. The research was qualitative and a case study methodology was adopted. The key findings of the study are that Employer Branding can be used externally to attract potential employees and it can be used internally to motivate and maintain the current employees.

I. **Johari, Yean, Adnan, Yahya, & Ahmad** (2012), in their study aim to assess the role of Human Resources Management practices on Intention to Stay. Here a quantitative method was used to study the relationship. The study did provide empirical evidence on the relationship between HRM practices and Intention to Stay.

J. Joseph, Sahu, & Zaman Khan (2014) in their empirical research aimed to study the prediction effect of organizational attractiveness on employee retention. Incidental and random sampling techniques were used on a sample of 200 employees. Correlational research work was used in this case. An Employee Retention questionnaire was used to measure employee retention and Prediction effect was examined using hierarchical regression analysis. The key finding of this study was that organizational attractiveness is indeed a major predictor of employee retention.

### **III. RESEARCH GAP**

From the literature review conducted, it is evident that employer branding has a significant role to play in the attraction and retention of potential employees and also current employees. The effect of employer branding on intention to stay has been shown several times in different researches. In addition to this direct effect, there are other factors coming into play, like organizational attractiveness. Good employer brand image and initiatives might translate into organizational attractiveness, but, is organizational attractiveness always translating into intention to stay among current employees? This question has not been answered and is a research gap that needs to be addressed.

### **IV GENESIS OF THE PROBLEM**

The information technology industry has been the flag bearer of Indian industries across the world. The industry has its roots firmly in India and the city of Bengaluru has been the hub of most IT companies, both Indian and foreign. So, it was appropriate to look at the conditions prevailing in this industry by looking at respondents from Bengaluru. The IT boom continues to generate employment and foreign exchange reserves for the Indian economy. Moreover, the industry is still growing and employing more and more people. Being one of the most important sectors in the country, it was necessary to look at what factors attract people to this sector and what keeps them there. Employer branding is becoming more and more important with every passing day, in keeping the best employees in the organization. Couple this with the bitter war for talent among companies in this sector, it becomes all the more important to determine to what extent branding can give employers an upper hand over its competitors.

### **HYPOTHESES**

1. Employer branding significantly affects organizational attractiveness
2. Employer branding significantly affects employee's intention to stay.
3. Organizational attractiveness significantly mediates the effect of employer branding on intention to stay.

### **V. METHODOLOGY**

#### **Design**

This particular study is quantitative in nature. The aim of the study is to look at the mediating effect of organizational attractiveness on the relationship between employer branding and intention to stay.

#### **Sampling**

The population for this study undertaken is, employees in the Information Technology (IT) sector in Bengaluru. A sample size of 102 was considered for this study. The sampling technique used was convenience sampling.

#### **Data Collection and Statistical Tools**

Literature review was done thoroughly, following which a questionnaire was developed. The questionnaire determines how Employer Branding leads to organizational attractiveness and how it impacts an employee's intention to stay. A pilot test was conducted to ascertain the reliability of the questionnaire.

### **OPERATIONAL DEFINITION**

**Employer Branding:** It is basically aligning the desired branding that the employer wants to the actual work conditions that an employee experiences in an organization.

**Organizational Attractiveness:** It is an attitude or general positive feeling towards an organization

**Intention to Stay:** Employee's commitment to the organization and his willingness to remain employed.

#### **Variables**

Independent : Employer Branding

Dependent : Intention to Stay

Mediating : Organizational Attractiveness

## VI. ANALYSIS OF DATA

Data analysis and Statistical tools used:

The data collected was analyzed using a variety of techniques. Demographic data like gender, age, educational background, marital status, total years of work experience, number of years worked in the current organization were analyzed using descriptive statistical tools. To understand the relationship between dependent and independent variables correlation analysis was used. The degree to which an independent variable explains a dependent variable was explained by regression analysis.

To test mediation with regression analysis, the Baron and Kenny Procedure was made use of.

## VII. RESULTS AND DISCUSSION

### Demographic Profile

- Among the respondents, 68.63% were males, 30.39 % were females and 0.98 % belonged to other gender.
- 44.12% of the respondents have worked in their current organization from 0 to 12 months, 30.39% from 13 to 24 months, 21.57% from 25 to 36 months and 3.92% had worked for more than 36 months.
- Out of the respondents, 61.76% were less than 25 years of age, 28.43% fell in the age bracket of 26 to 30, and 9.80% were between 31 and 40 years of age.
- 54.90% of the respondents were graduates, 32.35% were post graduates, 11.76% had a professional degree and 0.98% was 12<sup>th</sup> standard or equivalent.

### RELIABILITY TEST

Cronbach alpha reliability test was used to show the consistency among the items in employer branding, organizational attractiveness and intention to stay. The Cronbach alpha value for all items was above 0.9, which is a good value.

Correlation analysis done on scores for employer branding, organizational attractiveness and intention to stay:

- Employer branding scores were correlated to those of organizational attractiveness, and it was found to be statistically significant.
- Correlation analysis between employer branding and intention to stay was also found to be statistically significant.
- The scores of organizational attractiveness and intention to stay were also correlated and were found to be statistically significant.

### REGRESSION ANALYSIS

- Regression analysis done between employer branding and intention to stay shows that result is significant. Beta value of 0.565 signifies that for every change in employer branding by one standard deviation, intention to stay changes by 0.565 standard deviations, positively.
- Analysis done between employer branding and organizational attractiveness shows that result is significant. Beta value of 0.882 signifies that for every change in employer branding by one standard deviation, organizational attractiveness changes by 0.882 standard deviations, positively.
- Simple regression analysis was conducted for organizational attractiveness predicting intention to stay. It was found that the result is significant. But the beta value was lower at 0.506.
- The final regression analysis was conducted between employer branding and intention to stay with organizational attractiveness as the mediating variable. Here, the beta value was 0.533, lower than when there was no mediation.

## VIII. CONCLUSION

Employer branding initiatives have taken centre stage in most organizations. The top companies in the world have realized that good employer branding initiatives need to be undertaken not just to attract prospective employees but also to retain present employees. The world is globalized and every organization is competing on the world stage for resources. The biggest is now for quality talent. Attracting and retaining the best talent has always been a tough task for most employers. It is not enough to have the best of policies and practices in the organization. It is also equally important to communicate them effectively to the employees. This will help the employees understand that the organization cares for them and are investing sufficient time and energy in them. It is in this context that this study was undertaken in the Information Technology companies in and around Bengaluru.

During the course of this study, through my interactions with the respondents, it became increasingly evident that employees' perception of the organization is of great importance. The organization might be doing a lot of good to the employees, but how the employees perceive them to be, is also important. It can be said from this particular study undertaken, that employer branding has a strong positive effect on intention to stay and an even stronger effect on organizational attractiveness. Here, organizations attractiveness is viewed as a function of the organizations people focus. According to this study organizational attractiveness also results in intention to stay among employees. Another major conclusion that can be drawn from this study is that, organizational attractiveness as a mediating variable between employer branding and intention to stay does not have a significant effect. That is, organizational attractiveness does not aid or improve the employees' intention to stay in the organization substantially.

#### IX. SCOPE FOR FURTHER STUDY

Further research in the future could focus on identifying the sources which can significantly increase the relationship between employer branding and organizational attractiveness and ultimately intention to stay in an organization.

While most of the contemporary researches have focused on the employers working on creating a strong brand image, future research could look at how internal employees can create a strong brand image for the organization. This would require a completely different approach to branding, but is an area worth considering. Such a study is important because employees carry the brand of the organization wherever they go.

#### X. IMPLICATIONS

The outcomes from this study could very well be used to drive home the point that employer branding is an important factor which determines an employee's intention to stay in an organization. Employer branding not only affects choices of internal employees but also prospective employees. Employer branding has direct implications on recruitment, retention and maintaining a continuous supply of talent into an organization, which is paramount in this age of cut throat global competition.

### ANNEXURES

#### Demographic Profile

**Table-1**

<b>Gender of Respondents</b>		
	<b>%</b>	<b>Number</b>
Male	68.63%	70
Female	30.39%	31
Other	0.98%	1
<b>Total</b>		<b>102</b>

**Table-2**

<b>Work Experience in Current Org.</b>		
<b>Months</b>	<b>Percentage</b>	<b>Number</b>
0 to12	44.12%	45
13 to 24	30.39%	31
25 TO 36	21.57%	22
36<	3.92%	4
<b>Total</b>		<b>102</b>

**Table-3**

<b>Age of Respondents</b>		
	<b>%</b>	<b>Number</b>
Less than 25	61.76%	63
26 - 30	28.43%	29
31 - 40	9.80%	10
<b>Total</b>		<b>102</b>

Table-4

Education Level of Respondents		
	Percentage	Number
12th Standard or Equivalent	0.98%	1
Graduate	54.90%	56
Post Graduate	32.35%	33
Professional Degree	11.76%	12
		102

Table-5  
Correlations

		Intention To Stay	Branding	Organizational Attractiveness
Pearson Correlation	Intention To Stay	1.000	.565	.506
	Branding	.565	1.000	.882
	Organizational Attractiveness	.506	.882	1.000
Sig. (1-tailed)	Intention To Stay	.	.000	.000
	Branding	.000	.	.000
	Organizational Attractiveness	.000	.000	.
N	Intention To Stay	102	102	102
	Branding	102	102	102
	Organizational Attractiveness	102	102	102

Regression  
Table-6

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.565 <sup>a</sup>	.319	.312	.76649	.319	46.845	1	100	.000

a. Predictors: (Constant), Branding

Table-7

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.882 <sup>a</sup>	.779	.776	.68804	.779	351.619	1	100	.000

a. Predictors: (Constant), Branding

Table-8

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.506 <sup>a</sup>	.257	.249	.80090	.257	34.499	1	100	.000

a. Predictors: (Constant), Organizational Attractiveness

Table-9

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.565 <sup>a</sup>	.319	.306	.77019	.319	23.220	2	99	.000

a. Predictors: (Constant), Branding, Organizational Attractiveness

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**FINANCIAL CRISES 2007-09: HIGHLIGHTING SOME CONTEMPORARY ISSUES FOR INDIAN ECONOMY****Ashima Arora<sup>1</sup> and Dr. Anjala Kalsie<sup>2</sup>**Doctoral Scholar<sup>1</sup> & Assistant Professor<sup>2</sup>, Faculty of Management Studies, University of Delhi, Delhi

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**ABSTRACT**

*The relay of the Great Recession which started with the sub-prime crisis of US in 2007 is succeeded by the Euro-zone entering into the perilous phase of crisis in Q4 of FY 2011-12. India proving to be no exception is staring at a downgraded growth forecast for the FY 2012-13. However, external factors are not solely to be blamed for the slowing economy. It is the concoction of the contagion of advanced economic crisis with the home grown vulnerabilities which is posing a challenge for its economic growth and business environment. The objective of the paper is to highlight certain contemporary issues for Indian economy. The paper observe that some of the most immediate challenges emerge from the falling confidence of the investors in the Indian economy which needs to be restored through the unrelenting support to its domestic growth drivers. The reduction in consumption expenditure such as the one on unproductive subsidies across sectors, restraining overall spending bill and an increase in investment expenditure like education, employment generation and fixed investments on country's infrastructure would create employment and a strong business climate, besides the contraction on fiscal deficit. The controlled fiscal deficit would automatically create a check on the depreciating INR currency which is further deteriorating the current account deficit.*

*Key Words: Recession, GDP, FDI, Interest Rates, Currency, Current Account Deficit, Fiscal Deficit*

*JEL Classification: G01, E01, F21, E43, E42, E69, E65*

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**1. INTRODUCTION**

With the fall of iconic I-Banker Lehman Brothers, US entered into full fledged recession in Sept 2008. The Great Recession which got initiated as a money market crisis gradually precipitated financial market spreading to other economies on a global scale. Riding on the transmission channel of the information and counterparty risk, the recession rapidly embroiled advanced, emerging and developing economies. The contagion impacted the Euro zone with Ireland entering into recession in 2008, Greece in 2009 and most recently Spain in 2012, borrowing a bailout amounting Euro 365 billion from European Central Bank (Desai, 2012). As per the Social Europe Journal report, minimum of 9 countries of Europe are in recession with some key European Countries like France, Italy, Portugal, United Kingdom and Sweden threatening a global double dip recession, if not managed well.

Although emerging economies including India, responded well during the episode of US Recession, exhibiting their resilience. At that time, the due credit was bestowed on its improved fiscal position, large foreign exchange reserves, RBI regulated financial sector, better structuring of debts smaller exposure to foreign banks and international markets. However as John Irons, (2009) stated that India could not avoid any longer and contagion effects started precipitating and showing in the economy, owing to the fact that it was also the part of the globally integrated countries.

What needs to be understood is that the source of challenge for Indian economy is not only external but internal too. On one hand there is a contagion from the advanced economic crisis and on the other hand there are home grown vulnerabilities.

**2.0 OBJECTIVE**

The objective of the paper is to highlight certain contemporary issues for Indian economy. India proving to be no exception is staring at a downgraded growth forecast for the FY 2012-13. However, external factors are not solely to be blamed for the slowing economy. It is the concoction of the contagion of advanced economic crisis with the home grown vulnerabilities which is posing a challenge for its economic growth and business environment.

**3.0 ANALYSES: CHALLENGES BEFORE ECONOMY**

Challenges to business and economy owing to the foreplay of some important variables are:

**3.1 GDP- Economic Growth**

The global gloomy economic outlook owing to the Euro zone debt crisis and still slowly recovering US economy has impacted the market sentiments and consequently the economic growth of India. This Great Recession has resulted in the decreased global trade translating into lower export demand from Emerging

Market Economies impacting East Asian economies the most which are largely export dependent. The Indian economy which seemed to emerge unscathed from the global financial crisis of 2007 is witnessing a threat of sub 6 percent growth for the FY 2012-13 (World Bank 2012). The tone of Indian economic growth has plummeted from 7-7.5 percent forecasted by World Bank and RBI to 6.5%- a revised forecast of various rating agencies, to a latest forecast of 5.5% by CRISIL in July. However the RBI has pegged the economy to grow by 6.7% in FY 2012-13, which is widely doubted by the economists of the world.

The decline in global trade impacting exports, rising commodity prices in global market raising the inflation, depreciating currency value and decreasing industrial production are some of the external problems decelerating the economic growth. Besides external factors, home-grown factors have also made a dent in the GDP of India. These home-grown factors are high interest rates, domestic supply constraints, tighter macroeconomic policies, structural problems, rising import bills, rain deficits in some part of the nation and fiscal consolidation which would dampen the aggregate demand. This contraction in the aggregate demand would create an output gap where the actual output will fall below potential, impacting the companies' pricing power and thus their bottom line (World Bank 2012). As per the CRISIL research (cited in *Times of India*, 2012), 56% of the 1.154 Indian companies analysed, have reported a decline in the net profit for the Quarter 1 of the FY 2012-13, pulling the net profit by 14%. The causes are attributed to high input cost and decelerating economic growth resulting in lower revenues and consequently pushing the operating profits towards declining trends. The consequence of this slowing economic growth would be a mounting pressure on the public finance further widening the fiscal deficit. Corruption scandals in telecom and mining industries; land and infrastructure constraints concomitant with bottlenecks in power projects owing to constraints in fuel stock availability has contributed its bit in the slowing economic growth.

### 3.2 Investment Climate

The deteriorating global economic environment with increasing risk aversion attitude and hardening credit constraints have reduce the investment prospects. A sharp contraction in the private sector spending, shying away from the investments reflects escalating pessimism among Indian Companies, impacting demand. Growing gloomy economic outlook is evident from the investments made by companies during Q1 of FY 2012-13 as \$5.6 billion relative to \$ 12.2 billion a year ago in FY 2011-12 (The investment is net of disinvestment and repatriation). Decrease in both the inward and outward investment has been observed in Quarter 1 of FY 2012-13. Inward FDI is estimated to decline by a substantial range of 53% from \$16.3 billion in Q1 of FY 2011-12 to \$ 7.7 billion in the Q1 of FY 2012-13 (*Times of India*, TOI, 2012). The worsening of the global scenario have made the companies risk averse, postponing their investments abroad which range from acquisition of overseas operations to setting of their business and plants. The companies are reporting declining profits owing to high input costs and moderation in the sale of private, non-financial firms. In addition, period of April-June of FY 2012-13 has experienced a net portfolio outflow of \$1.8 billion compared to \$2.5 billion in the FII investments in equities (inflows) in the same quarter last year. The slowing economy becomes an unattractive destination for the investment which is clearly evident in the deteriorating FDI and flight of foreign capital with FII disinvesting in stock market in huge numbers. The fact is apparent with the shrinking Indian private equity exposure by foreign investors, reduced to almost 50% chasing other emerging markets (Zschariah & Kurian, 2012). Besides external factors, many internal factors have also contributed to slide the FDI in India in June 2012 to \$1.24 billion from \$5.66 billion in the same period a year earlier (FDI in India slumps 2012). The internal factors which contributed to decelerating investments are the changes in tax regulation, news of corruption and scandals, red tape delays, absence of reforms, political and regulatory uncertainty, unsatisfactory ROI and policy paralysis. The sectors witnessing the major reduction of FDI are the mining, construction, financial services and real estate. In addition, the recent corruption scandals with their consequences have also contributed to the reduced FDI and portfolio inflows concomitant with the outflows in substantial numbers.

### 3.3 External Sector - Current Account Deficit

The economic slowdown accompanied with decreasing exports and increasing import bills have resulted in the escalating Current Account Deficit (CAD). The beginning of year 2012 came with a caveat of rising Current Account Deficit to the tune of 4.5 percent of GDP or \$ 21.7 billion (the highest ever) in the Q4 of FY 2011-12. This was in stark contrast to the Current Account Deficit of same quarter of FY 2010-11 as 1.93 % of GDP or \$6.3 billion. With export bill lagging and import bill increasing, the trade deficit widened to \$51.6 billion for the Q4 of FY 2011-12 from \$30 billion for the same quarter a year earlier straining increasingly India's BOP where it remained in negative territory for the Q-4 after the Q-3 of FY 2011-12. The resulting decrease in the capital inflow concomitant with Current Account Deficit has resulted in the depreciation of foreign exchange (forex) reserve (*Business India* 2012). However, the following Q1, April-June of FY2012-13 exhibited a reverse trend with decreased CAD. The Q1 of FY 2012-13 witnessed a trade deficit of \$40.05 billion with

\$75.20 billion worth of goods and services exports lagging against the import of \$115.26 billion (India's CAD narrows 2012). The only silver lining to the widening CAD is the rising gold prices. The escalating gold prices would dampen the demand resulting in the fall of the import bills which would reduce the trade deficit and hence the CAD. \$60 billion worth of yellow metal imports in FY2011-12 played a substantial part in widening CAD to its 30 years high compared to the \$40 billion gold imported in the FY 2010-11. High imports and low exports of the nation created the environment of high external debt (buying USD) to service its bills of imports, increasing the CAD in its fold, along with the depreciation of domestic currency viz, INR against USD, making the imports expensive further. To counter this, RBI had to raise its interest rates subsequently as the rising imports had started adding to the inflationary pressures in the country. The hikes in interest rates in turn impacted the investments, Indian industrial growth, dampening the demand for the credit, thereby for the home, appliances and automobile industries, slowing the economic growth. The slowing economic growth resulted in the flight of foreign capital; reduction of the net international investment prospects and consequently, reducing foreign exchange reserves, weakening the economy's resilience to external shock. (RBI 2012)

### 3.4 Financial Markets - Forex & Currency

The crisis in Euro-zone resulting in euro losing value against US Dollar (USD) concomitant with the appreciation of the USD currency, has led to the depreciation of INR currency. External factors combined with domestic's weak economic and monetary condition has caused the INR to depreciate more than 20-25% against USD with RBI losing \$40-50 billion in reserves in the last few months (Kochhar, 2010). The effect of currency depreciation is reverberating throughout the economy particularly, the businesses feeling the pinch with shrinking profit margin. Companies in India engage in external commercial borrowing for low cost capital from international markets of US, UK and euro-zone. The fluctuations in the currency valuation have increased the currency translation risk for the companies. The increase in the ratio of net outstanding of ECB to the total external debt from 27% in FY 2010-11 to 30% in FY 2011-12 has compelled RBI to intervene for controlling the impact of the depreciating INR (Indian Economy, 2012). RBI's intervention in the forex market through close monitoring of forex derivative has resulted in the decline of \$336.5 million in the forex reserve to \$287.62 billion on week ending 6 July 2012 (The Times of India, 2012). Consequently, the financial stress increases for the market players resulting in the high leverage for the non financial firms and reduced earnings in the highly uncertain global environment (RBI, 2012). The deteriorating macroeconomic condition in the economy concomitant with depreciating INR currency has resulted in a decreased investor confidence creating a pressure on the equity markets.

### 3.5 Monetary & Liquidity Concerns - Interest Rates

Monetary policies are leveraged to balance the skewness in macroeconomic policies realization. Thus, with the government missing the target of fiscal consolidation by about 1% of GDP owing to low revenue collection and increased subsidy outlays on fuel, food and fertilizers combined with unrealized policy changes, RBI had to be roped in. RBI in a bid to control damages had to change the policy rates 13 times during 2010, which it held finally static in December 2011. The rising lending rates have impacted the credit growth which slowed to sub-16% in Q3 of FY 2011-2012. This credit growth is lower than the RBI indicative growth pegged at 17%. The real lending rates increased with the decreasing inflation and prevalent liquidity constraints (World Bank, 2012). An analysis by CRISIL Research (cited in TOI, 2012) found that the medium and smaller companies have reported just 0.6% of year-on-year profit putting a strain on their profitability. This is due to the presence of slowing aggregate demand and adamant inflation. In contrast, the large companies have reported a modest increase in their net profits of approximately 15% in Q1 of FY2012-13. There is a 42% year-on-year rise in the interest costs of Indian companies owing to high interest rates. However the high interest rates have deflated the RBI's efforts of following tighter monetary policy by adding to the headline inflation. The manufacturers are increasingly failing to absorb the rising interest cost impacting their net profits. The rising interest cost has increased their expenditure by 10% driving them to RBI and banks for debt restructuring. If this situation persists, then NPAs of the banks will increase further due to the inability of the borrowers to service their high cost debts.

### 3.6 Fiscal Concerns - Fiscal Deficit

India who had been receiving praises for its resilience in the face of global crisis since 2007, is now receiving warnings owing to its rising debt-to-GDP ratio leading to increasing fiscal deficit and rising concern about its fiscal sustainability. The year FY2012-13 proving to be no different than last FY 2011-12, which witnessed a widening fiscal deficit of 5.9% of GDP, significantly surpassing the government's target of 4.6% of GDP. This year too, the economy is set to exceed the budget fiscal deficit target of 5.1% of GDP with many economists expecting it to surpass 6% of GDP (Business Standard, 2012). Already, the fiscal deficit for the period April-July 2012 is understood to stand at Rs 2.64 lakh crore, outstripping 50% of the whole year target (TOI, 2012).

The breach of the fiscal deficit target is attributed to the low revenue collection and higher expenditure outlays – mainly on populist subsidies leading to restricting the scope of counter-measures of easing the liquidity in the economy through monetary measures. The increasing fiscal deficit drives the government to resort to increased borrowing and thus high debt to bridge the gap between revenue and expenditure, which threatens the stability of the economy further impacting the investment grade in the international market. Gale, Orzag (2003) found that fiscal deficit significantly impacts the economic growth with deterioration in the national savings and national income. The same became apparent with the household savings in current FY2012-13 reaching its lowest since 1989-1990 at 7.8% of GDP. Whereas, the gross financial savings has declined to 10.9% of GDP in FY2011-12 from 12.9% in FY 2010-11 and 15.3% of GDP in the preceding FY 2009-10, highlighting a continuous trend of cascading national savings in the economy. (TOI, 2012). The descending financial savings trend only emphasizes the ever increasing need to depend on the overseas finance to fund the capital needs of the economy leading to imbalance Balance of Payments. On the other hand, the widening fiscal deficit results in increase in the debt burden of the country and high interest rates besides crowding-out of the investments. The increase in debt-to-GDP ratio creates a situation of increasing inflation in the economy leading to the fluctuating exchange rate rendering foreign trade volatile, which further stagnate industrial production. Beside rising expenditures on subsidy bills, other factors contributing to the widening fiscal deficit includes- interest burden of loans borrowed by the government, exorbitant defence expenditure, poor performance of the public sector leading to low revenue collection and faulty revenue mobilization (Ramaraju & Pallavi 2012).

#### 4.0 REMEDIES AND SUGGESTIONS

With the global economy slowing down, having its contagion effects on emerging and developing economies along with deteriorating macroeconomic situation on the domestic front, the urgency for the decisive measures to stimulate the economy escalates. This grave scenario also presents an opportunity in disguise to launch wide ranging reforms which were overdue for a long time.

Thus, some of the measures which could help in the enhancement of the growth drivers and induce confidence buildings concomitant with sustained economic development, i.e., stimulate the economy are:

- 4.1 The way forward for curing the sagging economy of half the ills is through the engagement in fiscal consolidation with the pruning of consumption expenditures, such as the one on subsidies across sectors and restraining overall spending bill. The limited resources available with the economy must be prudently invested in priority sectors of growth such as health, infrastructure and education. This prudent investment action having multiplier effect, would lead to combating unemployment, increasing the aggregate demand across the economy, which could crowd-in private investments and increase public investment, thereby reviving the economic growth. The fiscal consolidation is imminent to create the fiscal space, as the government no longer possess the power of expansionary fiscal policy which was adopted during the 2008 crisis to stimulate demand.
- 4.2 The financial requirement of the government to fund the investment requirements in the economy can be financed through disinvestment proceeds of the PSUs and government equity stakes in private entities. Besides meeting the capital requirement of the government for expenditures, the disinvestment receipts would also reduce the widening fiscal deficit.
- 4.3 FDI can play a central role in alleviating the sagging economic growth which requires a liberal approach towards certain sectors initially (such as multi brand retail, insurance, and banking) and favourable environment to invest and grow in India. This can be achieved by reducing FDI approval time; removing policy paralysis with fast track removal of cumbersome regulatory constraints and unnecessary bureaucratic interventions, administrative inertia and numerous bottlenecks to investments, thereby improving investment climate and image of the nation.
- 4.4 Removal of policy paralysis through political and administrative will is required not only for FDI reforms but also for the passing of new legislation for land acquisition bills. The main challenge for the foreign investors eager to do business and invest in India is its dilapidated infrastructure (the highways, ports, airports, etc) and even more harassing is its acquisition process. The long awaited bill would resolve land acquisition and infrastructure issues prevalent in the economy helping in reversing the declining trend of the investments in FDI and FII.
- 4.5 Development of the infrastructure is an inevitable requirement of any economy looking forward to achieve impressive economic growth. This could be facilitated not only through enhanced public investments, but also by boosting Public-Private Partnership in the growth of the infrastructure across the economy. The advancement in the infrastructure would contribute in allaying supply bottlenecks, thereby managing

inflation, besides increasing the private investments in the economy. This would further augment growth and competitiveness of service, manufacturing and agricultural sectors, leading to strong business climate concomitant employment generation.

- 4.6 (Jeffery 2009 as cited in Kinley 2010) proposed a long term approach to growth and recovery of an economy with an emphasis on expanding the aggregate supply through an increment in investments, which would restructure the economy and sustain the levels of productivity and wages. Arguing for the sustained economic growth instead of a mid-term solution, he advocated the measures which would boost savings, thereby promoting long term investments in physical and human capital. Guiding the investment in 3 core areas of economy viz., Sustainable energy; cutting edge infrastructure and enhanced skills for employment.
- 4.7 The progress of monsoon and easing inflation expectations creates a scope for the interest rate cuts by RBI to give a boost to the credit growth and liquidity availability, necessary for the survival of the businesses in an ever competitive market. This would also give a boost to the domestic businesses, investments, exports and raise revenue which would improve balance of payment position and ultimately reduce current account deficit. In addition, the slashed interest rates can help the Indian businesses to take advantage of the global crisis, converting the challenge into an opportunity by engaging in an acquisition of overseas assets available at distressed rates. This would help both government and Indian corporates in widening their portfolio even diversifying, through the acquisition of established strategic businesses at cheap deals.
- 4.8 Reviving languishing economy also requires attention and efforts towards containing the rising corruption and its consequences on the economy - financially as well as morally, marring the image of the country. The recent corruption scandals have resulted in the reduced FDI and portfolio inflows concomitant with the outflows in substantial numbers. An imminent need is the greater accountability, transparency, automation and monitoring of public sector enterprises and its functioning.

## 5.0 CONCLUSION

It is observed that the way forward in reviving the economy is the determined partnership of the politics, economist and policy makers. Instead of pursuing contractionary monetary policy and expansionary fiscal policy involving independent decisions and becoming the cause of decelerating economic growth. The policy makers can adopt a combination of expansionary monetary policy and contractionary fiscal policy, working in tandem with each other, consequently resulting in reducing the interest rates prompting private and public investments, concomitant with the slew of long awaited economic reforms. The private investments would help in augmenting the output with increased employment absorption, thereby stimulating demand in the economy and thereby spurring the economic activities. The improved economic growth would itself foster the climate of foreign investment, bringing in foreign capital, adding to the foreign exchange reserves of the country and thereby rectifying the depreciated currency against the US Dollar in the international market.

FDI can play a huge role in alleviating the sagging economic growth which requires a favourable environment to invest and grow in India. Thus, removing policy paralysis with the fast track removal of cumbersome regulatory constraints, unnecessary bureaucratic interventions, administrative inertia, numerous bottlenecks to investments and increasing the absolute use of technology for various procedural formalities would improve investment climate.

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**A COMPARATIVE INVESTIGATION OF COMPULSIVE BUYING BEHAVIOR OF MALES & FEMALES IN DELHI / NCR**

**Ajay Anand<sup>1</sup> and Dr. A. Sajeevan Rao<sup>2</sup>**  
 Reseach Scholar<sup>1</sup>, Mewar University, Chittorgarh, Rajasthan  
 Professor<sup>2</sup>, Bharati Vidyapeeth University, New Delhi

**ABSTRACT**

*Compulsive buying is a form of addictive consumption where consumers purchase goods that they either don't need or can't afford. This paper reviews the literature on this problem behavior and summarizes the findings in the following three areas: conceptual definition, reasons "why" consumers engage in this type of addictive consumption, predictors of compulsive shoppers and the correlation with marketing tactics. Discussion on ethicality of marketing as a risk factor for compulsive buying is also discussed along with suggestions for future research.*

*A lot of international researches have been conducted in the late past in regards to the compulsive buying behavior. The studies conducted have been concentrated to the western part of the world only. Being a nascent & unexplored area of research at that time, the research has been done around understanding the basic concept of compulsive buying behavior & the factors leading to it. Consumer compulsive buying is an important area of inquiry in consumer behavior research. The importance of studying compulsive buying stems, in part, from its nature as a negative aspect of consumer behavior. Specifically, exploring negative consumption phenomena could provide modified or new perspectives for the study of positive consumption behaviors.*

*Compulsive buying had been recorded in the early 1900's by psychiatrists. However, it was not until the late 1980's that compulsive buying began to receive much attention. All of the compulsive buying research has centered on defining and explaining the phenomenon. Faber and O'Guinn (1988) derived their definition from the much broader category of compulsive consumption. They defined compulsive consumption "as a response to an uncontrollable drive or desire to obtain, use, or experience a feeling, substance or activity that leads an individual to repetitively engage in a behavior that will ultimately cause harm to the individual and/or to others."*

*Keywords: Impulsive Buying behavior, Compulsive buying behavior.*

**INTRODUCTION**

Impulsive and compulsive buying are terms that are frequently confused for each other, but represent behaviors that differ greatly in their frequency, cause, outcome and severity. Impulsive buying is a more common and ordinary behavior. Almost everyone makes a purchase on impulse (without much deliberation) from time to time.

Consumer behavior being termed as the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes includes a plethora of elements including the environmental factors, demographic factors, psychological factors, etc. Out of these factors arise a wide variety of consumer behaviors/patterns which may or may not be independent of each other.

In regards to the buying behaviors, these can be clubbed into 4 types:

	<b>High Involvement</b>	<b>Low Involvement</b>
<b>Significant differences between brands</b>	<b>Complex Buying Behavior</b>	<b>Variety Seeking Behavior</b>
<b>Few differences between brands</b>	<b>Dissonance Reducing Buying Behavior</b>	<b>Habitual Buying Behavior</b>

These apart from being called “*Buying behaviors*” have also been termed as “*Buying Disorders*”. These are broadly of 2 types:

- Impulsive Buying behavior
- Compulsive buying behavior

Impulsive and compulsive buying are terms that are frequently used in place of each other, but represent behaviors that differ greatly in their frequency, cause, outcome and severity. Impulsive buying is a more common and ordinary behavior.

Impulse buying is defined as a sudden and powerful urge in the consumer to buy immediately. It occurs when desire for a product or brand outweighs one's willpower to resist. Research on impulse buying focuses on characteristic of individuals that make them more or less likely to engage in impulse buying. These include mood states, personality characteristics, and situational factors such as proximity and depletion in resources needed for self-control.

Compulsive buying, on the other hand, is a psychological disorder where one experiences an uncontrollable urge to buy. Failing to act on this urge creates increasing tension that can only dissipate with buying. Frequently, this urge is triggered by negative events or feelings. Ultimately, this behavior leads to extreme negative consequences for the individual. Many compulsive buyers never use the items they purchase. Thus, compulsive buying appears to be more about obtaining short-term relief from negative feelings than about a desire for specific goods.

Compulsive buying has also been described as "chronic, repetitive purchasing that becomes a primary response to negative events or feelings (O'Guinn and Faber 1989, p. 155).

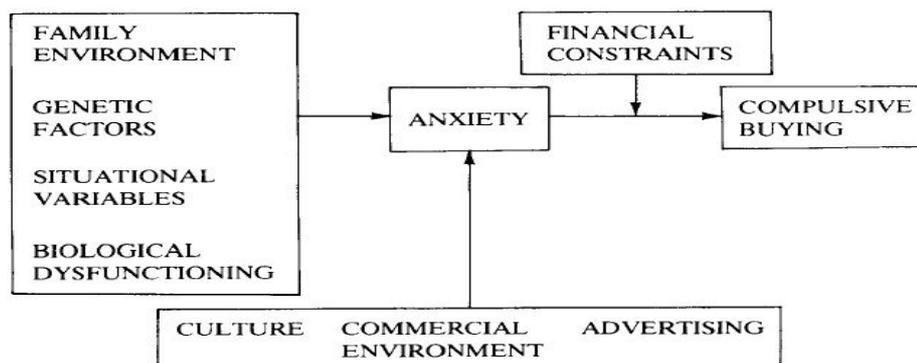
It is an inappropriate type of consuming behavior, excessive in itself, and obviously disturbing for the existence of individuals who seem to be prone to impulsive consumption. It is the tendency which makes it difficult to control purchases. The Obsessive desire & a compulsion to consume often leads to negligence of negative consequences of debt, post purchase guilt, etc. Exploratory and confirmatory factor analyses in the past has confirmed five

Hypothesized dimensions comprising compulsive spending: Compulsion/Drive to Spend, Feelings about Shopping and Spending. Compulsive buying as a phenomenon has been examined by the psychological community, economists, and consumer behavior researchers. It is an abnormal form of shopping and spending in which the afflicted consumer has an overpowering, uncontrollable, chronic and repetitive urge to shop and spend, compulsive spending characteristically functions as a means of alleviating negative feelings of stress and anxiety.

3 forces that combine to form the basis for the process of engaging in the compulsive buying act –

1. Strong emotion activation
2. High cognitive control
3. High reactivity

Compulsive buying tendencies are influenced by a lot of factors like environmental, family, financial, etc. This can be explained as below –



Apart from the buying behavior, there also are other factors of compulsive buying/consumption, these are - addictive gambling, drug addiction, alcoholism, and overeating (Shiffman and Kanuk, 2000).

### **WHY DO PEOPLE BUY COMPULSIVELY?**

Previous research has focused entirely on identifying personality traits that are correlated to compulsive buying (Shoham & Brencic, 2003). For example, Faber and O'Guinn (1988, 1992) and others (Valence, d'Astous, & Fortier, 1988) suggest that compulsive buyers have lower self-esteem, a higher tendency to fantasize (O'Guinn & Faber, 1989), place value on materialism (see also Faber and O'Guinn 1989) and higher levels of depression, anxiety and obsession (Koran, Faber, Aboujaoude, Large, & Serpe, 2006; Scherhorn, 1990) along with stress, frustration, disappointment (O'Guinn & Faber, 1989; J. Roberts, A. & Jones, 2001). Of the above, the ability to fantasize in compulsive buyers has received much attention by researchers. By fantasizing, the individual is able to escape from the negative feelings and view personal success and social acceptance for oneself (O'Guinn and Faber 1989). Fantasies also allows to rehearse the expected positive outcomes and as a means to avoid focusing on the negative problems. Further, when an individuals' need for safety and security are not met, they tend to place greater emphasis on desires and materialistic values which translate into buying as a mechanism to climb up or claim status (Neuner, Raab, & Reisch, 2005). Valence et al. (1988) explain that anxiety triggers spontaneity within an individual and encourages the consumer to reduce tension by engaging in compulsive buying. Therefore, it is argued that the primary motivation for a buyer to engage in compulsive buying behavior is to escape from anxiety (J. Roberts, A. & Jones, 2001; J. Roberts, A. & Pirog, 2004), to relieve stress and eventually make them feel happy (J. Roberts, A. & Jones, 2001). It has also been suggested that the anxiety experienced by the individual can be attributed as both the cause and effect of compulsive buying.

### **HOW DO I PREVENT SHOPPING BINGES?**

- Pay for purchases by cash, check, debit card.
- Make a shopping list and only buy what is on the list.
- Destroy all credit cards except one to be used for emergency only.
- Avoid discount warehouses. Allocate only a certain amount of cash to be spent if you do visit one.
- "Window shop" only after stores have closed. If you do "look" during the day, leave your wallet at home.
- Avoid phoning in catalog orders and don't watch TV shopping channels.
- If you're traveling to visit friends or relatives, have your gifts wrapped and call the project finished; people tend to make more extraneous purchases when they shop outside their own communities.
- Take a walk or exercise when the urge to shop comes on.

### **IMPORTANCE OF THE PROPOSED WORK**

It is critical to understand the behavior of compulsive buying in both males & females with respect to the various elements or causes. One of the most important being demographic variables.

### **OBJECTIVE OF THE STUDY**

In regards to the previous studies being conducted, the emphasis has been to understand the impact of demographic & other variables on the compulsive buying behavior.

Also, the researches have been restricted to females as they have been considered to be heavy shoppers as compared to males. Thus, the objective of this study is to understand the different behaviors of males & females in regards to compulsive buying. The compulsive buying behavior can be compared by understanding the scale of impact of the demographic & other variables on the compulsive buying behavior on both.

### **SIGNIFICANCE OF THE STUDY**

The study is to investigate the factors contributing to compulsive purchase tendency in the context of Malaysian market. There are many factors that can influence compulsive purchase tendency. However this study will focus on the impact of marketing stimuli (price and promotion), credit card usage, consumer psychological traits (self esteem) and consumer characteristics (social) towards compulsive purchase tendency. This study is important because most Malaysian especially in big city is facing either unplanned buying or impulse buying or worst, compulsive buying behavior.

The findings will benefit consumer, marketers and the government as a whole. It can help the consumer to better understand the internal and external factors that leads to compulsive buying. On the other hand, this research can provide potential guideline to policy makers about how to combat compulsive buying behavior and reduce its impact. As for marketers, this study will help them to better understand the consumer in order to develop their marketing strategies. Finally, the findings of the study aim to expand the research areas in the context of Malaysian market. It is hoped that this findings will improve consumer awareness towards

compulsive buying and at the same time will help marketers to more appreciate the dynamics of consumer behavior in order to act ethically when promoting products that have potential to create additive or compulsive behavior.

### RESEARCH QUESTIONS & HYPOTHESIS

1. **To study whether demographic variables has an impact on compulsive buying behavior in males & females**

H1: Males in age group 35-44 yrs are the most prone to compulsive buying behavior

H2: Females in age group 35-44 yrs are the most prone to compulsive buying behavior

H3: Males in age group 45-56 yrs are the most prone to compulsive buying behavior

H4: Females in age group 45-56 yrs are the most prone to compulsive buying behavior

H5: Males who have pursued Post Graduation exhibit higher level of compulsive buying behavior

H6: Females who have pursued Post Graduation exhibit higher level of compulsive buying behavior

H7: Males who have pursued professional courses exhibit higher level of compulsive buying behavior

H8: Females who have pursued professional courses exhibit higher level of compulsive buying behavior

H9: Self employed Males are less prone towards compulsive buying behavior

H10: Self employed Females are less prone towards compulsive buying behavior

H11: Employed Males will exhibit higher compulsive buying behavior

H12: Employed Females will exhibit higher compulsive buying behavior

H13: Males with yearly family income >10lakhs will be more compulsive in buying behavior

H14: Females with yearly family income >10lakhs will be more compulsive in buying behavior

H15: Males living in urban area are more compulsive in their buying behavior as compared to the ones living in rural areas.

H16: Females living in urban area are more compulsive in their buying behavior as compared to the ones living in rural areas.

H17: Family members depicting compulsive buying behavior has a positive influence on Males

H18: Family members depicting compulsive buying behavior has a positive influence on Females

H19: Males with higher self esteem are more compulsive in their buying behavior

H20: Females with higher self esteem are more compulsive in their buying behavior

2. **To study whether advertising has an impact on compulsive buying behavior in Males & Females**

H21: Higher exposure to advertising has a positive influence on compulsive buying behavior of Males

H22: Higher exposure to advertising has a positive influence on compulsive buying behavior of Females

3. **To know the influence on compulsive buying behavior of Males holding a credit card & online purchases.**

H23: Males holding credit cards always show higher degree of buying compulsiveness & purchase more online

H24: Females holding credit cards always show higher degree of buying compulsiveness & purchase more online

4. **To find the association of materialism with compulsive buying behavior in Males**

H25: Males with greater importance to materialism are prone to compulsive buying behavior

H26: Females with greater importance to materialism are prone to compulsive buying behavior

5. **To find the association of emotional stability & nature with compulsive buying behavior in Males & Females**

H27: Males satisfied with their personal lives are less prone to compulsive buying

H28: Females satisfied with their personal lives are less prone to compulsive buying

H29: Males who are less anxious in nature are less compulsive in buying behavior

H30: Females who are less anxious in nature are less compulsive in buying behavior

**6. To find out the association of self-obsession with compulsive buying behavior in Males**

H31: Males giving higher importance to being well dressed are often compulsive in nature

H32: Females giving higher importance to being well dressed are often compulsive in nature

**SCOPE OF STUDY**

As compulsive buying is also termed as the repetition of impulsive buying, thus the research mentioned on the compulsive buying behavior in males & females can be used by the retailers to lure any/both of the customers for more sales.

A deep understanding of the causes which lead to the compulsive buying behavior in terms of demographics, moods, perceptions, etc can help the retailers for higher conversions.

**RESEARCH METHODOLOGY**

1. **Research Problem:** to find out the difference in the compulsive buying behavior of males & females in Delhi NCR.

2. **Research Design:** the design will be descriptive in nature & as per the below mentioned sample frame.

3. **Sampling Design :**

Sample Size – 2000

Sample Unit – 1000 Males & 1000 females in Delhi NCR

Sample Frame- between 25 to 65 years of age

Graduates, Post Graduates/professional courses, Homemakers

Businessmen & Employed, preferably top executives

4. **DATA COLLECTION STRATEGY**

Primary data – through questionnaires preferably face to face interviews at mall intercepts

Secondary data - Literature reviews, Internet, Books, Articles.

5. **PLANNING OF DATA ANALYSIS**

Post the collection of data, factor analysis will be performed through SPSS (version 19.0) in order to establish the mentioned variable & the segmentation here will be done through cluster analysis.

**FINDINGS**

1. A lot of international researches have been conducted in the late past in regards to the compulsive buying behavior. The studies conducted have been concentrated to the western part of the world only.

2. Being a nascent & unexplored area of research at that time, the research has been done around understanding the basic concept of compulsive buying behavior & the factors leading to it.

3. Consumers who use credit cards spend more than those who use other means of payment (Tokunga 1993) (somar 2001). Behavioural, psychological, demographic variables can predict consumers who use consumer credit effectively (Tokunaga, 1983). With easier access to malls, a sea of products available, and little or no social stigma attached to constant shopping (which formerly had been considered an indication of moral or spiritual.

4. Unregulated buying may reflect ineffective self-reactive control. Previous research shows that forty percent of respondents admit that they are impulsive in nature, the reason being their self-control mechanisms not working and in reality more than ninety percent of buyers are impulsive. The impulsive behavior when repeated continuously becomes compulsive buying and when in a very higher degree is called addictive buying.

**CONCLUSION**

Compulsive buying had been recorded in the early 1900's by psychiatrists. However, it was not until the late 1980's that compulsive buying began to receive much attention. All of the compulsive buying research has centered on defining and explaining the phenomenon. Faber and O'Guinn (1988) derived their definition from the much broader category of compulsive consumption. They defined compulsive consumption "as a response to an uncontrollable drive or desire to obtain, use, or experience a feeling, substance or activity that leads an

individual to repetitively engage in a behavior that will ultimately cause harm to the individual and/or to others."

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**E-BANKING FOR RE-ENGINEERING OF BUSINESS PROCESSES: A SOCIO-LEGAL STUDY**

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**Baharul Islam**Assistant Professor, Centre for Juridical Studies, Dibrugarh University, Dibrugarh, Assam

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**ABSTRACT**

*With the advancement of information technology over the last few decades, there has been tremendous growth and development in the communication sector, the world has witnesses this transformation from analog to digital in almost every sector, whether it is business, entertainment or communication. The impact of information technology has been found in almost every aspect of business activities. This impact in the field of banking has profound significance in the present era, in the form Electronic Banking or E-banking as it has become the talk of the day. Because of globalization and liberation of services it is pertinent to incorporate the latest technology in the business affair for easy and fast transaction. But the risk associated with this technology has complicated the reliability in the application of e-banking. The Reserve Bank of India (RBI) has from time to time issued circulars and notification for the smooth functioning of banking. Although several legislations deal which deals with electronic banking and have tried to reduce or minimize the risk associated with it. Still there is much to be needed in this regard only then the banker and the customer can perform their functions through E-banking without having the fear of any risk.*

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**INTRODUCTION**

Today with the recent advancement in the areas of computer technology, telecommunications technology, software and information technology have resulted in changing the standard of living of people in an unimaginable way. The communication is no more restricted due to the constraints of geography and time. Information is transmitted and received widely and more rapidly than ever before. Because of intense competition in the present scenario relating easy access, mobility and transaction of capital and money in Banking Business, it is necessary to provide qualitative and advanced method of banking in order to survive. Technology in the form of Internet banking (E-Banking) has made it possible to find alternate banking practices. E-banking offers the flexibility to banking environment in terms of place, time, space, distance and payment. The E-banking refers to the medium through which any user via personal computer and browser can get connected to his bank's website to perform any banking transactions. It is a means of transaction of capital as well as monetary business electronically, usually, over the Internet where the bank has a centralized database which is web-enabled. In this seminar paper the Investigator have discussed the scope, nature, legality and various other issues related to e-banking.

**MEANING**

Internet Banking refers to the banking services provided by the banks over the internet. Some of these services include paying of bills, funds transfer, viewing account statement, etc. Nowadays, any one can also use internet banking on their mobile phones using a Wi-Fi or 3G connection. Banking is now no more limited in going and visiting the bank in person for various purposes like depositing and withdrawing money, requesting for account statement, stop a payment, etc.<sup>i</sup>Internet banking is a term used to describe the process whereby a client executes banking transactions via electronic means. This kind of banking eradicates the necessity of physical movement to financial positions. This type of banking uses the internet as the chief medium of delivery by which banking activities are executed.<sup>ii</sup>

**VARIOUS ONLINE SERVICES**

Online banking account is easy to open and operate. The online services offered might differ from bank to bank, and from country to country. E-banking facilities offered by various financial institutions have many features and capabilities in common, but also have some that are application specific.

The common online services offered by banks are:

- **Transactional activities** like funds transfer, bill pay, loan applications and transactions.
- **Non-transactional activities** like request for cheque book, stop payment, online statements, updating contact information.

Some financial institutions offer unique Internet banking services, for example:

- Personal financial management support, such as importing data into personal accounting software. Some online banking platforms support account aggregation to allow the customers to monitor all of their accounts in one place whether they are with their main bank or with other institutions.

## E-BANKING IN INDIA

The Reserve Bank of India constituted a working group on Internet Banking. The group divided the internet banking products in India into 3 types based on the levels of access granted.<sup>iii</sup> They are:

- i. **Information only system:** General purpose information like interest rates, branch location, bank products and their features, loan and deposit calculations are provided in the banks website. There exist facilities for downloading various types of application forms. The communication is normally done through e-mail. There is no interaction between the customer and bank's application system. No identification of the customer is done. In this system, there is no possibility of any unauthorized person getting into production systems of the bank through internet.<sup>iv</sup>
- ii. **Electronic information transfer system:** The system provides customer-specific information in the form of account balances, transaction details and statements of accounts. The information is still largely of the 'read only' format. Identification and authentication of the customer is through password. The information is fetched from the bank's application system either in batch mode or off-line. The application systems cannot directly access through the internet.<sup>v</sup>
- iii. **Fully electronic transaction system:** This system allows bi-directional capabilities. Transactions can be submitted by the customer for online update. This system requires high degree of security and control. In this environment, web server and application systems are linked over secure infrastructure. It comprises technology covering computerization, networking and security inter-bank payment gateway and legal infrastructure.<sup>vi</sup>
- iv. E-banking services can be availed for payment of bill, fund transfer, credit card, railway and air ticket booking, investment, recharging phones and mobiles and shopping. Generally banks do not charge customers for providing certain services.<sup>vii</sup>

## ADVANTAGES OF INTERNET BANKING

As per the Internet and Mobile Association of India's report on online banking 2006, "There are many advantages of online banking. It is convenient, it isn't bound by operational timings, there are no geographical barriers and the services can be offered at a miniscule cost."

Through internet banking, one can check his transactions at any time of the day, and as many times as want to. Whereas in a traditional method, a person can get quarterly statements from the bank if the fund transfer has to be made outstation, where the bank does not have a branch, the bank would demand outstation charges. Whereas with the help of online banking, it will be absolutely for free.<sup>viii</sup>

Internet Banking has several advantages over traditional one which makes operating an account simple and convenient. It allows us to conduct various transactions using the bank's website and offers several advantages. Some of the advantages of internet banking are:

**Convenience:** Banks that offer internet banking are open for business transactions anywhere a client might be as long as there is internet connection. Apart from periods of website maintenance, services are available 24 hours a day and 365 days round the year. In a scenario where internet connection is unavailable, customer services are provided round the clock via telephone.<sup>ix</sup>

**Friendlier rates:** Lack of substantial support and overhead costs results to direct banks offering higher interest rates on savings and charge lower rates on mortgages and loans. Some banks offer high yield certificate of deposits and don't penalize withdrawals on certificate of deposits, opening of accounts without minimum deposits and no minimum balance.

**Services:** Technology has made it extremely convenient for the bank as well as the customer to access to a host of wonderful services by simply logging in. These services include financial planning capabilities, functional budgeting and forecasting tools, loan calculators, investment analysis tools and equity trading platforms which are available as simple applications on the bank's website. Additionally most banks also provide the facility of online tax forms and tax preparation.<sup>x</sup>

**Mobility:** Internet banking has a step further in the last few years in the form of mobile internet banking which accords unlimited mobility to the customer who can now handle financial transactions even while on the move.<sup>xi</sup>

**Transfer services** – Online banking allows automatic funding of accounts from long established bank accounts via electronic funds transfers. The time for changing mailing address is greatly reduced, ordering of additional checks is availed and provision of actual time interest rates.<sup>xii</sup>

**Ease of monitoring** – A client can monitor his/her spending via a virtual wallet through certain banks and applications and enable payments. Online banking allows for easier updating and maintaining of direct accounts.<sup>xiii</sup>

**Ease of transaction** – the speed of transaction is faster relative to use of ATM's or customary banking.<sup>xiv</sup>

Another important benefit of the concept of internet banking is that it is good for the environment as it cuts down the usage of paper, reduces pollution as people do not have to travel physically and also does not add emissions.<sup>xv</sup>

#### DISADVANTAGES OF INTERNET BANKING

Though there are many advantages of internet banking, but nothing comes without disadvantages and everything has its pros and cons; same is with internet banking. The disadvantages of online banking include the following:

**Complex Transactions:** Understanding the usage of internet banking might be difficult for a beginner at the first go. Though there are some sites which offer a demo on how to access online accounts, but not all banks offer this facility. So, a person who is new might face some difficulty.

**Internet Connection:** One cannot have access to online banking if they don't have an internet connection; thus without the availability of internet access, it may not be useful. And also in case when the bank's server is down.

**Banking relationship** – Customary banking allows creation of a personal touch between a bank and its clients. A personal touch with a bank manager for example can enable the manager to change terms in your account since he/she has some discretion in case of any personal circumstantial change. It can include reversal of an undeserved service charge.

**Security matters:** Security of transactions is a big issue. Account information might get *hacked* by unauthorized people over the internet. Accounts are prone to hacking attacks, phishing, malware and illegal activities.

**Password security** is a must. After receiving your password, do change it and memorize it otherwise your account may be misused by someone who gets to know your password inadvertently.

Another issue is that sometimes it becomes difficult to note whether your transaction was successful or not. It may be due to the loss of net connectivity in between, or due to a slow connection, or the bank's server is down.<sup>xvi</sup>

**Learning** – Banks with complicated sites can be cumbersome to navigate and may require one to read through tutorials to navigate them.<sup>xvii</sup>

**Transaction problems** – face to face meeting is better in handling complex transactions and problems. Customary banks may call for meetings and seek expert advice to solve issues.<sup>xviii</sup>

E-banking is subject to the same business-day parameters as traditional banking. Therefore, printing out and keeping receipts is still very important, even when banking online.

#### SECURITY PRECAUTIONS

Customers should never share personal information like PIN numbers, passwords etc. with anyone, including employees of the bank. It is important that documents that contain confidential information are safeguarded. PIN or password mailers should not be stored, the PIN and/or passwords should be changed immediately and memorized before destroying the mailers. Customers are advised not to provide sensitive account-related information over unsecured e-mails or over the phone. Taking simple precautions like changing the ATM PIN and online logging and transaction passwords on a regular basis, Along with ensuring that the logged in session is properly signed out.<sup>xix</sup>

#### LAW AND REGULATIONS

India is a signatory of World Trade Organization. The basic principles of WTO are Liberalization, Globalization and Privatization. Therefore, trade and commerce in India has been liberalized. The legal framework for banking in India is provided by a set of enactments, viz. The Banking Regulation Act, 1949, the Reserve Bank of India Act, 1934 and Foreign Exchange Management Act, 1999 are few among many such legislations. It is mandatory on the part of all entities to obtain a license from Reserve Bank of India under Banking Regulations Act, 1949 to function as bank. Besides, banking activities are also influenced by various

enactments governing trade and commerce, such as, Indian Contract Act, 1872, the Negotiable Instruments Act, 1881, Indian Evidence Act, 1872, etc.<sup>xx</sup>

## FINDINGS

E-banking does have pros and cons. However, it's not only the wave of the future, it's the wave right now, and the clock isn't likely to go backward. If we take reasonable care to safeguard our personal and financial information, we'll likely find that online banking is a convenient tool that we can easily live with. Eventually, we'll probably even wonder how you ever lived without it.<sup>xxi</sup>

## CONCLUSION AND SUGGESTIONS

E-banking is a cost effective delivery channel for financial institutions. E-banking is changing the banking industry and is causing major effects on banking relationships and its working nature. E-banking involves use of internet for delivery of banking products and services.

Consumers are embracing many benefits of E-banking. Access to one's account at anytime and from anywhere via World Wide Web is a convenient style. Thus, a bank's internet presence transforms from 'broucherware' status to 'E-banking' status once the bank goes through a technology integration plan which enables the customer to access information about his or her specific account relationship.<sup>xxii</sup>

A multi-layered security architecture comprising firewalls, filtering routers, encryption and digital certification ensures that customers account information is protected from unauthorized access.

Apart from this, the Reserve bank of India has issued circular<sup>xxiii</sup> for the convenience of working with electronic banking as there is a steep rise in the risk involved due to internet banking. The need of the hour is to meet the global challenge of providing different services to customers and also keeping vigil eye, to curtail the risk arising due to e-banking. In the light of above discussion over the matter, the Investigator warrants to make certain suggestions-

1. Banks are under obligation to maintain secrecy of customers account. The new RBI new circular has given guidelines to minimize risk of hacking. However, it is the duty on the banker to adopt technology to discharge his duty in a more effective manner. Reserve Bank of India should also ensure that the banks are using new technology. The RBI should appoint technicians and ask them to report the same under security policy.
2. The auditor appointed<sup>xxiv</sup> to inform as the misappropriation of funds even at the minutest level. Electronic banking has enhanced the risk of misappropriation of funds by the bankers as it goes undetected.
3. The Automatic Teller Machine is widely used today. It is observed that these machines fail frequently and causes inconvenience to the customer. RBI in its next circular has to mention the number of times banks are not penalized for such failures. After a particular limit the banks should pay penalty which alerts them to keep check on the working of the machine. As all the customers of the banks are consumers, speedier and cheaper justice is needed under the Consumer Protection Act. Thus, the scope of the Act should be extended specifically to electronic banking also in cases of frequent failure of ATM machines, non compliance of security which results in hacking, and exuberant charges levied by bank for fund transfer, etc. though these are covered under RBI circular, they should be brought within the purview of the legislation, which will be convenient to customers.

<sup>i</sup> <http://anujagarwal.hubpages.com/hub/Advantages-and-Disadvantages-of-Internet-Banking>

<sup>ii</sup> <http://bankingandsavings.com.au/2013/04/25/advantages-and-disadvantages-of-internet-banking/> visited on 1-07-2015

<sup>iii</sup> R.N. Chaudhary, Banking Laws, 2<sup>nd</sup> Edition, 2012, Central Law Publications, p.95

<sup>iv</sup> Ibid

<sup>v</sup> ibid

<sup>vi</sup> Ibid at p. 96

<sup>vii</sup> Joga Rao s, Computer Contracts and Information Technology Law, 2<sup>nd</sup> Edition, 2005, Wadwa & Co; Nagpur, p.123

<sup>viii</sup> Supra note 3, p.97

<sup>ix</sup> <http://bankingandsavings.com.au/2013/04/25/advantages-and-disadvantages-of-internet-banking/> visited on 1-07-2015.

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<sup>x</sup><http://in.reuters.com/article/2012/08/02/benefits-and-drawbacks-of-internet-banki-idINDEE87106320120802> visited on 1-07-2015

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<sup>xii</sup><http://bankingandsavings.com.au/2013/04/25/advantages-and-disadvantages-of-internet-banking/> visited on 1-07-2015

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<sup>xix</sup> Supra note 3, p. 98

<sup>xx</sup>M.L.Tannan, Tannan's, Banking Law and Practice in India, 20<sup>th</sup> Edition, 2003, India Law House, New Delh,p.157

<sup>xxi</sup><http://www.finweb.com/banking-credit/online-banking-advantages-and-disadvantages.html> visited on 1-07-2015.

<sup>xxii</sup> <http://www.banknetindia.com/banking/ibkg.html> retrieved on 21/02/2011.

<sup>xxiii</sup> Reserve Bank of India Vide Circular DBOD. AML. BC. No. 11/14.01.001/2012-13.

<sup>xxiv</sup> Section 35 of Reserve Bank of India Act 1935.

## ABOUT THE JOURNAL

International Journal of Research in Management & Social Science is a quarterly double blind reviewed research journal of Empyreal Institute of Higher Education, Guwahati, India. It seeks to provide a platform to research scholars, practicing managers, and academicians in business management, commerce and allied fields, to present their research findings and share their views and experiences. Its aim is to promote research education worldwide and to establish acquaintances between management and Information Technology. The journal focuses on issues related to the development and implementation of new methodologies and technologies, which improve the operational objectives of an organization. These include, Project management, logistics, production management, e-commerce, quality management, financial planning, risk management, General Management, Banking, Insurance, International Business, Health Care Administration, Human Resource Management , Non-Profit Organizations, Operations Research/Statistics, Operations Management, Organizational Behavior and Theory, Organizational Development, Organizational Management, Production/Operations, Public Administration, Purchasing/Materials Management, Entrepreneurship, Strategic Management Policy, Technology/Innovation, Tourism and Hospitality, Supply Chain Management, Rural Management, Public Management, Knowledge Management, Business Ethics, Corporate Social Responsibility , Negotiations and Competitive Decision Making, Data Analysis, Hotel Management and emerging trends in allied subjects. The journal provides a forum for researchers and practitioners for the publication of innovative scholarly research, which contributes to the adoption of a new holistic managerial approach that ensures a technologically, economically, socially and ecologically acceptable deployment of new technologies in today's business practices.

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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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