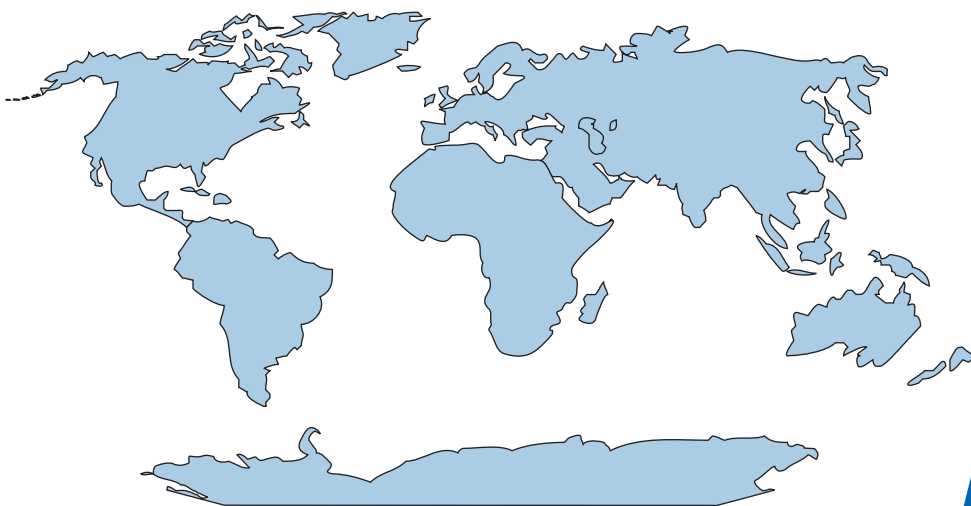


ISSN 2322 - 0899

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



Volume 5, Issue 2 (III)
April - June 2017

International Journal of Research in Management & Social Science

Volume 5, Issue 2 (III) : April - June 2017

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INTERNATIONAL FINANCIAL REPORTING STANDARDS: THE ROADMAP AHEAD

Prof. Sanjiv Mittal¹, Kshitij Maharishi², Ritesh Gupta³ and Dr. Sunil Kumar⁴

Dean¹, USMS, GGSIP University, Dwarka, New Delhi

Faculty², Jai Narayan Vyas University, Jodhpur

HoD³, Department of Business Entrepreneurship and Management, FDDI, Rohtak

Faculty⁴, SOMS, IGNOU, MaidanGarhi, New Delhi

ABSTRACT

Trust and transparency led to a discussion of the fundamental purpose of financial reporting. Consistent, comparable and understandable financial information is the lifeblood of commerce and making investment. In India the Institute of Chartered Accountants of India (ICAI) has decided to adapt IFRS for accounting periods commencing on or after April 1, 2011. This paper deals with the issues and Challenges faced in the process of convergence in Indian perspective and measures taken to address the challenges.

INTRODUCTION

International Financial Reporting Standards (IFRS) are a set of accounting standards developed by the International Accounting Standards Board (IASB) that is becoming the global standard for the preparation financial statements of public companies. The mission of IASB is to develop, in the public interest, understandability, reliability, relevance, comparability and International Financial Reporting Standards (IFRS) for general purpose financial statements. The present era of globalization and liberalization has shrunk the geographical barriers of commerce. The whole world has literally become flat. One can see the cross-border economic activities happening in a swift way. The entities are listed on major stock exchanges of the world. Capital markets have also spread their wings across the globe, leading to free flow of domestic and foreign direct investments to different parts of the world.

Given these scenarios, a common and uniformly accepted Financial Reporting System, supported by strong governance practices and a firm regularity framework, strengthens the economic development of any country. As investors have also become global, financial statements of entities of different countries should be comparable on prescribed common parameters. A common set of financial statement help investors better understand investment opportunities worldwide as against statement of different standards unique to each country.

OBJECTIVES OF THE STUDY

- To study the Problems and Challenges faced by Indian Companies in the process of Convergence to IFRS.
- To focus on the Measures taken to address the Challenges.

METHODOLOGY

For the purpose of the present study, mainly literature survey and secondary data has been used. The required secondary data was collected from the authorized Annual Reports and Official Website of ICAI and IFRS, various Journals and Research Papers, diagnostic study reports and newspaper articles have been surveyed in making this study.

IFRS – INDIAN CONTEXT

The paradigm shift in the economic environment in India during last few years has led to increasing attention being devoted to accounting standards as means towards ensuring potent and transparent financial reporting by any corporate.

ICAI, being a premier accounting body in the country, took upon itself the leadership role by establishing ASB, more than twenty five years back, to fall in line with the international and national expectations. Today, accounting standards issued by the Institute have come a long way. The ICAI as the accounting standard-setting body in the country has always made efforts to formulate high quality Accounting Standards and has been successful in doing so. Indian Accounting Standards have withstood the test of time. As the world continues to globalize, discussion on convergence of national accounting standards with International Financial Reporting Standards (IFRS) has increased significantly. At present, the ASB of ICAI formulates the AS based on IFRS. However, these standards remain sensitive to local conditions, including the legal and economic environment. Accordingly, AS issued by ICAI depart from corresponding IFRS in order to ensure consistency with legal, regulatory and economic environment of India. As the world continues to globalize, discussion on convergence of Indian GAAP with IFRS has increased significantly. A few developments are set forth hereunder –

- * Formation of IFRS Task Force by the Council of ICAI
 - * Recommendation of the IFRS Task Force submitted to the Council
 - * Full adoption of IFRS from accounting period commencing on or after 1st April, 2011
 - * Proposed to be applicable to listed entities and public interest entities such as banks, insurance companies and large sized entities
 - * Involvement of various regulators (MCA, RBI, IRDA, Tax authorities and SEBI)
 - * Draft Schedule VI and Accounting Standard I (Exposure Draft) consistent with IFRSs
 - * Convergence Strategy presented by Technical Directorate of ICAI on 02.02.2009.
- ICAI has begun the process of issuing IFRS equivalent AS with following proposed changes:
1. Removal of alternative treatments
 2. Additional disclosures, where required
 3. As number will continue but IFRS number will be given in parenthesis
 4. IFRICs will be issued as appendices – ICAI has constituted a Group in liaison with government & regulatory authorities and this group has constituted separate core groups to identify inconsistencies between IFRS and various relevant acts.

ROLE OF INDIAN GOVERNMENT

The central government of India prescribes accounting standards in consultation with the National Advisory Committee on Accounting Standards (NACAS) established under the Company Act 1956. NACAS is a separate body of expert including representative of various regulatory bodies and government agencies, has been engaged in the exercise of examining Accounting standards prepared by ICAI. In this exercise it has adapted the International norms established by the IFRS is used by International Accounting Standards Board. The central government notified 28 accounting standards (as 1 to 7 and as 9 to 29) in Dec. 2006, after receiving recommendation of NACAS. In notifying the Accounting Standards, the government has adopted a policy of enabling disclosure of company accounts in transparent manner at par with widely accepted international practices, though a process of convergence with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The initiative for harmonization of harmonization of the Indian Accounting Standards with IFRS, taken up by NACAS in 2001 and implemented through notification of accounting standard by the central government in 2006. The process would be continued by the government with the intention harmonization with IFRS by 2011. Indian Ministry of corporate Affairs has also set up a high powered group comprising various stakeholder under the chairmanship of Shri Anurag Goel, Secretary of Ministry of Corporate Affairs, to discuss and resolve implementation challenges with regards to convergence of Indian Accounting Standards with IFRS by April, 2011

RATIONALE BEHIND ADOPTING IFRS

Policy makers all over the world are focusing their attention towards the implementation of IFRS and are also looking for the answers to the question as to why they should implement it when they are successfully following GAAP for so many years. Major reasons advanced for implementing IFRS are enumerated as:

GLOBALIZATION OF FINANCE

The key benefit of implementing IFRS is a common accounting system and framework which is perceived as stable, transparent and fair to the local and foreign investors which in turn lead to increased compatibility and comparability among different financial statements across the globe. This will eliminate multiple reporting at the entity level and also at the consolidated level. Indian firms need to globalize, and for this they need funds at cheaper cost which is available in American, European and Japanese Capital Markets. To meet the regulatory requirements of these markets, Indian Companies are now mandated to report their financials as per IFRS. This will lead to cross border listing of shares and securities in other parts of the world and in turn cause globalization of finance.

COMPETITIVE ADVANTAGE

Indian entities will be able to initiate new relationships with investors, customers and suppliers internationally as IFRS provides a globally accepted reporting platform which will ultimately raise the reputation and relationship of the Indian corporate and give them competitive advantage. Companies are also in a race to gain an edge over their competitors by trying to adopt IFRS at the earliest and also listing securities on stock exchanges world-wide to build their Brand image. Convergence with IFRS improves the risk rating and makes

the corporate world more competitive globally as their comparability with the international competitors' increases.

PROFESSIONALISM

Service sector will get a boost as the implementation of IFRS in the corporate would require trained accountants, auditors, values and actuaries. Moreover, a single set of accounting standards worldwide would ensure that auditing firms standardize their training and quality of work is maintained globally which will move India towards accounting services hub.

STATUTORY OBLIGATION

After the opening up of countries and removal of tariff barriers, it has been made mandatory and obligatory to report using IFRS as majority of stock exchanges require financial information presented according to the IFRS. In case of joint ventures with a venture partner operating in countries requiring IFRS, they need to follow the same accounting standards as their venture partner. The multinationals seeking to enter new markets and expand operations to a foreign country may need to report using IFRS in order to obtain an operating license or to raise capital.

ECONOMIC GROWTH

It has been observed from the above literature review that the number of countries across the world where IFRS is a recognized reporting framework continues to grow by exploiting opportunities to generate process and cost efficiencies. It will potentially open up opportunities to standardize, simplify and centralize financial reporting processes and functions as the use of a single global standard enhances the efficiency of capital allocation on a global basis and help reduce the cost of capital.

BENEFITS OF ADOPTING IFRS

The adoption of IFRS is expected to have a significant impact on all stakeholders, such as regulators, professionals, preparers of financial statements, analysts, users of financial information and so on.

- The Economy: The convergence with IFRS benefits the economy as a whole by accelerating growth of international business. It strengthens the economy with a strong and efficient capital market, where cost of capital becomes cheaper, leading to inflow of international investment into the country.
- The Investors: Convergence with IFRS facilitates those investors who want to expand their cross-border business operations. For this purpose, investors want information that is relevant, reliable, timely and comparable across locations. Convergence with international standards will mean a clear understanding of financial statements by investors.
- The industry: Entities can raise capital from foreign markets at lower cost only if they can create trust and confidence in the minds of the foreign investors through "True and Fair" presentation of their financial statements by adopting globally acceptable standards.
- The Accounting Professionals: Convergence benefits accounting professionals who can offer their services to different parts of the world. It offers diverse opportunities to accounting professionals in any part of the globe, as the same accounting practices prevail throughout the world.

CHALLENGES IN ADOPTING IFRS

By now we are clear as to the advantage of universally accepted accounting principles but its complete and fair adoption is not free from challenges. Major challenges that Indian corporate might face;

AWARENESS OF INTERNATIONAL PRACTICES

The entire set of financial reporting practices needs to undergo a drastic change after the adoption of IFRS to overcome the number of differences between the two GAAP's. It would be a challenge to bring about awareness of IFRS and its impact among the users of financial statements.

TRAINING

The biggest hurdle for the professionals in implementing IFRS is the lack of training facilities and academic courses on IFRS in India. IFRS has been implemented with effect from 2011; but it is observed that there is acute shortage of trained IFRS staff. The Institute of Chartered Accountants of India (ICAI) has started IFRS Training programmes for its members and other interested parties. Yet there exists a large gap between Trained Professionals required and trained professionals available.

AMENDMENTS TO THE EXISTING LAW

A number of inconsistencies with the existing laws are other major challenges which are observed in the Companies Act 1956, SEBI regulations, banking laws and regulations and the insurance laws and regulations.

Currently, the reporting requirements are governed by various regulators in India and their provisions override other laws. IFRS does not recognize such overriding laws.

TAXATION

Currently, Indian Tax Laws do not recognize the Accounting Standards. Therefore, a complete overhaul of Tax laws is the major challenge faced by the Indian Law Makers immediately. In July 2009, a committee was formed by Ministry of Corporate Affairs of Government of India, with a view to identify the various legal and regulatory changes required for convergence and to prepare a roadmap for achieving the same.

FAIR VALUE

IFRS which uses fair value as a measurement base for valuing most of the items of financial statements can bring a lot of volatility and subjectivity to the financial statements. It also involves a lot of hard work in arriving at the fair value and services of valuation experts have to be used. Moreover, adjustments to fair value result in gains or losses which are reflected in the income statements. Whether this can be included in computing distributable profit is also debated.

MANAGEMENT COMPENSATION PLAN

This is because the financial results under IFRS are likely to be very different from those under the Indian GAAP. The contracts would have to be re-negotiated by changing terms and conditions relating to management compensation plans.

REPORTING SYSTEMS

The disclosure and reporting requirements under IFRS are completely different from the Indian reporting requirements. Companies would have to ensure that the existing business reporting model is amended to suit the reporting requirements of IFRS. The information systems should be designed to capture new requirements related to fixed assets, segment disclosures, related party transactions, etc. Existence of proper internal control and minimizing the risk of business disruption should be taken care of while modifying or changing the information systems.

COMPLEXITY IN ADOPTION

The researchers feel that the biggest risk in converging Indian GAAP with IFRS is the fact that the accounting entities underestimate the complexity involved in the process. Instead it should be recognized well in advance that teething problems would definitely creep in. Converting to IFRS will increase the complexity with the introduction of concepts such as present value and fair value. In IFRS framework, treatment of expenses like premium payable on redemption of debentures, discount allowed on issue of debentures, underwriting commission paid on issue of debentures etc is different than the present method used. This would bring about a change in income statement leading to enormous confusion and complexities.

RISK IN ADOPTION

Implementing IFRS has increased financial reporting risk due to technical complexities, manual workarounds and management time taken up with implementation. Another risk involved is that the IFRS do not recognize the adjustments that are prescribed through court schemes and consequently all such items will be recorded through income statement.

TIME

95% of companies in Australia and in the European Union took more than a year to the complete IFRS transition, with 40% taking more than two years. Looking at the Indian scenario, we have already delayed the process from the very beginning. In other countries, regulators released final interpretations two to three years in advance of IFRS deadline and provided step-by-step transition road maps for companies. In India, ICAI took so long to finalize the standard—increasing the confusion around standard interpretation.

COST

The IFRS transition is expected to cost Indian firms between Rs. 30 lakh and 1 crore, with an average of 16 internal and three external full-time staff dedicated to the transition. Fifty percent of adopters had to implement entirely new IT systems to accommodate IFRS; only 20% of companies did not implement systems changes. Costs such as auditor fees, systems changes, and reporting costs tend to overrun at the last minute.

KEY DIVERGENCES

The key divergences between Indian GAAP and IFRS have arisen due to: - * Conceptual differences * Legal and regulatory requirements * Present economic conditions * Level of preparedness

IMPLEMENTATION PHASE IN INDIA

The applicability of International Financial Reporting Standards for convergence of Indian entities would be in several phases as the issues involved in one-shot adoption are complex. For example, there are issues to be addressed, which may impact tax revenue collection in the Indian scenario. Also to be sorted is the applicability of IFRS to Small and Medium Scale Enterprises, pending deliberation by various authorities. Hence, in the first phase, ICAI has submitted a suggested list of companies listed with BSE/NSE Sensex, insurance companies, mutual funds, entities with a capital base of over 50 million dollars outside India, companies that are publicly accountable with an aggregate borrowing of over Rs. 1,000 crores and such others.

MEASURES TAKEN TO ADDRESS THE CHALLENGES

- For changes required in rules and regulations of various regulatory bodies, draft recommendations have been placed before Accounting Standard Board.
- The ICAI issued 30 interpretations of accounting standards, with a view to resolve various intricate interpretational issues arising in the implementation of new accounting standards.
- Guidance notes have been issued by ICAI for providing immediate guidance on accounting issues.
- To facilitate discussions at seminar, workshops, etc., ICAI has issued background material on newly issued accounting standards.
- For the purpose of assisting its members, the ICAI council has formed an expert advisory committee to answer queries from its members

TRAINING OF IFRS

India has a large number of accounting professionals. ICAI has already taken the initiatives for a comprehensive capacity building programme to prepare the CA profession for this transition. A large number of professionals have already undergone training and this process is being accelerated by the ICAI. To summarize, convergence is inevitable. The timeline is tight. The need of the hour is co-ordinate and continuous efforts by all concerned to make the process a grand success.

SUGGESTIONS TO BEAT CHALLENGES

The solution to the problem of professionalization of finance is that that all stakeholders in the organization should be trained and IFRS should be introduced as a full time subject in the universities. Timely steps should be taken to ensure amendments in the existing laws to the extent they are inconsistent with the provisions of IFRS.

CONCLUSION

From the above discussion it is very much clear that transition from Indian GAAP to IFRS will face many difficulties but at the same time looking at the advantages that this adoption will confer, the convergence with IFRS is strongly recommended. We have also seen that this transition is not without difficulties as to the proper implementation process which would require a complete change in formats of accounts, accounting policies and more extensive disclosure requirements. Therefore, all parties concerned with financial reporting also need to share the responsibility of international harmonization and convergence. Keeping in mind the fact that IFRS is more a principle based approach with limited implementation and application guidance and moves away from prescribing specific accounting treatment, all accountants whether practicing or non-practicing have to participate and contribute effectively to the convergence process. This would lead to subsequent revisions from time to time arising from its global implementation and would help in formulation of future international accounting standards. A continuous research is in fact needed to harmonize and converge with the international standards and this in fact can be achieved only through mutual international understanding both of corporate objectives and rankings attached to it. Though difficult, it is not impossible for the Indian corporate to implement IFRS in the prevailing conditions since the fundamentals are strong and will feel the impact of the new rules the most as its operations involve multiple financial instruments that face the brunt of the changeover. Critical third-party contracts, debt covenants, and key leadership metrics will change with the change in accounting policies. Senior management at many companies views IFRS as a Finance priority because of the required changes in accounting practices. However, the impact of IFRS is truly cross-functional, spanning divisions and business units. Indian Corporate World which has been preparing its Financial Statements on Historical Cost Basis will have tough time while shifting to Fair Value Accounting. The measures taken by ICAI and the other regulatory bodies to facilitate the smooth convergence to IFRS are commendable and give the positive idea that the country is ready for convergence. The need is to have a

systematic approach to make the organization and the investors ready for the change and the standards ready for renovation. Corporates need to gear themselves for constant updation and not only for the first time adoption. Adopting of IFRS by Indian corporate is going to be very challenging but at the same time could also be rewarding. Indian Corporates are likely to reap significant benefits from adopting IFRS. Since the cost of compliance with IFRS would be very high for medium size industry. There are some challenges in implementing IFRS like non-compatible legal and regulatory environment, concern over SMEs, economic environment, level of preparedness, alternative treatments, education needs of auditors, frequent change to the IFRS and translation issues. However, several important matters need to be addressed urgently if India hopes to achieve the planned convergence.

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COMPARISON OF LEADERSHIP STYLES IN INDIA AND UNITED STATES OF AMERICA

Dr. B.S. Hothi

Professor, Gitarattan International Business School, New Delhi

ABSTRACT

The role of culture and its effect on the achievement of global management has turned into an imperative territory of research in International Business. Leaders are a powerful influence on employee's behaviors. They can keep others engaged in intellectually stimulating work and remove obstacles to performance and other distractions. Transformational leaders help others to view problems in new ways and develop their skills and knowledge. They engage others in dialogue rather than make arbitrary decisions. This participative style leads to a positive relationship and more creative behavior. The concept and definition of leadership and style may differ from one person, or situation, to the other. The word leadership has been used in various aspects of human endeavour such as politics, businesses, academics, social works, etc.

The work of Hofstede in identifying various types of cultural attributes has entered the main stream research of international management. Using aspects of social psychology, Hofstede identified five cultural attributes: high power versus low power distance, individualism vs. collectivism masculinity versus femininity, uncertainty avoidance, and long term versus short term orientation. Initial work of Hofstede was based on data collected between 1967 and 1973 from IBM employees representing 40 countries. However, he later expanded his sample and did the analysis for more than 70 countries. There have been a number of researchers that have attempted to follow Hofstede either from theoretical dimension or empirically. There have also been critics of his work.

There are countless definitions of leadership and there are a number of researchers who have made an attempt to explore this concept. In 1900s, the concept of leadership was studied in terms of qualities or traits which distinguished leaders from the rest of the people (followers). The trait theory was based on the assumptions that generally people are born with certain special characteristics or traits like intelligence, alertness, scholastic achievement, dependability, persistence, adaptability, relational competence and higher socio- economic status. After the trait approach the behavioural approach came into existence. Researchers began to focus on the apparent leadership behaviors. It was known as behavioral leadership theory. The development of behavior theories was strongly based on leaders behavior. With the spread of globalization, the search for more universally acceptable forms of leadership will intensify.

Key Words: Global management, International Business, Transformational leaders, Participative style, Globe Study, Gender egalitarianism, Autocratic, Participative Leadership, Free Rein, Directive Leadership, Empowering Leadership, Charismatic Leadership, Uncertainty avoidance, Power distance, Cross cultural leadership, Modern managers.

INTRODUCTION

Leaders are a powerful influence on employee's behaviors. Standard deviation of parameters varies between U.S.A. and India. However, once we consider ratio of standard deviation to mean it is observed that the ratio for uncertainty avoidance, future orientation, performance orientation and human orientation remains very close, while there are noticeable differences for power distance, individualism and gender egalitarianism.

THE GLOBE STUDY

Building on the work of Hofstede and extending it, Global Leadership and Organizational Behavior Effectiveness Research Program (GLOBE) study research tested 27 different hypotheses, yielding nine universal cultural dimensions: (a) power distance—degree to which members of society expect power to be distributed; (b) uncertainty avoidance—extent to which a society, organization, or group relies on rules and procedures to control unforeseen future events; (c) humane orientation—degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring and kind to others; (d) collectivism I—degree to which an individual is integrated into groups within the society; (e) collectivism II—degree to which individuals have strong bonds to their small immediate circle; (f) assertiveness—degree to which individuals are assertive, dominant and demanding in their interactions with others; (g) gender egalitarianism—degree to which a society minimizes gender inequality; (h) future orientation—extent to which a society encourages & rewards future-oriented behaviors such as delaying gratification, planning and investing in the future; and (i) performance orientation—degree to which a society encourages and rewards group members for performance improvement and excellence.

The GLOBE think about approves Hofstede's framework and stretches out it to incorporate two extra dimensions - execution and others conscious introductions. Social orders that esteem and reward execution, underline comes about more than individuals and are worried with individual accomplishment and magnificence. In exceptionally others conscious societies, people are remunerated for being reasonable, mindful, philanthropic, altruistic and kind. The GLOBE examine additionally changes the wording of Hofstede's Masculinity – Femininity dimension to Gender Egalitarianism.

The present article aims to bring out the comparative styles of leadership in the managers of India and the USA, based on the data gathered by actual practicing managers. This would enable us to understand the cultural differences that act as the driving force behind the varying ideologies. By developing an understanding of this variation, managers can aim at building relationships that are not stumped by limitations of interpretation between working styles.

In a paper by Amabile, et. al. investigated the leadership behavior taking different variables affecting the leadership style along with delegation of authority of 123 executives from public and private sector. They found that 67% executives in private sector and 57% in public sector units have employed democratic decision style or leadership.

INDIAN LEADERSHIP STYLES

In an article by Humayun Faiz Rasool et. al., they provide the basic working methodology of the Indian managers by relating it to the leadership theory followed by them.

Autocratic Leadership Styles: An autocratic leader is work-centered or leader-centered. He concentrates all the authority and all decision-making powers in himself. He structures the complete work situation for his employees. There is no participation by his subordinates in the decision - making process; they simply do what they are told to do. Autocratic leader tolerates no deviation from the orders.

Participative Leadership Styles: This style is also known as Democratic, consultative or ideographic. Participation is defined as mental and emotional involvement of people to contribute the goals and share responsibility among the group members.

Free Rein: This style is also called as Laissez-Faire technique. The Laissez-Faire is a French word meaning “to let things alone”. This style of leadership is based on the let things take their course attitude. Adam Smith was an advocate of the Laissez-Faire style of running a nation.

In this study health sector leader i.e. doctors, health nutrition officers and supporting staff of hospitals of southern Punjab districts of D.G Khan, Muzafar-Ghar and Bahawalpur were included.

In the present scenario, the article relates to bring out that the majority of practicing Indian managers, work on the mentioned ideology of leadership. This is because this is what works best in the Indian culture and working methodology.

AMERICAN LEADERSHIP STYLES

Directive Leadership is well known in America, but is declining in frequency. It stresses the direction given by executives to others in the firms. The leader is very much in charge. This style is very common in Asia.

Participative Leadership, which involves close teamwork with others, is more common in Europe, where it is sometimes required by law (as in northern Europe, especially Germany) than in America. It is also common in a variant colored by national cultural norms, as in Japan.

Empowering Leadership is relatively new, and stresses delegation of responsibility to subordinates. American companies that operate with largely autonomous divisions employ this style of leadership. A few younger Asian business leaders now espouse this style (for example, the CEO of Banyan Tree Resorts).

Charismatic Leadership is the leader who looks like a leader. People follow such a leader because of who he is, not because of good management or even business success; nor because [the people] are offered participation, partnership, or empowerment. Human magnetism is the thing, and it is very different in different national cultures. What looks like a charismatic leader to Americans may appear to be something very different to people from of Countries in the southern Asian cultural clusters, like India, are accepting of a leader who exhibits charismatic/value-based leadership; however, they also tend to place a high value on a self-protective style of leader who is concerned with status and saving face her societies.

The article would bring out statements interpreted based on previous research carried out with an intention to draw out the differences in aspects relating to foundations laid out by these studies.

PROPOSITION I: UNCERTAINTY AVOIDANCE

Uncertainty avoidance is the degree to which a society or an organization accepts uncertainty in their environment. The higher the degree of uncertainty avoidance the lower is the appetite for risk taking. This also means that the society relies on formalized communication, interactions and policies and procedures and is less likely to break rules. Owing to their position and power it is seen that managers from the United States have lower uncertainty avoidance than India. This is attributed to the fact that the sample we used was from well educated individuals with considerable exposure to Western business practices. These individuals, while exposed to the traditional value systems of their respective societies, have begun to close the gap in terms of risk taking and uncertainty avoidance with the US sample.

PROPOSITION II: POWER DISTANCE

The degree to which a society or an organization accepts that power is unequally distributed. A society high on power distance may have limited upward mobility and status difference. In organizations that accept inequality, hierarchy is embraced and supervisors are relied on to provide direction and decision making. It was seen that India and United states score lower on power distance. This stems up due to the lack of exposure to the other cultures and can be overcome by exposure.

PROPOSITION III: INDIVIDUALISM VS. COLLECTIVISM

the degree to which members of the society like to work individually as opposed to collectively and is concerned for individual rights and well being. Cultures that score high on collectivism feel an obligation to the success of the group. Individuals are highly interdependent and make personal sacrifices for the group. A culture scoring high on this dimension tends to be more collective.

Owing to the risk taking attitude of the managers, it is seen that India and United states have more collectivist tendencies.

PROPOSITION IV: GENDER EGALITARIANISM

Refers to the degree a culture holds distinct stereotypes of men and women. Cultures scoring high on this dimension have a more egalitarian climate and view traditional characteristics of men and women as equally important. They also tend to have more women in positions of authority and greater decision making responsibility. It is believed that the US provides more equal opportunity for women in work place than India.

Table 1: Mean and SD of Leadership Practices

	INDIA		USA	
	Mean	SD	Mean	SD
Modeling the way (MW)	64.31	7.32	79.57	3.95
Inspiring a Shared Vision (ISV)	58.67	6.87	69.38	9.14
Challenging the Process (CP)	70.30	11.14	73.65	13.20
Enabling Others to Act (EOA)	89.82	4.41	88.62	4.39
Encouraging the Heart (EH)	80.43	6.37	78.57	6.10
	72.71	11.19	77.96	6.46
Grand Mean	75.33			
Grand SD	9.51			



In a five-year research study, Jim Collins credits Level 5 Leaders with transforming their companies from “good to great”. In his seminal work, what distinguishes one leader from another is a paradoxical blend of genuine personal humility and intense professional will. By this he means one who is modest and also has unwavering resolve; and one who is shy and courteous yet fearless. These leaders achieved extraordinary results and built great organizations without much hoopla.

COMPARISON BASED ON CROSS CULTURAL LEADERSHIP

Culture, we argue, is not a set of static attributes; rather it has dynamic elements that change over time particularly for a subset of a population. This is the case for the emerging economies and for those involved in the “Global” sector of society. As the growth and openness of emerging economies, the cross-culture starts to enter a new generation in terms of management styles, especially in India and US. Managers in India and US who have a Western style of education or have global business experience tend to be more Western style oriented. For example, modern managers are becoming more open-minded, more risk tolerant instead of the traditional risk aversion, and think and act in a western way. The new management styles of the Chinese and Indian populations are beginning to converge. In this paper, we are trying to identify the characteristics of new generation of management styles in India and US using the dimensions from Hofstede.

- Modern managers in India and US who are well-educated and with considerable exposure to Western business practices tend to be more risk taking considering the small difference in terms of uncertainty avoidance relative to United States.
- Modern managers in India and US have a different approach regarding acceptance of power distance than the more traditional segment of society, and hold a lower power distance attitude relative to U.S.
- Modern managers in India and US have a changing perception about the gender egalitarianism, and they are more aware of the improved status of women.
- Modern managers in India and US are more performance oriented, as well as future oriented and humane oriented.

MATERIALS AND METHOD

The article aims at looking at the managers of both countries in an analytical manner in order to infer the working methodologies. However, the method of gathering information has been through detailed interviews, open ended questions and drawing inferences on previous researches. In this light, we can say that the scope of the article is limited to the available resources. The feedback and responses are assumed to be the best of the inputs given by the respondents. The span of study also includes limited number of participants making the study rely on available information.

The overview additionally had a short clarification and a few statistic questions. To encourage more transparent reactions, the respondents were consoled of their secrecy and privacy with respect to any data they gave. The online organization considered electronically intervened gathering of the information, in this manner giving subjects of the example outline expanded accommodation and secrecy. One of the focal topics in this review was the social impact on initiative styles and the act of hiring administration in various societies.

RESULT

Indian culture is an inquisitive aggregation of convictions, some which are religious, and some which are statistic in nature. The test is to strike a harmony between the apparently clashing requests of the different gatherings of individuals. Indian culture is additionally legitimate. Indians show a specific measure of unbending nature in our social and relational direct. The social do's and don'ts are pointedly characterized and adjustment to them is requested in numerous circles of life. A solid need additionally exists for power and status and chain of command is underscored. The Indian requirement for power is likewise extremely solid.

While aggressive initiative hypothesis has been investigated and contextualized in the West (as referenced prior), there are no known research thinks about testing a model of focused authority inside the social setting of India. Cultural differences among different team members may create an additional misunderstanding throughout the project cycle.

The effect of social elements, for example, dialect boundaries, religious hindrances and assorted qualities contrasts financial and political may bring about a standardizing example of the administration. Spurring venture colleagues may experience the different boundaries and multi culture correspondence. To accomplish extend objectives and to maintain a strategic distance from the potential hazard. It additionally advances

inventiveness and inspiration through adaptable initiative. This research work has shown that for any organization to survive, appropriate impact of leadership on the employee must be followed. It is hoped that the presentation of leadership in this project will contribute to the better understanding of the need for adopting of democratic, participative leadership in an organization, which will enhance organizational effectiveness.

It was surmised that law based or participative sorts of initiative is the best of all the authority styles in view of the advantages that will be gotten from it by the representatives in the midst of the general outcome to the association all in all. The review likewise demonstrates that it is important to impact changes in effect of initiative when the need emerges in an association keeping in mind the end goal to improve execution. Moreover when there is great administration there will be corporate conduct by the representative, targets will be met and at last there will be fulfillment with respect to the worker and the businesses. Aside from that Indian authority styles is more favored in light of the fact that it helps in achievement of different objectives and goals. It helps in upgrading the execution of an individual and help in decide the different conceivable arrangements and standards.

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TECH AND TOUCH: UNDERSTANDING MULTI-LEVEL IMPLICATIONS OF TECHNOLOGY USE ON WORK-FAMILY CONFLICT

Mahima Raina¹ and Kamlesh Singh²

Research Scholar¹ and Associate Professor² Indian Institute of Technology, Delhi

ABSTRACT

The paper utilizes the Ecological Systems Approach to theorize how technology use for work, which is the current trend of work, can have implications on various levels starting from a small family or work setting to larger systems like organizations or societies. At each step, starting from a microsystem (home or workplace) to the macrosystem (organization or society), we present the less desirable aspect of technology building argument based on previous empirical studies to support our assertion. We present a model of work-family conflict and technology use to facilitate the understanding of links between these.

Keywords: Technology use, Ecological systems approach, Work-family conflict

INTRODUCTION

The mass “technology embrace” has been one of the recent major paradigm shifts that we have experienced in the recent times. The trend has been as much as a choice, preference and a necessity. For obvious reasons – technology has literally shrunk the world and enabled us to complete tasks at a click which earlier were considered cumbersome and expensive. The business boundaries are melting and we see a plethora of boundary less organizations, outsourcing across borders, online shopping stores, experts meeting from different locations in a virtual space using tele-presence – all ingredients of cost effective, high profit businesses. This story is not limited just to work. Technology has revolutionized how we relate to our family and friends as well. We have round the clock connection to our friends and family through IMs, WhatsApp and the businesses growing very sensitive to the need to connect to family- hence introduction of policies such as telecommuting, work-from home, flextime and many more. Hence, while we could be physically present at one location, we could be virtually connected to the other with the help of technology.

As it is, increasingly, since 1970s, it has been recognized that work and family cannot be segregated and that work and family roles are intertwined (Kanter, 1977). And, though balance between home and work life is much sought after but it is rarely claimed state of being (Kreiner, Hollensbe & Sheep, 2009). The use of technology enables work-life integration but has led to increasingly permeable boundaries between the work and non-work domains (eg., Tarafdar, Raghunathan & Raghunathan, 2007; Valcour & Hunter, 2005; Fenner & Renn, 2004 ; Batt & Valcour, 2003, Chesley, Moen & Shore, 2003). With the prolific use of technology and less permeability between home and work domains, the two (domains) more frequently and more easily intrude into each other. For example, we may respond to a work-related call during dinner time, check our e-mails on vacation, or may be on the call at work for a sick partner or a child. This kind of work-life integration may have implications more often than not because it causes role overload. For the present paper, we restrict to a sub-set of role overload – Work-family conflict. Work family conflict can be defined as an inter-role conflict that results when an individual's participation in the work role interferes with participation in the family role (Greenhaus & Beutell, 1985). Since, work and family do not exist in isolation of each other, an equally important view is to study family to work conflict. Family to work conflict is defined as an inter-role conflict that results when an individual's participation in the family role interferes with participation in the work role, and occurs when the demands of the worker's family life interfere with the worker's ability to manage his work responsibilities (Greenhaus & Beutell, 1985).

THEORETICAL BACKGROUND

We use Ecological Systems theory to explain the changes technology use has brought and weave it with work-family conflict. Ecological systems theory proposes that a person's development is lifelong and is best understood by examining the interaction between the characteristics of that person and the characteristics of his environment (Bronfenbrenner, 1989). It includes feedback loops between the person and his environment with each affecting the other. The environment is described as comprising a hierarchy of four systems: The Microsystem, the Mesosystem, the Exosystem and the Macrosystem (Bronfenbrenner, 1989). The framework has been used to guide the study of work-family conflict in the past (Hammer, Bauer & Grandey, 2003; Voydanoff, 2002 ; Grzywacz, 2000).

The Microsystem is the one that is most proximal to an individual. This system reflects a “pattern of activities, roles and interpersonal relations” that a person experiences in a context that has certain characteristics and that

includes other people with certain attributes (Bronfenbrenner, 1989, pp 227). The most relevant microsystem in the present context would be home or workplace. The Mesosystem is composed of linkages between two or more Microsystems, such as linkages between home and workplace (Bronfenbrenner, 1989). The Exosystem is almost same as the mesosystem except that one of the Microsystems does not actually contain the individual (Bronfenbrenner, 1989). One example of an exosystem would be relation between one's home-life and one's spouse's work life. The combination of the three types of systems just described creates a distinct pattern within each culture or sub-culture, and this pattern forms the Macrosystem (Bronfenbrenner, 1989). An example of macrosystem would be socio-demographic or cultural variables impacting the work-family interaction, or policies in the organization. We now describe each system within the framework of work-family conflict in the following section. Figure 1 explains the proposed model.

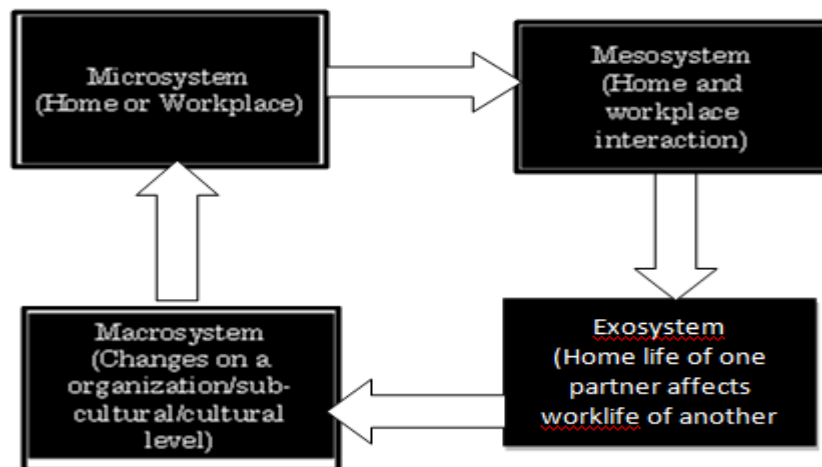


Figure 1: Proposed Model (Adapted from: Bronfenbrenner, 1989)

THE MICROSYSTEM

The microsystem consists of the individual and his association with home or workplace which form his microsystems. We now agree that technology has by and large seeped into the work and family system, thereby changing how we conduct work and relationships. The individual's behavior is broadly determined by the implicit or explicit rules, demands and expectations that bind him at home or workplace. Together with that his own preferences and characteristics moderate this process. To help understand this, we describe the workplace/family rules or expectations and individual characteristics that play a role in this.

Workplace Norms: In all workplaces, explicit rules exist about the duration of a typical workday. In practice, however, implicit rules are imposed/expected and accepted by employees that stretch way beyond the usual working hours. Research indicates that organizations' expectation regarding availability of worker outside typical work schedule has increased give technological advances (Harma, 2006). Also, that Smartphone use dictates the norm that the individual be available for others at any time and any place (Green, 2001). Given the scenario, many employees feel compelled to immediately respond to work-related messages even during leisure time (Davis, 2002) and many Smartphone users experience great pressure to respond when the phone beeps indicating a new message (Jarvenpaa & Lang, 2005).

Family Norms: While technology use may facilitate work-family integration and this might result in positive outcomes, yet if family members react negatively to these blurred boundaries or to technology use for work at home, undesirable outcomes are manifested. There has been mixed evidence of technology's impact on participants' home life. Towers, Duxbury, Higgins and Thomas (2006) reported that most of the respondents in their study perceived that their families understood their need to use technologies to work during family time. On the other hand, a substantial number also said that their families did not like it. Batt and Valcour (2003) found that technology facilitated workers' ability to juggle work and family but at the same time increases disruptions in family domains. The ability to work from home so as to meet some family responsibility, for example, hardly improved work-life balance because the time was predominantly given to work rather than the family (Towers et. al. 2006). Rothberg (2006) found that men were more likely to be connected to workplace during vacations compared to women. Women use the cellphone to meet family responsibilities at work (Rakow & Navarro, 1993), this causing family to work conflict. They described this phenomenon as "remote mothering" and the "parallel shift". Thus, whether technology use after work hours at home is supported or disliked also depends on family preferences and needs and family needs are associated with technology use to stay connected to home from work.

Subjective Norms: Research has examined the role of social factors on technology use. Subjective norm is defined as, “a person’s perception that most people who are important to him think he should or should not perform the behavior in question” (Fishbein & Ajzen, 1975, pp. 302). The workplace and family norms together with subjective norms have been found to influence behavioural intention to use technology as well as the actual use of it (Taylor & Todd, 1995; Lu, Yao & Yu, 2005; Venkatesh & Davis, 2000). Expectations of colleagues, in particular senior colleagues, influenced the behavior of junior colleagues to respond to messages instantaneously (Mazmanian et al. 2006); employee e-mail or IM use was strongly related to frequency of email use by one’s supervisor and the employees who used these (following subjective norms) received higher ratings in performance evaluations from their supervisors after controlling for demographic, hours worked, organizational commitment and supervisor’s media use (Turner, Grube, Lee & O’Pell, 2006).

Individual Antecedents: The use of technology after work hours is also determined by an individual preference of integration or segmentation. Individuals differ in the degree to which they prefer to segment or integrate work and home roles (Edwards & Rothbard, 1999). Segmentation refers to the separation and integration means to overlap work and non-work activities (Nippert-Eng, 1996). Individuals who reported a higher preference for work and non-work integration reported setting fewer boundaries for use of technology after work hours. However, for example, a study reported that Blackberry™ users were unable to disengage from the workplace because there was a “compulsion” to check messages, making it difficult to know when the workday ended (Mazmanian et al. 2006).

Another important individual antecedent to technology use after work is Polychronicity. This is defined as the extent to which a person prefers to be engaged in two or more tasks or events simultaneously (Hall, 1959). Such individuals are more amenable and adaptable to the communication environment of their organization, perceived the world as less compartmentalized and are more likely to overlap work and leisure time (Benabou, 1999).

Thus, having a preference for integration and polychronicity in another way means more overlap between work and non-work activities. Technology use can assist in integration if it is actively managed (Kreiner et al., 2009). But, how much control one is able to exercise over the impinging demands from work to home and vice versa, is a debatable issue.

THE MESOSYSTEM

In the Mesosystem, the individuals micro-systems interact, i.e. here we are looking at the interaction between one’s home and workplaces which is in turn affected by one’s own characteristics and preferences as described above. In this process, a person-environment fit is considered ideal as it would mean that the person is able to maneuver the work and family demands/expectations according to his preferences and styles, hence not creating strain on the person. But this state of being is hardly achieved across situations, inevitably leading to people feeling work-family conflict.

Now that we agree that technology use can blur work and home boundaries and allow for greater flexibility in managing work and home, such integration (blurring of boundaries) may come at a price (Boswell & Olson-Buchanan, 2007). The literature just like the popular press is replete with studies /examples and discussions of e-mail, cellphone which seems to be tying them to their jobs leaving little room to disengage (e.g., Robinson, 2006; Zambrowicz, 1998). Such a trend is “turning homes into electronic work cottages, expanding work into family time, and the reverse” (Kossek & Lautsch, 2012, pp. 153) and use of technology after work hours gives the feeling of overwork (Galinsky, Kim, and Bond, 2001). Greater the permeability and integration of work and family roles have adverse consequences (Kossek et al., 2005; Ashforth et al., 2000; Hall & Richter, 1988). Several explanations have been given to explain why and how this may happen when a greater preference for integration with the help of technology use can sometimes actually help maintaining balance. For example, using cellphone to be around a sick family member. However, as Ashforth et al. (2000) explain that this permeability of roles allows for unannounced interruptions, increased confusion about what role to enact at a given time, and prevents full disengagement from one role to immerse in a current role. Hall and Richer (1998, pp. 217) argued that “boundary permeability epitomizes role conflict.” Edwards and Rothbard (2000) have discussed as to how when thoughts and behaviours specific to one domain (e.g. work) spill over to the other domain causing reactions from the individual and the people around him. To explain this further, Fenner and Renn (2004, pp. 217) argue that the “individual is not readily available either psychologically or physically, to pursue those responsibilities deemed to be of importance by the non-work or family role.” As technology use has increased permeability of work and non-work roles, Chelsea (2005) found that people who persistently used technology reported feeling worries or problems related to job distracted them even while at home. The anytime-anywhere connectedness of employees to their work facilitated by technology has changed

the meaning of being at home (e.g., Galinsky, Kim and Bond ,2001) and hence causing difficulty in managing work-home balance (e.g., Jarvenpaa & Lang, 2005 ; Davis, 2002).

With the blurring of boundaries, increasingly, many people are finding it difficult to dissociate from work (or family) unless they actively pursue to disintegrate from either (Duxburry, Higgins & Neufield, 1998; Kossek & Lautsch, 2008). On the other hand, work-home segmentation promoted detachment from work (Park, Fritz & Jex, 2011) which facilitates replenishing of resources and sustaining employees' well-being and performance capabilities. (Sonnentag et al., 2010).

Thus, though integration preference is conducive to technology use in managing work and home responsibilities, literature largely suggests otherwise. We now move on to repercussions of meso system interactions on exosystem.

THE EXOSYSTEM

The exosystem is almost the same as the mesosystem and the interaction of the sub systems of home and family are considered here as well. However, in the exosystem we consider how for example, issues of one individual impact other person within (e.g home) or in the other domain(e.g. home life of one person and office life of the other). Wilensky (1960) has depicted the Spillover model of work-family conflict which says that reactions to working conditions are transferred to the family domains. Thus, impaired well-being resulting from work-stress may be reflected in decrement in family functioning. Avid research exists to confirm the existence and process of work-to-family and family-to-work conflict. Rousseau (1978) confirms that Spillover model of work-family conflict has received support across occupations. Although relatively less, yet a sizeable body of research does exist to understand how and what stress of one person entails for the other partner. The process that begins with elevated strain or stress of one person affects the level of strain of significant others is called the cross-over (Bolger, Delongis, Kessler, & Wethington, 1989) or transmission (Jones & Fletcher, 1993 ; Rook, Dooley & Catalano, 1991).

Brief literature on cross-over effects is summarized here. The stress experienced by one person at workplace leads to stress being experienced by the spouse at home (Bolger et.al., 1989). Also, a person's work stress affects psychological strain of the spouse (Jones & Fletcher, 1993 ; Rook et. al. 1991). A study by Westman and Etzion (1995) reported that burnout had significant crossover effect from one spouse to the other. It was further explained that the burnout of one partner can add to stress of the other partner and this becomes an additional source of stress for this partner.

Another instance of high cross over effects happen when one partner has higher levels of work salience. Work salience is defined as the high desire to succeed in one's work (i.e. ambition, Desrochers & Dahir, 2000). This ambition reflects a constructive personal characteristic to seek high levels of achievement and such individuals are always more likely to put extra hours, work long and hard to achieve professional success and also fulfil personal ambitions like fame and competence (Boswell et.al, 2007). Greenhaus et. al (1989) suggested that higher work salience of one partner is related to greater family pressures for the other partner, resulting in greater work-family conflict among partners in dual-career couples. People high on career salience are also the ones who are more likely to use technology for work after working hours and also motivate others to do so (Desrochers et. al., 2000).

Frustration is often the outcome of stressful conditions that trigger aggressive reactions. Literature on family processes also reports that stressed couples exhibit higher levels of negative conflictual interactions (Schaefer, Coyne & Lazarus, 1981) . Bolger et al. (1989) showed that interpersonal conflicts are the most upsetting of daily stressors. The conflictual interactions mostly take form of Social Undermining – behaviours directed towards the target person comprising negative affect and evaluations of that person. Studies indicate that social undermining increase depression (e.g, Coyne & Downey, 1991; Krause, Liang & Yatomi, 1989). Paykel et. al (1969) found that increased arguing with husbands (undermining) was the single most frequent life change reported by depressed women a few months before the onset of depression. This assertion is also supported by other researchers who confirm that conflicting marital interactions often precede depression (Nelson & beach, 1990; Schmaling & Jacobson, 1990).

The feedback loops of micro-meso-exo system , as the Ecological Systems theory assumes, interact with each other and affect each other all the time. Some interactions, especially those on above three levels of the hierarchy are directly identifiable because they have direct implications on us. However, these sub-systems also interact to form a sub-culture or culture that seeps into an organization, society or a country on a larger level. Such changes are seen and accepted as a norm in a due course of time and forms the exosystem. In the subsequent section, we discuss some factors vis-à-vis change brought due to technology use on a larger level.

THE EXOSYSTEM

The major change that we have experienced due to technology use is the way we conduct our work and relationships. In the above sub-sections, we have briefly summarized how it has implications for work as well as relationships. There are however, some individual level repercussions, mostly in the realms of health and relationships. There has been an increased incidence of life-style diseases, musculoskeletal diseases and even new extremes like compulsive internet use/ Internet addiction disorder, online gaming addiction (DSM-5).

Much of research on solutions to the problems discussed in this term paper confines on the organizational level. A major change that has come about with the technology use is introduction of new policies because organizations are now realizing the need to help reduce employee's work family conflict. Likewise, policies such as telework and flextime are becoming very common. Stress reduction , wellness programs and incentives for health clubs and much more is provided to the employee as a part of the job offer to help the employee detach and have a quality social life. These policies have projected as an anecdote to the problems employees face due to work overload. However, again, research on this more or less has been disappointing. It shows very mixed results and often a limited impact of policies on employees' lives (Kossek & Lambert, 2005) and telecommuters were found to have difficulty in separating work and family activities (e.g., Hill, Hawkins and Miller, 1996 ; Kurland & Bailey, 1999).

On one hand, while organizations are open and flexible to help employees reduce their stress, on the other hand the same organizations strategize to ensure that they provide their employees the means of technology to be available after the work hours. For example, in a study by Mazmanian et.al. (2006) reported that employees felt the need to remain "continuously connected" by constantly checking their email when the company distributed Blackberry devices to all its employees.

The macro-level loop with all these organizational trends rooted in them has the ability to change a person's behavior once he becomes a part of this organization. Research indicates that the use of communication system by member's of one's primary group is an important determinant of a potential user's behavior (Kraut,Rice,Cool & Fish, 1998) and also that changes in behavior are likely to occur in the presence of strong organizational signals (Richardson & Benbunan-Fich, 2011). Hence, the individual coming into this loop has to accept and "embrace the technology use" which is but inevitable.

DISCUSSION

The paper presents a theoretical model for studying the impact of technology use and how it impacts work-family interface. We review individual, organizational and societal determinants that contribute in these dynamics. Work-family navigation and micro transactions of daily life cannot happen in isolation and all of these factors ideally interact to produce the effect. Our model establishes links between various factors on multiple levels that can be tested to make a more nuanced understanding of work-family interface.

Prolific use of technology has implications as well as benefits. In another words it is a double edged sword, and one that is unavoidable in the present scenario. While at one hand technology can actually help us reduce our efforts both in professional and personal domains, yet it has the ability to disturb our equilibrium in both of these spheres. The round the clock connectivity raises expectations (again both on personal and professional fronts) to stay connected seamlessly. The expectations are sometimes raised by managers at workplace , sometimes by the family members or sometimes by the individual himself. Of course, maintain work-life balance is crucial to one and all.

To begin with, the managers at the workplaces should recognize the need of employees to detach from work and avoid their employees feeling too tied to their jobs because eventually it tells on the individual's and consequently team's and eventually organization's performance. Organizations should have clear work-duration related policies which are strictly implemented. Formal policies limiting phone calls and e-mails after hours and on weekends or informal policies about how much of these types of behaviors are acceptable may be required (Boswell & Olsen-Buchanan,2007). The reason why research on efficacy of work-family policies has been disappointing could be due to the fact that they are very rigid and hence employees are unable to use them effectively. Research indicates that flexible work policies that are fluid and adaptable to a wide variety of situations appear to work best (Van Deusen, James, Gill & McKecknie, 2008). Also, employees are often fearful of using them because they perceive that it might have negative repercussions on their careers (Ruderman, Graves, & Ohlott, 2007). Thus, there is a dire need to provide employees flexible, usable work-family policies and for the managers to follow these policies and implement in spirits as supervisory support has been found to be crucial in reducing work-family conflict (Thomas & Ganster, 1995).

Certainly, to manage this huge issue, change needs to be brought from all the side. Hence, the individual has also an active role to play to get the best out of this situation. The employees should actively, consciously resolve to segment their work and non-work domains. They should also consciously and objectively evaluate the necessity of connectivity after work-hours. It has been a fast catching trend that people are by and large have been following compulsive routines of chronic checking (Mazmanian et.al., 2006) of their smartphones. These collectively may present a viable solution.

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NON MONETARY INCENTIVES AND EMPLOYEE MOTIVATION: AN EMPIRICAL STUDY

Syeda Ruksana¹ and Prof. Badiuddin Ahmed²

Research Scholar¹, Telangana University, Nizamabad

Professor², Maulana Azad National Urdu University, Gachibowli, Hyderabad

ABSTRACT

Motivation is a behavior willingness & contribution of employees to perform a particular task. Motivation is divided into two parts- Monetary & non-monetary. It is an issue whether the intrinsic motivation has edge over the extrinsic motivation as far as the commitment of employee is concerned however there are different view points to understand. First point is whether employees are motivated by monetary rewards and the second point proclaims that the external rewards results into temptation. The non-monetary rewards motivate people in having strong commitment and devotion. The non-monetary motivation lasts for a longer period as compare to monetary motivation. Indian Banking Sector despite of the recent financial crisis is doing well. It has exhibited growth and it will continue. This article ensures the high motivational level of employees working in Banking Sector focusing on Intrinsic motivational practices and will make employees more committed to work and reduces the cost of motivation.

MONETARY REWARDS

A Monetary Incentive is a money based reward given when an employee meets or exceeds expectation. The example of monetary rewards can be cash bonuses, stock options, profit sharing etc.

NON-MONETARY REWARDS

A non-monetary reward is compensation given in a transaction which does not involve cash. A non monetary reward can consist of almost any material, object. A non-monetary reward is to motivate employees for showing excellent job performance. Example of non monetary rewards is flexible hours, enjoyable work environment, information sharing, etc.

COMPARATIVE LEARNING

Monetary rewards are formal in nature and motivate employees up to the level of showing the desired performance. They do not motivate employees to be creative in exhibiting the extra ordinary performance. Monetary rewards can be effective in terms of problem shooting at work place but they are unable in infusing a sense of belonging in the employees.

EMPIRICAL STUDY

The author conducted research study entitled “learning non-financial motivational practices in Banking Sector with special reference to select private sector banks in Hyderabad city. The objective of the study was to learn the non monetary motivational practices and to examine that whether non financial practices have an impact on performance of the employees.

METHODOLOGY

The research is exploratory in nature & carries empirical value. Five branches of the banks located in Hyderabad city as Axis Bank, ICICI Bank, HDFC Bank, ING Vysya Bank and KOTAK Mahindra were conveniently taken for the purpose of the study. The primary data was collected from branch managers of different branches taken for the study with the help of questionnaire specially designed. The secondary data was gathered from the respective web-sites of the banks, books, magazines, newspapers, published and unpublished material related to the banks.

OBSERVATIONS

After analyzing & interpreting the collected data. It was found that the private sector banks believe in non financial motivation. They has a strong feeling that the non financial motivation has a positive effects on the performance at work. The non financial practices were found in the sampled units. The non monetary motivational practices adopted by the banks are as follows:

- ICICI Bank has EYE-LAB on line suggestion box. Bank believes in relationship oriented managements the bank solicits views/ideas from the employees to resolve the organizational problems and improves upon the organizational effectiveness.
- Kotak Mahindra Bank has Eureka scheme to promote ideas from its employees. The purpose of conducting such activities is to generate ideas for better performance. The supervisory staff is always willing not only to listen but also to come forward to assist in resolving the problems of the non supervisory staff.

- Some of the branch managers personally go to the seat of each employee to ensure whether the employees is performing the duties happily or not. Bank appreciates the employee publicly as and when he or she exhibits commendable performance.
- The bank provides every employee with an opportunity to prove his or her leadership qualities.
- Any of the subordinate staff can get in to the room of the manager to discuss the work related problems. The bank managers believe in open door policy and provide the employee with the opportunities/platform to talk informally too.
- The branch managers greet the employees on the special days by sending SMS, Emails accompanied by befitting pictorial symbols as a bunch of flowers, clapping hands, etc.
- The branch managers present themselves as role model by being honest, punctual and disciplined at work. The families of the employees are invited in the cultural programs/events organized by the banks.
- The banks provided their employees with educational training and developmental programs to enhance their knowledge, skills and abilities regularly.
- The bank provides the employees with an encouraging work culture, which inspires them to perform well.
- The branch managers heading the banks have a trend to share the memories for example ING Vysya Bank publish an in-house magazine to share the pleasant memories as business professional achievements etc. Kotak Mahindra floats e-journal on intranet for its employees.
- The branch managers make it a point to personally visit if the employee or his or her dependent gets unwell.
- The branch manager attends the social functions organized by the employees and share the joy.
- The banks offer various gifts to the employee at the time of occasion, some of the banks offer free lunch coffee breaks, dinner with the boss.
- Kotak Mahindra bank honors employees as employee of the month every month. The selection is based in quality criteria.
- The bank celebrates success by cheering up with the employees. This develops team spirit in the group members and motivate them to perform well.

IMPLICATIONS

Motivating employees through extrinsic motivational practices is usual. However the impact of intrinsic motivational practices appears to be stronger on the performance of the employees. Intrinsic rewards motivate people to be having a strong sense of belonging, devotion and commitment. The intrinsic motivation lasts longer as compared to extrinsic motivation.

CONCLUSIONS AND RECOMMENDATIONS:

A private sector bank appears to be promoting non monetary motivational policies to inspire their employees to perform up to the given standards. Some of the organizations are following specific practices and they are common in all select banks but the individual practices are unique in nature. One thing which is unanimous in all the banks is the acceptance of the facts that intrinsic motivational practices put a positive impact on the performance of the employees and inspire them to be intrinsically motivated.

The ensuring recommendations are put forth with a view to be helpful to the banking sector in general and practicing non monetary motivational practices.

- The motivations policies of the banks should equally promote the content of non monetary motivation this will be not only reduce the content of temptation on the part of the employees but it will also make motivational activities economic.
- The bank should believe more in non monetary motivational policies and programs leading to non monetary motivational practices as they inspire the employees intrinsically.
- The non-monetary motivational practices can be both written and unwritten. A wise manager always endeavors to learn motivational pattern of each individual employee and accordingly customizes a motivational plan.

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A HUMAN RESOURCE SOCIETAL STUDY AND STRESS ON CHENNAI HOUSEHOLDS PERCEPTION AND ATTITUDES IN BUYING HOMES AFTER FLOOD DISASTER- AN EMPIRICAL STUDY

Dr. K.Vivekanandan¹ and Dr. N. Mohan²

Director¹ & Professor², Department of Management Studies, Gnanamani College of Technology, Namakkal

ABSTRACT

This paper explores household's mindset in buying homes in Chennai city vicinity after unprecedented rainfall and devastating flood in December, 2015 which has made huge losses to the properties and havoc in real estate market due to some of the prominent residential areas and proposed sites are very vulnerable to the flood threat and water logging complications. The survey has been conducted imminently in affected area of Chennai city within a week of flood receding and facing stress problems. The household's insight about buying homes aftermath of flood has been analyzed using percentage analysis and Chi- square tests to portray their perceptions of buying homes in Chennai

Key words: Households, Housing property, Stress, Perception, Flood Damage, Preferences

INTRODUCTION

Owning a home is the societal pride of people in India rather than comfort and wealth creation factors. Buying an own house is the foremost endeavor of a person who settles in a job after his higher education and others strive to buy an own house at least in their middle age after led over their essential family commitments. It is not exaggeration to say that owning a home is an integral part of Indian citizen who wants to attain a prominent recognition in the society. "Indian housing market contributes 5-6% in GDP and second largest sector in terms of employment generation after agricultural sector in Indian. It is slated to grow over 30% in the next decade.¹" (ASA&A Associates - A Report on Real estate in India – 2015) Indian realty market is anticipated to scale US\$ 180 billion by 2020 from US\$ 93.8 billion in 2014 and Real estate is the fourth largest industry in India in terms of FDI flows² (Cushman & Wakefield, Aranca Research- By Indian Brand Equity Foundation -2016). It is not exceptional to southern part of India, Chennai is also witnessing high growth rate of realty market. "The strong English speaking skills and a variety of industries that enables cross pollination of work culture has made Chennai one of the top 12 cities in the world for real estate investments³". (Candy & Candy, Savills world Research and Deutsche Assets and Wealth Management – May, 2014)

REAL ESTATE MARKET IN CHENNAI AFTER FLOOD DISASTER

Unprecedented rain in North East monsoon season of October to December 2015 exhibited real facade of Chennai. Many prominent real estate areas engulfed into the water and water level rose up to second floor in certain areas. Skepticism and uncertainty prevailed in the Chennai market with owners anticipating depreciation of their properties and project getting delayed and booking getting cancelled. Subsequent to heavy downpour there were cancellations of many new and re-sale booking in areas as Adambakkam, Ambattur, Velacherry, Tambaram and others fetching the whole realty sentiments in the city to a pulverizing halt. Potential buyers specifically avoid ground floor properties due to engulfing threat resulting in capital depreciations. Localities in North and South Chennai witnessed average capital falling in the tune of 1-7% in October – December 2015 as against the quarter ending September 2015.⁴ (Narashimha Jeyakumar, Chief Business Officer, 99acres.com in The Hindu, Feb-2016). Indeed, home property buyers will have skepticism and cautious perception in buying property and its severely affect market demand and price for some time. However, experts believe that this would be short run scenario and market demand would be recovered after one to two years. After the tsunami hit the coastal areas of Tamil Nadu in 2004, prices had crashed in the ECR stretch. But after 11 years, prices stand much higher. Homebuyers do not think about money or investments immediately after any calamity, and they usually postpone buying decisions.⁵ (Rashmi Karan, Internet marketer and writer at www. Quora.com- Jan-2016)

OBJECTIVES OF THE STUDY

From the discussed scenario, this research study attempts to ascertain home buying intention of people after strong influence of natural calamities. This research study is initiated with following objectives such as

1. To find out extent of damage to the housing properties during flood time and facing stress problem
2. To understand the Human resource people's intention about shifting their residential area to a new place after rain

3. To study the Attitude and perception about buying new homes and buying preferences

METHODOLOGY ADOPTED

Descriptive survey method was used to study the perception of people towards buying new homes after severe flood destructions. Structured questionnaire was designed with multiple choice, likert scale and dichotomous questions. For collecting data, 86 households were selected on the basis of convenience sampling method from various flood affected areas such as Perunkalathur, Mudichur, Pallikarani and Porur areas in Chennai. The data has been analyzed with percentage analysis and Chi- square test for further interpretations.

DATA ANALYSIS AND INTERPRETATION

Table : 1 Demographic analysis of respondents

S.No	Particulars of Respondents	Attributes	No. of Respondents	Percentage
1	Age Groups	21 -30 years	68	45.3
		31 -40 years	40	26.7
		41- 50 years	26	17.3
		51 and above years	16	10.7
2	Occupations	Private Employed	53	35.3
		Govt. Employed	30	20.0
		Self employed	31	20.7
		Others	36	24
3	Monthly Income level	Rs. 15,000 – 30,000	103	68.7
		Rs. 31,000- 50,000	39	26.0
		Rs.51,000 – 1,00,000	6	4.0
		Rs.1,00,000 & above	2	1.3
4	Type of Residence	Rented house	35	23.3
		Rented flat	24	16.0
		Own house	65	43.3
		Own flat	21	14.0
		Own luxury villa	5	3.3

Other percentage analysis

Table : 2 Extent of damage and water logging during flood.

Extent of damage	Frequency	Percent	Valid Percent	Cumulative Percent
Very high damage	35	23.3	23.3	23.3
High damage	20	13.3	13.3	36.7
Moderate damage	26	17.3	17.3	54.0
Less damage	57	38.0	38.0	92.0
No damage at all	12	8.0	8.0	100.0
Total	150	100.0	100.0	

Figure: 1 Extent of damage and water logging during

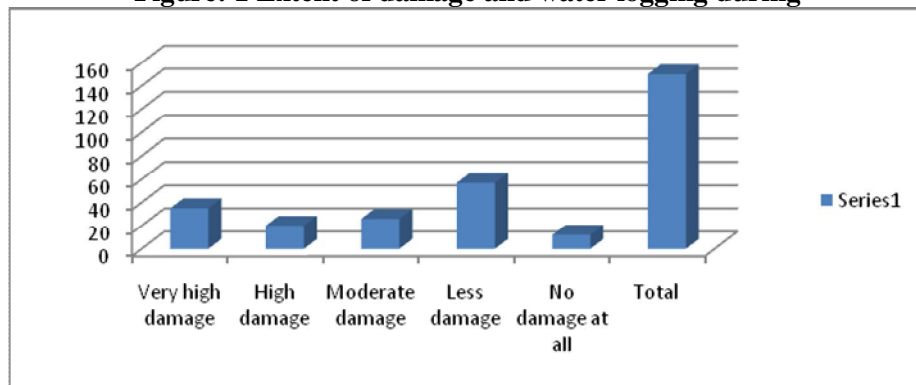


Table : 3 Interested to buy new home in future

Attributes	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	65	43.3	43.3	43.3
No	84	56	56	99.3
4	1	0.7	0.7	100
Valid Total	150	100	100	

Figure: 2 Interested to buy new home in future

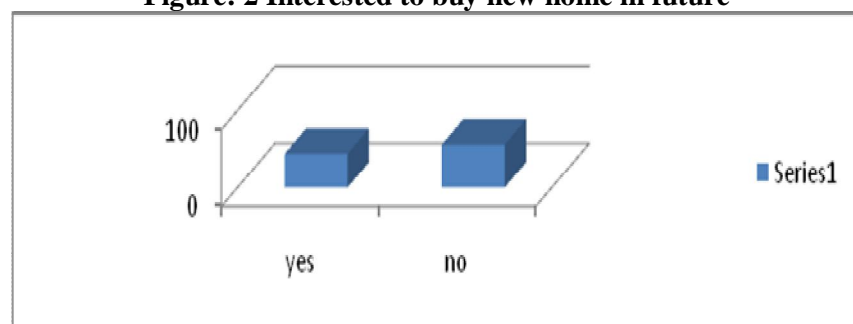


Table : 4 Preferred area to buy home with less flood vulnerability

Attributes	Frequency	Percent	Valid Percent	Cumulative Percent
Existing area	56	37.3	37.3	37.3
within city limits	61	40.7	40.7	78
Western subarban(Ambattur, Avadi, Poonamalle)	19	12.7	12.7	90.7
Southern suburban(Guduvancherry, Kelambakkam, Orakadam)	14	9.3	9.3	100
Valid Total	150	100	100	

Figure: 4 Preferred area to buy home with less flood vulnerability

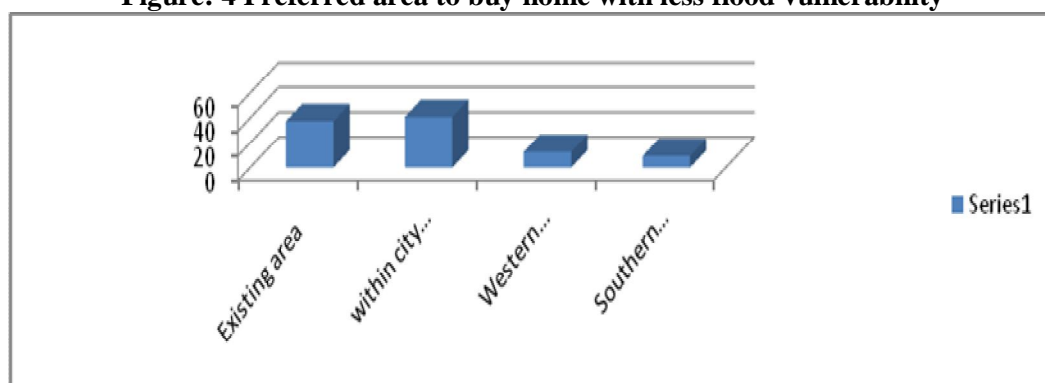


Table : 5 Statement about Real estate market strongly affected due to flood

Attributes	Frequency	Percent	Valid Percent	Cumulative Percent
Stongly agreed	44	29.3	29.3	29.3
Agreed	31	20.7	20.7	50
Neither agreed nor disagreed	34	22.7	22.7	72.7
Disagreed	33	22	22	94.7
Strongly disagreed	8	5.3	5.3	100
Valid Total	150	100	100	

Figure : 4 Statement about Real estate market strongly affected due to flood

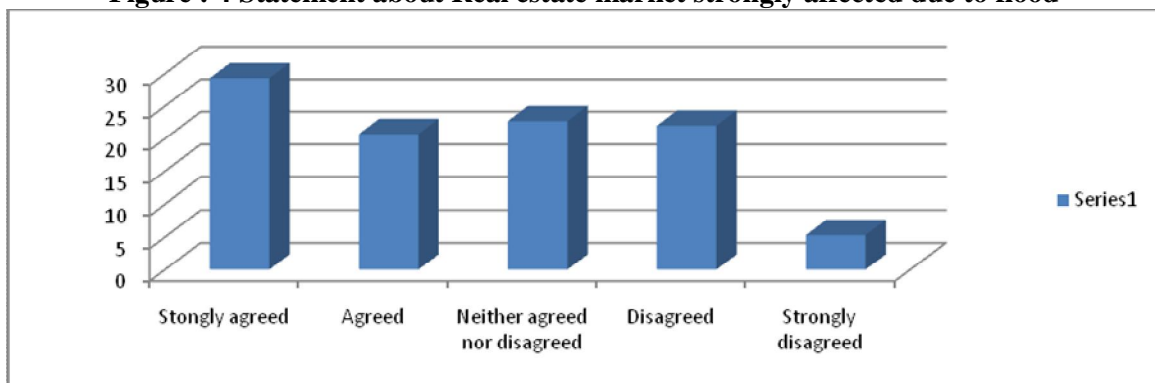


Table: 6 Opinion about housing property price level after flood

Attributes	Frequency	Percent	Valid Percent	Cumulative Percent
Price has been declined	59	39.3	39.3	39.3
price has been raised	33	22	22	61.3
No changes in the price level	58	38.7	38.7	100
Valid Total	150	100	100	

Figure: 6 Opinion about housing property price level after flood

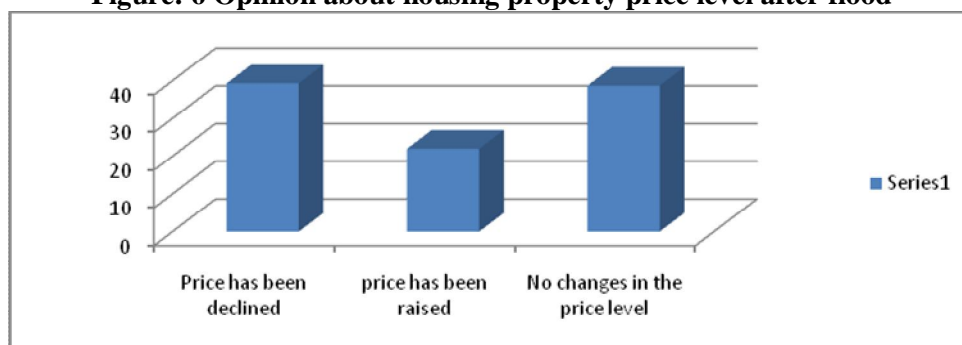
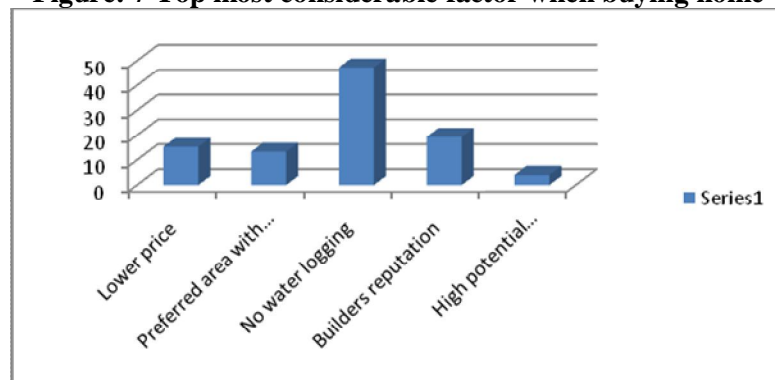


Table: 7 Top most considerable factor when buying home

Attributes	Frequency	Percent	Valid Percent	Cumulative Percent
Lower price	23	15.3	15.4	15.4
Preferred area with rich facilities	20	13.3	13.4	28.9

No water logging	71	47.3	47.7	76.5
Builders reputation	29	19.3	19.5	96
High potential market value	6	4	4	100
Total	149	99.3	100	
System	1	0.7		
Total	150	100		

Figure: 7 Top most considerable factor when buying home



CHI-SQUARE TEST ANALYSIS

Null Hypothesis Ho – There is no significant difference between monthly income level of respondents and their top most priority factor to consider buying home.

Alternative Hypothesis HA - There is significant difference between monthly income level of respondents and their top most priority factor to consider buying home.

Table : 8 Chi-Square test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	24.085 ^a	12	.020
Likelihood Ratio	24.220	12	.019
Linear-by-Linear Association	.670	1	.413
Nof Valid Cases	149		

Null hypothesis is accepted since calculated value is less than table value at 5% level of significance; There is no significant difference between monthly income level of respondents and their top most priority factor to consider buying home

FINDINGS AND DISCUSSIONS

The researcher gathered accurate information extensively through survey in flood hit areas. The survey was undertaken within a week time of flood affected days and serious impact flood was experienced prominently in respondents reply. The respondents who largely participated in the survey were youths and private employed people. This disaster has fetched serious difficulty to middle class people and who have been living in their own houses. It has been received mixed responses about damage level and water logging as high and low from the flood affected areas such as Porur, Tambaram, Perungalathur, Urappakkam etc. This is evidence that houses affected those were built on waterways, encroached low laying lake banks. Interestingly, two third of respondents were not willing to shift their existing homes despite severe water logging situation. Similarly, only one third of respondents were thinking about buying new homes. It is a fine evident that people in the affected area strongly believe that flood is a temporary tussle and perceive that it can be mitigated in the short period of time. Further, respondents were stressing that they would buy home within the city limit and

preferably in their present area if they go for buying new housing properties. The researcher collected opinion on realty market conditions in which respondents indicated that realty market in Chennai had affected due to torrential rain but it was mixed response from them about property prices. Eventually, most number of respondents accepted that they would consider vulnerability to water logging would be a significant factor while prefer to purchase housing properties. The researcher concludes this study with a key note that flood in Chennai did not make serious notion about people's buying preferences since they perceive that flood is a short term phenomenon.

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RETAIL IN DETAIL: TOWARDS INDIAN RURAL AREA

C. S. Jayanthi Prasad¹ and Dr. Suresh Reddy Jakka²

Research Scholar¹, Shri Jagdish Prasad Jhabarmal Tibrewala University, Rajasthan

Assistant Professor², Mahatma Gandhi University, Nalgonda, Telangana

ABSTRACT

The frame work of retail system in rural area, broadly involves reaching commodities to the rural customer, understanding their needs and wants, supply of goods and services to meet their requirements, carrying out after sales service that leads to customer satisfaction and repeat purchase/sales. So in this paper researcher is going to throw light on retail in detail concept to make literacy through retailing system and to develop rural retailing system.

Key words: Retail, Retailing system, rural consumer

INTRODUCTION

Retail shops are one of the essential services in thinly populated areas. However their survival is not inevitable. The problem is that small rural shops need a minimum number of customers to survive, and small villages with few residents need a shop for the village to endure. Therefore the phrase “when the shop closed the last population moved away” is familiar in rural areas. It was against this background that several countries in Europe's northern periphery decided to establish a scheme to sustain these shops. The aim was to assemble knowledge about the needs of local shop managers and to establish a training and consulting scheme based on this knowledge. An additional goal was to exchange best practices and share experiences among both retailers and local governments. The project received the name Retail in Rural Regions (RRR). The partners in the project came from Iceland, the Faroe Islands, Finland, Ireland, Northern Ireland and Scotland. Three associate participants came from Norway, Sweden and Greenland. The project was funded by the Northern Periphery Programme (NPP), and co-funding came from NORA for participation by Iceland, the Faroe Islands, and Norway. The project lasted three years (2009–2011). During the RRR project period a study of rural retail in Iceland was also completed (Karlsson et al. 2011). The objective of this additional research was to examine the needs and behaviour of consumers as well as consumer opinions on the state of rural retail. An additional objective was to identify the most effective support measures provided by local authorities.

LITERATURE REVIEW

The generic problems of small rural shops, as well as the significant contribution they will make to the future development of local and regional economies, have been illuminated over the past 30 years by scholars specializing in retail (e.g. Jones and Oliphant 1976; Kirby 1982; Kean et al. 1998; Jussila et al. 1992; Byrom et al. 2003; Paddison and Calderwood 2007), by industry organisations (e.g. The Grocer 1996) and by policy-related organisations (e.g. DEFRA 2004; NIIRTA 2008). Downturns in consumer spending, increased opposition, further growth of out-of-town retail spaces, and population decline have intensified even further the challenges presently faced by rural shops across Europe. While perception of rural retailing have a propensity to revolve around images of decline and marginalization, more recent research has revealed the multifaceted and dynamic distinctiveness of the rural retail sector and pointed to compelling examples of success (Paddison and Calderwood 2007). One finding has been that the success of rural businesses is inextricably linked to how ownermanagers optimise the competitive advantages that exist, while simultaneously taking actions to overcome local environmental constraints (North and Smallbone 1996). Taking this into account, the focus of retail research has likewise focused on the business strategies of rural shops in specific regions of Europe (Jussila et al. 1992; Byrom et al. 2003; Paddison and Calderwood 2007).

Literature on rural utilization suggests that with the raise in rural population's non-refundable income the share of non- food items are rising year on year. This shows an hopeful trend for consumer durables and non-durables (non-food items). Based on the rural market thoughtful and secondary research we have formalizes the retail mix for our store. The store will have products in the following categories in the below table 1.1

Table 1.1: following Categories of Products in Retail Mix

S.No	Category	Selling Source	Pricing	Remarks
1.	foodstuff Staples Grains	Sourcing	At bazaar price but will be constant and a little upper than what local	Food stuff Grains will be gathered from each village and will be

			seller give, sharing benefit of SCM efficiency	stocked or sold in urban market or to FCI
2.	Food Vegetables	Sourcing	Cold shackles, and superior logistics will diminish loss hence cost thus benefitting all	A Very huge inefficiencies in the order of 40% loses would be vanished
3.	Food -packed	Employment originator through Small and medium enterprise recognized locally & selling	Local ingredients and manpower will reduce price rate . And also this will prove hit products in absence of LAYS and Haldirams in rural markets.	Healthier quality control, marketing and supply will make it compete with leaders like Lays, Haldirams products.
4.	Fast Moving and Consumer Goods (FMCG)	Sourcing from Small and Medium Enterprise.	Sourcing from Small and Medium Enterprise(SME) and sale to all areas	A very High potential exist as Hindustan Uniliver etc are not present we can sell pvt. Labels also.
5.	Power based Electricals – bulbs, CFL, Batteries, Torch,	Source Selling	Maximum Retail Pricing (MRP)	Unavailable available now hence potential sale
6.	Durables Goods – fan, T.V, tape	Source Selling	Cyclicity in demand. Prices will be lower than present prices (MRP)	Opportunity for supply during the time of Diwali, Marriage season
7.	Mobile and other electronics Gadgets	Source Selling	Original products produced by Samsung, nokia targeted towards low end buyers in total Market	Fast moving and huge gap as market barged with chinese low durability products
8.	Home Cements, Steel, Ac Sheets	promotion in ties with distributors, giving out the distribution channels	Huge price rise advantage as these products are currently highly priced	Budding partnerships
9.	Apparels - Textile	Source Selling	Original clothing which may be off seasonal can be sold at this juncture at reasonable prices	A very Huge potential
10	Utensils and Crockery	Source Selling	A Marriage or occasion Gift	A very high Demand Exist
11	Drugs - Phrma	Source Selling	Pharmaceuticals	Generics Drugs offered to them
12	Farm equipment tool , and seeds, fertilizer	Source Selling	Essential At a competitive Prices	Focuses on more customer, will have workshops , learning center within store

13	Gifts, jewelry ornaments	Source Selling	Required at competitive prices	Brand Priority and Brand Loyalty
14	Banking and Insurance	Source Service Sector	Affordable at Competitive Prices	Brand Priority and Brand Loyalty

MARKETING MIX

Marketing is performed within a certain environment which itself is always changing. The marketing activities have, therefore, to change in consonance with environment to be continuously effective. In order to appreciate this process it is easier to divide the marketing activities into four basic elements which are together referred to as the marketing mix. These four elements are:

Product As all these four start with the letter “P”, they are referred as four “Ps” of the marketing mix.

The word product stands for the goods or services offered by the organisation. Once the needs are identified, it is necessary to plan the product and after that keep on analyzing whether the product still satisfies the needs which were originally planned for, and if not, determine the necessary changes.

Price refers to the money value that the customer has to pay. The product has to be adequately priced. This involves consideration of the profit margin, the cost, the possibility of sales at different prices and the concept of the right price.

Promotion is the aspect of selling and advertising, or communicating the benefits of the product or service, to the target customers of the market segment involved in order to persuade them to purchase such products or services.

Physical distribution or Place refers to the aspect of the channels of distribution through which the product has to move before it reaches the consumer, it also includes the logistics aspects of distribution such as warehousing, transportation, etc., the organisation must decide whether it should sell through wholesalers and then to retailers, who ultimately sell to consumer.

THE ROLE OF MARKETING MIX IN MARKETING PLANNING AND MARKETING

Marketing mix has an important role to play in marketing planning and marketing strategy. Planning is an important managerial activity. Which is a basic requirement for all organisations? Any organisations will need general and specific plans to fulfil its objectives.

The primary concern of marketing planning is marketing strategy formulation, marketing planning, involves preparing action plans to shape the future growth of an organisation. Achieving profitability, meeting competition, protecting and improving market share, and promoting brand image are its concerns.

Market planning and strategy formulation is to be done reckoning the environmental variables of marketing like competition, the consumer, the government, and legal, political and natural forces. While the organisation can choose, alter and control its marketing mix variables, it cannot choose or alter the environmental variables against which the products are marketed.

The four Ps of marketing have to be assembled in the best possible combination. This process involves choosing the appropriate marketing activities and the allocation of the appropriate marketing effort and the resources to each one of them. The organisation has to consider how to generate targeted sales and profitability. It is necessary to work out marketing mix for every brand because the competition in the market is ultimately at the brand level. And it is marketing mix that decides how much strength the brand has as its disposal to fight competition.

CHOOSING THE OPTIMUM MARKETING MIX

In theory as well as in practice the marketing mix elements can be combined in any number of ways. The marketing mix elements are substitutable by one another to a certain extent. Resources can be taken away from one element and assigned to another, to achieve balance as per the marketing objective of the firm. The organisation can achieve its marketing objective using different combination of the marketing mix. This is done by assigning relevant weightage to each element depending on the objectives and the context. Even within an element, weightage may have to be given to various sub elements.

For example, within promotion, advertising and brand building activities may get a higher weightage of the objective is higher market share in the long run. Personnel selling and sales promotion may get a higher weightage, if the objective is higher sales in the short run.

The marketing mix is the most visible part of the marketing strategy of an organisation. The strategy manifests through the marketing mix of the organisation—through what the organisations does with product, price, distribution and promotion.

FEATURES OF RURAL MARKET

Large, Diverse and Scattered Market: Rural market in India is large, and scattered into a number of regions. There may be less number of shops available to market products. **Major Income of Rural consumers is from Agriculture:** Rural Prosperity is tied with agriculture prosperity. In the event of a crop failure, the income of the rural masses is directly affected.

Standard of Living and rising disposable income of the rural customers: It is known that majority of the rural population lives below poverty line and has low literacy rate, low per capital income, societal backwardness, low savings, etc. But the new tax structure, good monsoon, government regulation on pricing has created disposable incomes. Today the rural customer spends money to get value and is aware of the happening around him.

Traditional Outlook: Villages develop slowly and have a traditional outlook. Change is a continuous process but most rural people accept change gradually. This is gradually changing due to literacy especially in the youth who have begun to change the outlook in the villages.

Rising literacy levels: It is documented that approximately 45% of rural Indians are literate. Hence awareness has increases and the farmers are well-informed about the world around them. They are also educating themselves on the new technology around them and aspiring for a better lifestyle



Source: Retail inflation biting rural folks more than urbanites: ASSOCHAM

OBJECTIVES

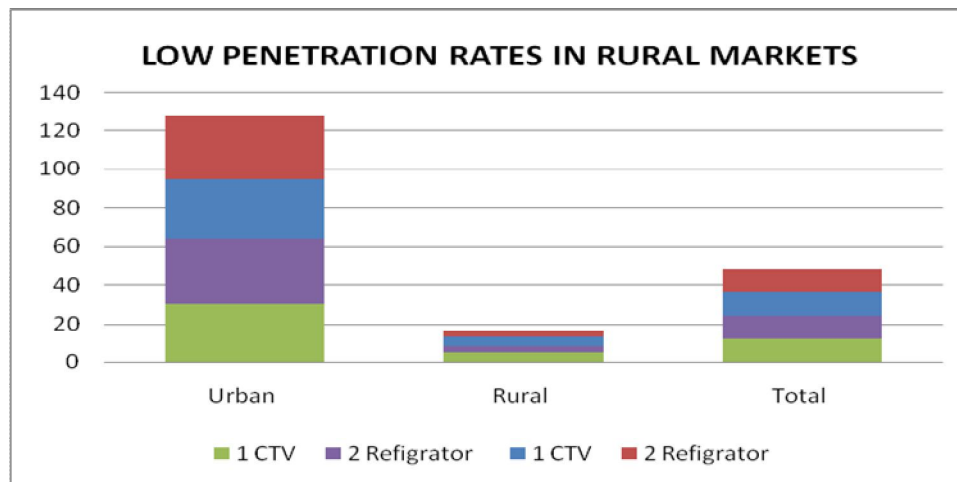
A further objective was to provide tailor-made support for rural shops that would continue beyond their expectations in the form of retail in detail.

- Development and growth of rural retail shops
- to make literacy awareness
- to use commodities of all varieties

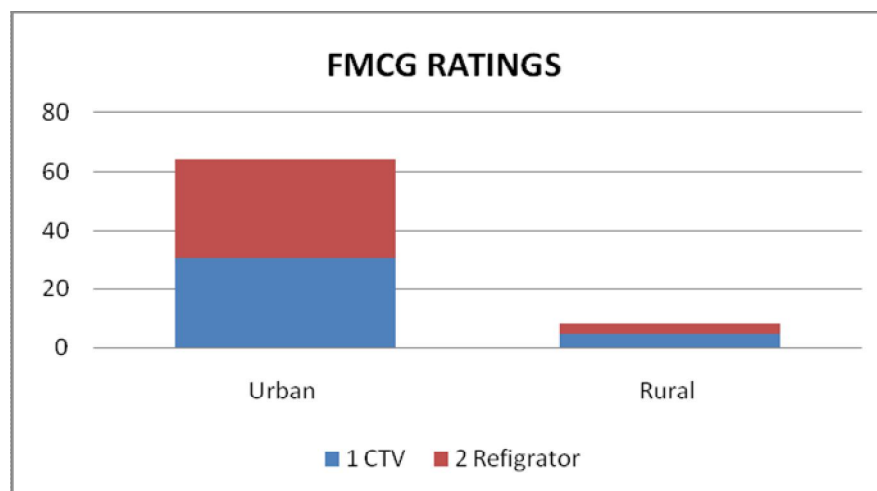
DATA ANALYSIS

1. Low Penetration Rates In Rural Markets Facilitates Opportunities

S.No	Durables	Urban	Rural	Total
1	CTV	30.4	4.8	12.1
2	Refrigrator	33.5	3.5	12



S.No	FMCG	Urban	Rural	Total
1	Shampoo	66.3	35.32	44.2
2	Toothpaste	82.5	44.9	55.6

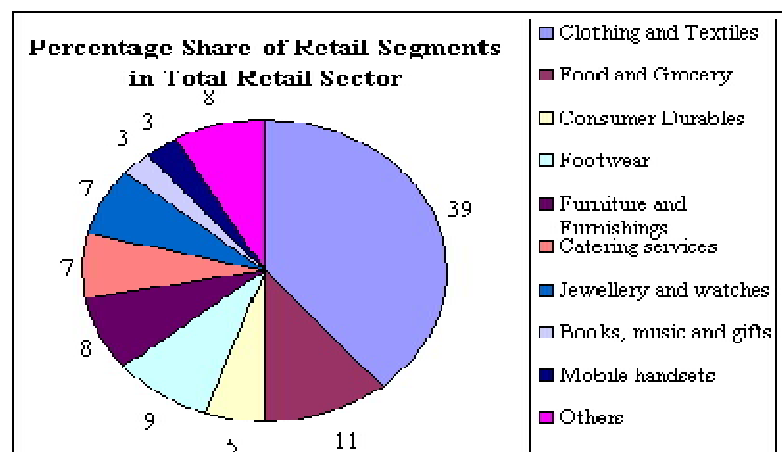


COMPONENTS OF RETAIL SECTOR

The major components of the retail sector are:

Food and Grocery, Fast Moving Consumer Goods (FMCGs), Consumer Durables, Apparel, Footwear and leather, Watches, Jewellery, and Health and Beauty

The anatomy of the retail market has shown that the clothing and textiles constitutes 39 per cent of the organised retail pie, followed by food and grocery, which accounts for 11 percent of the total retail market.

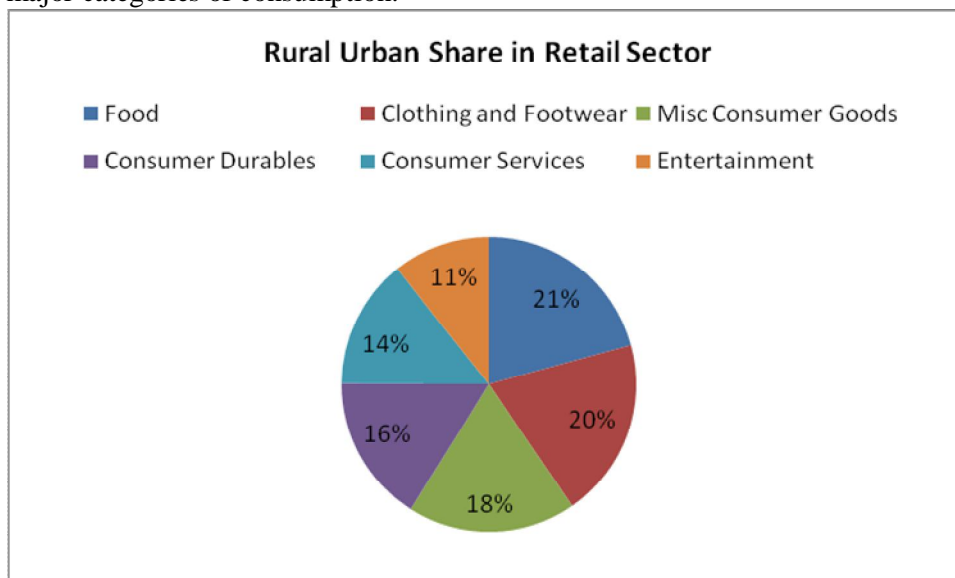


Source: Current Economic Statistics and Review

However, according to the survey conducted by KPMG for Federation of Indian Chamber of Commerce and Industry (FICCI), among these, the food and grocery is expected to witness the fastest growth followed by clothing as the second-fastest growing segment.

RURAL-URBAN SHARE IN RETAIL SECTOR

A typical feature of organised retailing in India is that it is largely an urban trend. Organised retail has been more unbeaten in metros and cities, more so in the south and west of India. The reasons for this regional distinction range from differences in consumer buying conduct to cost of real estate and taxation laws. nevertheless, the case for Indian retailers to explore rural markets is strong. Factoring the size of the rural populace and agricultural income growth in rural India, the rural market is certainly an opportunity for retailers with an pioneering retail proposition. A clear indicator of this potential is the current share of rural market across major categories of consumption.



RECENT DEVELOPMENTS

Following are some of the major reserves and developments in the Indian rural segment.

- The Ministry of New and Renewable Energy (MNRE) has an annual target of setting up one lakh family size biogas plants to the states and union territories for FY 2016-17.
- Indian Institute of Technology-Madras (IIT-M) has entered into a three-year partnership with Nokia Networks to create technology solutions which will enhance broadband connectivity in rural India.
- The United Economic Forum (UEF), an organisation that works to improve socio-economic status of the minority community in India, has signed a Memorandum of Understanding (MoU) with Indian Overseas Bank (IOB) for financing entrepreneurs from backward communities to set up businesses in Tamil Nadu. As part of the agreement, entrepreneurs who have been chosen by the UEF, will get term loan / working capital requirements from the bank. The UEF will appoint mentors to guide entrepreneurs for successful implementation of the project, with both IOB & UEF periodically monitoring the progress of the project.
- Tata Motors, India's biggest automobile company by revenues, plans to aggressively expand its network with a focus on rural markets. The company is aiming to more than triple its network to 1,500 over the next three years from 460 now, making it the biggest such expansion by a passenger vehicle maker in the country so far.
- Bharti Airtel is applying for a payments bank licence and has involved Kotak Mahindra Bank as a potential investor in the venture, in a bid to tap significant revenue opportunities from the Reserve Bank of India's financial inclusion initiative. Payments banks are meant to fan out into the rural, remote areas of the country, offering limited but critical services such as money transfers, loans and deposit collection. While banks have the knowhow, telecom companies have the network, making it an ideal match.

CONCLUSION

The paper was stimulated by the fact that even though the market magnetism of rural markets has been accepted but very few of the private retailers have actually made a success entry into the market. An attempt has been made to understand the marketing issues underlying marketing of retail products in rural areas in a

detail perspective and what are the opportunities for retailers to entering rural areas in a big scale. Various issues which need to be addressed to make rural retail services a success in rural areas in the country have been brought out and so is the importance of use of existing institutional infrastructure. Thus for success in rural retail marketer have to be innovative in both product which they offer and the ways in which they tackle the challenges posed by rural markets to sustain in rural segment.

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PRE & POST DEMONETIZATION: A STUDY ON GROWTH & DEVELOPMENT OF DIGITALIZATION IN INDIA

Dr. Anu Warriar¹ and Dr. Yagnesh Dalvadi²

Assistant Professor¹, Dr. APJ Abdul Kalam Government College, Dokmardi, Silvassa

Professor², Post Graduate Department of Business Studies, Sardar Patel University, Vallabh Vidyanagar

ABSTRACT

Digitalization is the use of digital technologies into everyday life. The exact idea of digitalization reflects a technology dependent world wherein better ease and accessibility is provided through computerization of systems and jobs. Digitalization helps a nation to grow & flourish economically, socially and politically as well. It helps in dipping unemployment, improving quality of life & citizens' access to public services. Furthermore, digitization helps governments to work with greater transparency and effectiveness. To reap the benefits of digitalization, "Digital India" campaign was launched by the Government of India on 1 July 2015. To gain benefits of demonetization, in Nov. 8, 2016, the Indian government decided to demonetize the 500- and 1000- rupee notes, the two biggest denominations in its currency system. As the demand for new rupee notes were much higher than supply, people were tends towards cashless mode of transactions i.e. e-payment.

In this paper, researchers have made an attempt to study the impact of demonetization on payment system indicators like RTGS, Paper Clearing, Retail Electronic Clearing, Credit Cards, Debit Cards, Prepaid Payment Instruments (PPIs) & Mobile Banking in Indian economy from 2004-05 to 2016-17(till December 2017). It was found that there is a positive effect of demonetization on growth & development of digitalization in India because there is a growth both in terms of value & volume of majority of payment system indicators in the year 2016-17 as compared to the year 2015-16 especially in the case of mobile banking.

Keywords: Demonetization, Digitalization, Payment System Indicators.

INTRODUCTION

Digitalization requires blending of digital technologies into day to day life so as to grow & wake up in the era of technology dependent world. It helps in improved level of ease and accessibility by computerization of systems and jobs. In Digitalization, everything that can be digitized are made digital by converting information into digital format. The benefits of digitalization are not felt only on economic front, but have also spread to the social and political zones of the nation. Digitalization offers multiple benefits in the form of contributing towards growth in per capita income & GDP & job creation. Moreover, it also encourages innovation, transparency, easy accessibility & social well-being of the citizens of the nation. Digital technology makes the society more informative & aware towards government policies and functions leading to more dynamic political participation. To harness these benefits of digitalization, the Government of India launched on 1 July 2015, a campaign named "Digital India" so as to make government services available to the citizens electronically with the help of improved online infrastructure & Internet connectivity thereby making the country digitally empowered in the field of technology.

Demonetization is the act of shredding a currency unit of its status as legal tender. The current form or forms of money is withdrawn from circulation and replaced with new form of currency. The basic idea behind demonetization is to fight inflation, corruption and crime like counterfeiting & tax evasion, to discourage a cash-dependent economy & to boost trade in economy. To harness these benefits of demonetization, in Nov. 8, 2016, the Indian government decided to demonetize the 500- and 1000- rupee notes, the two biggest denominations in its currency system. As the demand for new rupee notes were much higher than supply, people were forced to move towards cashless mode of transactions i.e. e-payment. This also helped Indian economy grow faster in the era of digitalization. The government's demonetization shift, followed by cash crisis, has led to a growth of digital payments – honest, accountable and transparent payments. With digital transactions, money will enter into the system in the form of financial transactions, will become accountable, and will help in generating tax revenue to be used for developing the country's economy & promoting better welfare schemes for their citizens.

The biggest problem with demonetization in India was inadequate supply of new in economy making it a nightmare for hundreds of millions of people to arrange the economical means for buying the things they wanted and needed in their day to day life. This has also affected countless businesses men making it extremely difficult for them to receive payment for their produce, to buy materials, or pay off their employees on time. An important question that crops up here is whether India was ready for this sudden cashless

revolution. Until this operation, India was an extremely cash-centric economy where majority of the transactions more specifically day to day transactions are done in cash and where majority of people do not have bank accounts and very little knowledge of digital payment options & mechanism. Having left with very little or no choice, majority of such people started to be adaptive to this change by opening new bank accounts & using e-payment services. This will help India in improving its digital economy comprising of more simpler & technologically advanced digital payment systems, increased commercial acceptance, improvements in UPI as well as a reduction in cash-based transactions.

LITERATURE REVIEW

Mr. Brijesh Singh & Dr. N. Babitha Thimmaiah (2017) in their research paper tried to understand the impact of Demonetization in the economy, the effect of cashless transaction in different industry and the impact effect and aftermath of demonetization by using secondary data. They concluded by stating that the impact of demonetization will have the positive in the long run but the majority of industry currently suffering with huge amount of losses due to that they are not able to support the economy much. As the industries are not performing well it's have direct impact on the economy. For the positive result it will take a long time to perform.

K. Veerakumar (2017) in his work tried to analyze the impact of demonetization on the people of Coimbatore District by using various statistical tools like simple percentage, chi-square test & ranking method to analyze well-structured questionnaire filled by samples of 100 respondents. He found that gender, age, annual income & occupation are significantly associated with the impact of demonetization. The respondents gave first rank to destruction of black money followed by corruption, terrorism, etc. as the impacts of demonetization on people.

OBJECTIVES OF THE STUDY

The main objective of this study is to find the impact of demonetization on the growth of digitalization in Indian economy.

METHODOLOGY

The study is analytical in nature. It is based on secondary data retrieved from websites of banking institutions and Reserve bank of India. The study mainly focuses on pre and post demonetization impact on cashless payment. Due to demonetization, whether it is in increasing trend or not? To study the impact of demonetization on cashless payment indicators like RTGS, Paper Clearing, Retail Electronic Clearing, Credit Cards, Debit Cards, Prepaid Payment Instruments (PPIs) & Mobile Banking in Indian economy, data has been analyzed from 2004-05 to 2016-17(till December 2017) using average method.

PRE & POST DEMONETIZATION EFFECT ON DIGITALIZATION IN INDIA VOLUME & VALUE OF RTGS IN INDIAN BANKING

Table 1: Average Volume & Value of RTGS in Indian Banking

Year	RTGS	
	Average Volume (Million)	Average Value (Rupees Billion)
2004-05	0.04	3388.49
2005-06	0.15	9617.36
2006-07	0.32	20515.99
2007-08	0.49	40245.47
2008-09	1.12	50949.93
2009-10	2.77	84308.28
2010-11	4.11	78419.94
2011-12	4.59	89982.55
2012-13	5.71	85529.17
2013-14	6.76	75414.00
2014-15	7.73	77444.41
2015-16	8.20	86295.97
2016-17*	8.54	100409.77

Source: Reserve Bank of India, Monthly RBI Bulletin, Payment & Settlement System, <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#14>, 1 March 2017

* The data for the year 2016-17 is of 9 months till December 2017.

Based on table 1, the following charts 1 & 2 depict the growth of RTGS in Indian Banking both in terms of volume & value. In volume, there is a growth of 0.34 million (4.15%) in 2016-17 as compared to 2015-16 whereas in value, a growth of 14113.8 billion rupees (16.36%) is witnessed.

Chart 1: Average Volume of RTGS in Indian Banking

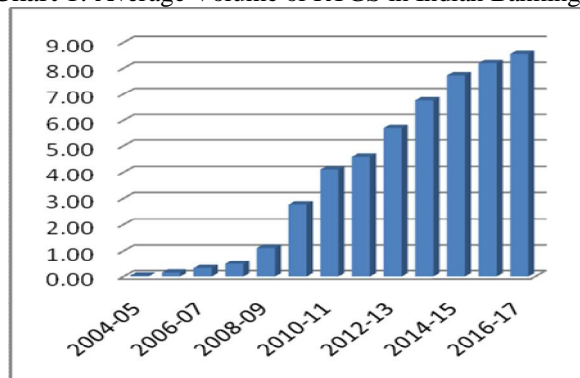


Chart 2: Average Value of RTGS in Indian Banking

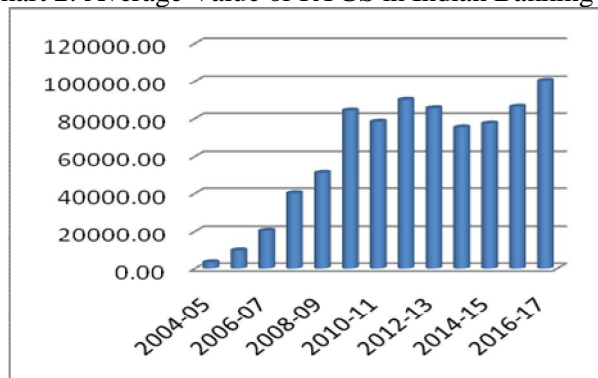


Table 2: Average Volume & Value of Paper Clearing in Indian Banking

Year	Paper Clearing	
	Average Volume (Million)	Average Value (Rupees Billion)
2004-05	0.00	0.00
2005-06	107.23	9440.95
2006-07	113.94	10035.35
2007-08	121.71	11163.39
2008-09	116.45	10390.95
2009-10	115.03	8674.95
2010-11	115.61	8445.17
2011-12	111.82	8251.01
2012-13	109.45	8347.35
2013-14	104.78	7776.34
2014-15	99.71	7119.51
2015-16	91.36	6821.73
2016-17*	93.29	6512.81

Source: Reserve Bank of India, Monthly RBI Bulletin, Payment & Settlement System, <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#14>, 1 March 2017

* The data for the year 2016-17 is of 9 months till December 2017.

Based on table 2, the following charts 3 & 4 shows the change both in terms of volume & value of Paper Clearing in Indian Banking. In volume, there is a growth of 1.93 million (2.11%) in 2016-17 as compared to 2015-16 whereas in value, a drop of 308.92 billion rupees (4.53%) is witnessed.

Chart 3: Average Volume of Paper Clearing in Indian Banking

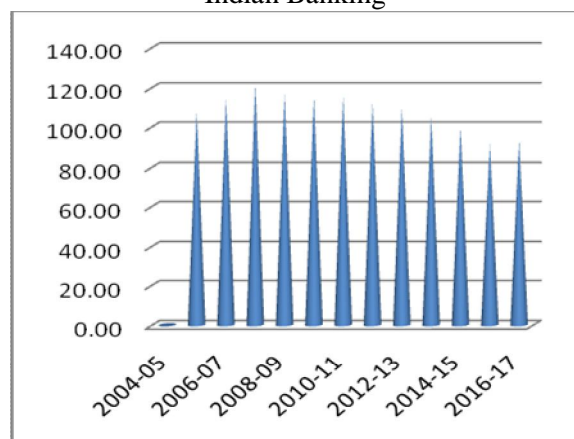


Chart 4: Average Value of Paper Clearing in Indian Banking

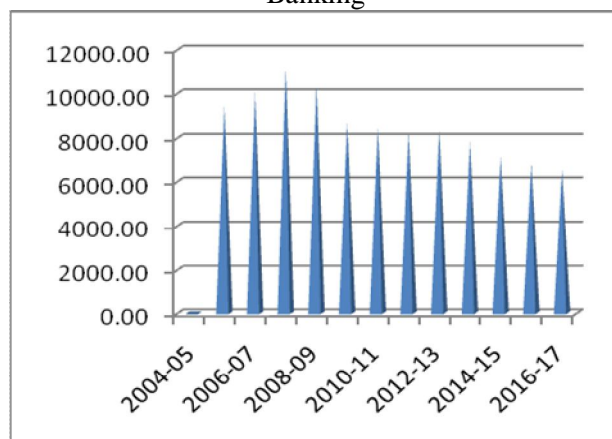


Table 3: Average Volume & Value of Retail Electronic Clearing in Indian Banking

Year	Retail Electronic Clearing	
	Average Volume (Million)	Average Value (Rupees Billion)
2004-05	4.83	64.75
2005-06	6.94	88.83
2006-07	27.09	718.09
2007-08	25.35	1244.47
2008-09	23.38	347.02
2009-10	26.15	497.20
2010-11	33.87	995.40
2011-12	42.70	1714.63
2012-13	57.84	2656.76
2013-14	92.36	3988.02
2014-15	140.62	5447.13
2015-16	261.79	7617.34
2016-17*	330.93	9983.70

Source: Reserve Bank of India, Monthly RBI Bulletin, Payment & Settlement System, <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#!4>, 1 March 2017

* The data for the year 2016-17 is of 9 months till December 2017.

Based on table 3, the following charts 5 & 6 shows the growth both in terms of volume & value of Retail Electronic Clearing in Indian Banking. In volume, there is a growth of 69.14 million (26.41%) in 2016-17 as compared to 2015-16 whereas in value, a growth of 2366.36 billion rupees (31.07%) is witnessed.

Chart 5: Average Volume of Retail Electronic Clearing in Indian Banking

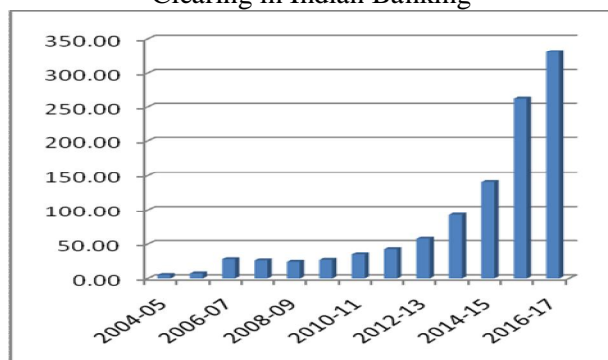


Chart 6: Average Value of Retail Electronic Clearing in Indian Banking

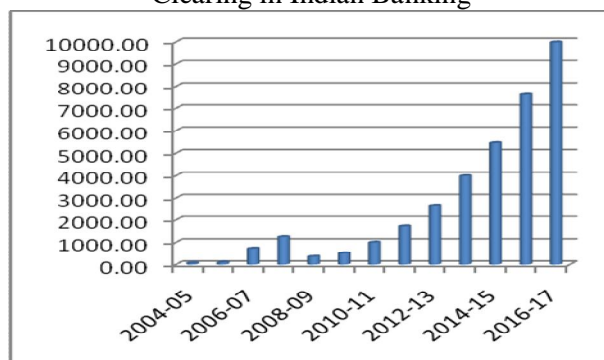


Table 4: Average Volume & Value of Credit Cards in Indian Banking

Year	Credit Cards	
	Average Volume (Million)	Average Value (Rupees Billion)
2004-05	10.79	21.41
2005-06	13.01	28.24
2006-07	14.13	34.47
2007-08	19.02	48.32
2008-09	21.64	54.46
2009-10	19.52	51.52
2010-11	22.10	62.93
2011-12	26.85	81.56
2012-13	33.27	103.69
2013-14	42.67	129.73
2014-15	51.62	160.22
2015-16	65.97	203.09
2016-17*	85.76	260.36

Source: Reserve Bank of India, Monthly RBI Bulletin, Payment & Settlement System, <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#!4>, 1 March 2017

* The data for the year 2016-17 is of 9 months till December 2017.

Based on table 4, the following charts 7 & 8 depict the growth both in terms of volume & value of Credit Cards in Indian Banking, In volume, there is a growth of 19.79 million (30%) in 2016-17 as compared to 2015-16 whereas in value, a growth of 57.27 billion rupees (28.20%) is noted.

Chart 7: Average Volume of Credit Cards in Indian Banking

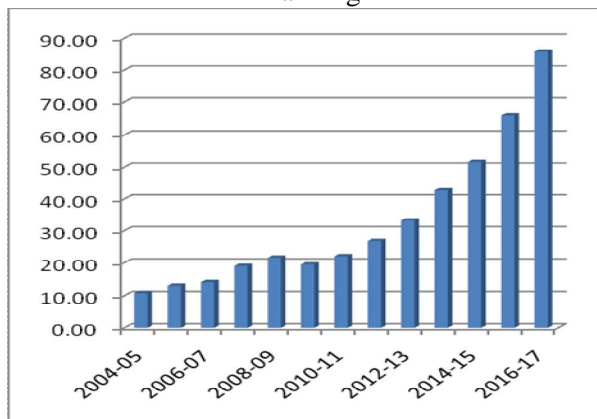


Chart 8: Average Value of Credit Cards in Indian Banking

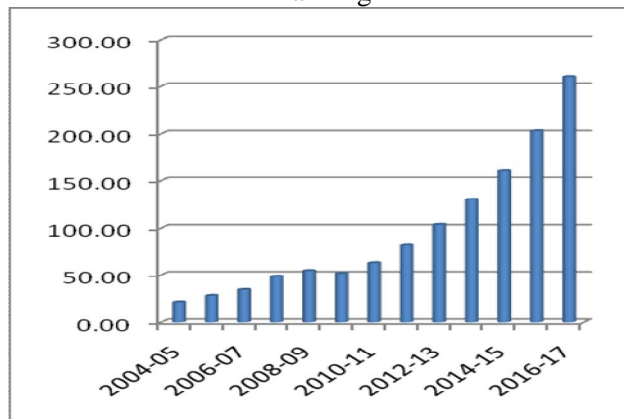


Table 5: Average Volume & Value of Debit Cards in Indian Banking

Year	Debit Cards	
	Average Volume (Million)	Average Value (Rupees Billion)
2004-05	3.46	4.47
2005-06	3.81	4.91
2006-07	15.23	24.64
2007-08	12.96	20.07
2008-09	10.64	15.46
2009-10	14.18	22.02
2010-11	19.76	32.24
2011-12	450.79	1211.00
2012-13	481.27	1452.20
2013-14	558.92	1716.91
2014-15	650.38	1957.72
2015-16	770.58	2246.72
2016-17*	874.94	2230.74

Source: Reserve Bank of India, Monthly RBI Bulletin, Payment & Settlement System, <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#14>, 1 March 2017

* The data for the year 2016-17 is of 9 months till December 2017.

Based on table 5, the following charts 9 & 10 show the change both in terms of volume & value of Debit Cards in Indian Banking, In volume, there is a growth of 104.36 million (13.54%) in 2016-17 as compared to 2015-16 whereas in value, a drop of 15.98 billion rupees (0.71%) is noted.

Chart 9: Average Volume of Debit Cards in Indian Banking

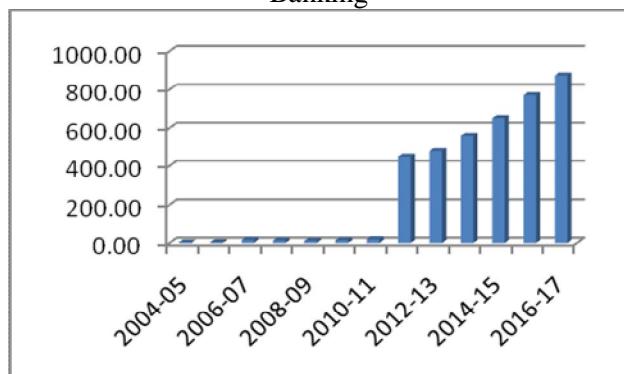


Chart 10: Average Value of Debit Cards in Indian Banking

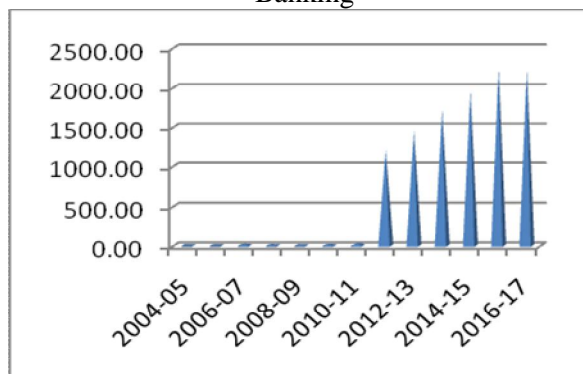


Table 6: Average Volume & Value of Prepaid Payment Instruments (PPIs) in Indian Banking

Year	Prepaid Payment Instruments (PPIs)	
	Average Volume (Million)	Average Value (Rupees Billion)
2004-05	0.00	0.00
2005-06	0.00	0.00
2006-07	0.00	0.00
2007-08	0.00	0.00
2008-09	0.00	0.00
2009-10	0.00	0.00
2010-11	0.00	0.00
2011-12	2.55	5.17
2012-13	5.58	6.60
2013-14	11.14	6.75
2014-15	26.21	17.79
2015-16	62.33	40.63
2016-17*	116.16	58.26

Source: Reserve Bank of India, Monthly RBI Bulletin, Payment & Settlement System, <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#!4>, 1 March 2017

* The data for the year 2016-17 is of 9 months till December 2017.

Based on table 6, the following charts 11 & 12 reflect the growth both in terms of volume & value of Prepaid Payment Instruments (PPIs) in Indian Banking. In volume, there is a growth of 53.83 million (86.36%) in 2016-17 as compared to 2015-16 whereas in value, a growth of 17.63 billion rupees (43.39%) is noted.

Chart 11: Average Volume of Prepaid Payment Instruments (PPIs) in Indian Banking

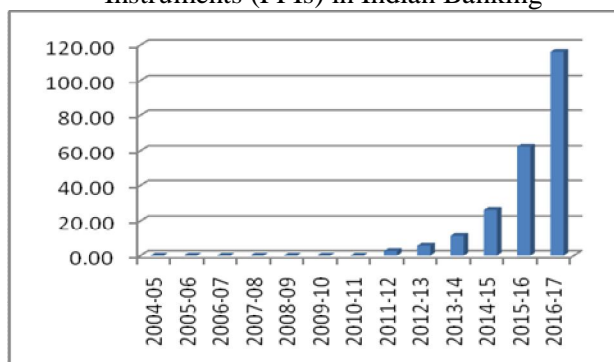


Chart 12: Average Value of Prepaid Payment Instruments (PPIs) in Indian Banking

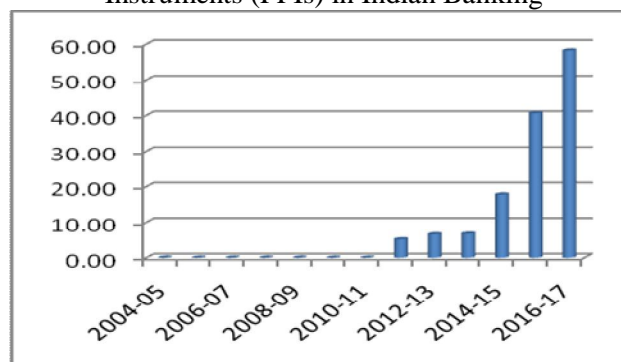


Table 7: Average Volume & Value of Mobile Banking in Indian Banking

Year	Mobile Banking	
	Average Volume (Million)	Average Value (Rupees Billion)
2004-05	0.00	0.00
2005-06	0.00	0.00
2006-07	0.00	0.00
2007-08	0.00	0.00
2008-09	0.00	0.00
2009-10	0.00	0.00
2010-11	0.00	0.00
2011-12	2.13	1.52
2012-13	4.44	4.99
2013-14	7.89	18.68
2014-15	14.33	86.28
2015-16	32.46	336.74
2016-17*	70.95	967.07

Source: Reserve Bank of India, Monthly RBI Bulletin, Payment & Settlement System, <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#!4>, 1 March 2017

* The data for the year 2016-17 is of 9 months till December 2017.

Based on table 7, the following charts 13 & 14 reflect the growth both in terms of volume & value of Mobile Banking in Indian Banking. In volume, there is a growth of 38.49 million (118.58%) in 2016-17 as compared to 2015-16 whereas in value, a growth of 630.33 billion rupees (187.19%) is witnessed.

Chart 13: Average Volume of Mobile Banking in Indian Banking

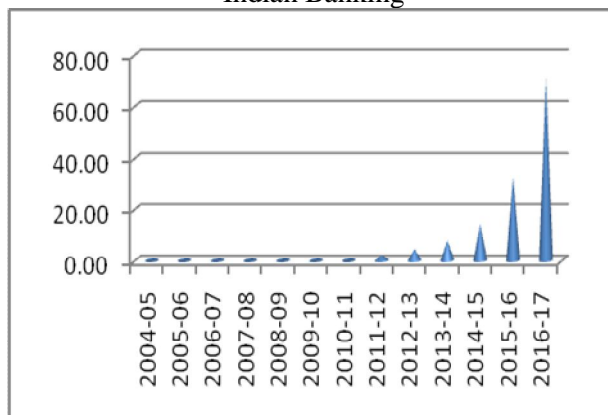
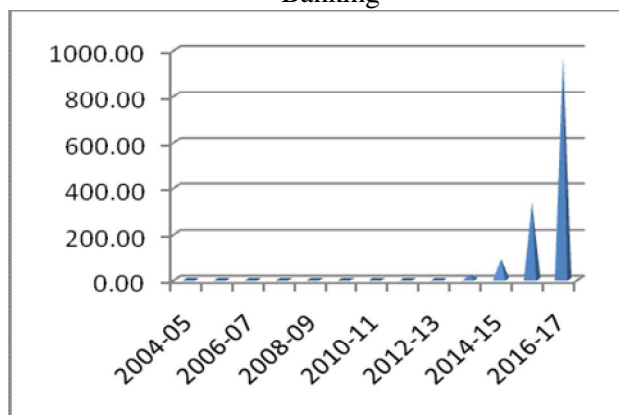


Chart 14: Average Value of Mobile Banking in Indian Banking



FINDINGS OF THE STUDY

The study indicates that so far as change in average volume is considered, % growth in Mobile Banking was highest (118.58%) & in Paper Clearing was lowest (2.11%) in the year 2016-17 as compared to the year 2015-16. Talking about change in average value, there is a reduction in Paper Clearing & Debit Cards to the extent of 4.53% & 0.71% respectively, while the highest growth is witnessed in the case of Mobile Banking to the extent of 187.19% in the year 2016-17 as compared to the year 2015-16. It is found that there is a positive effect of demonetization on growth & development of digitalization in India as majority of Payment System Indicators reflect positive change in the year 2016-17 (year in which demonetization was done) as compared to the immediate previous year under study.

CONCLUSION

The digitalization in India is spreading its wings rapidly post-demonetization as more & more people are tempted by the benefits of being more speedy & safe bestowed by cashless transactions. This is evident from the findings that there is a positive effect of demonetization on growth & development of digitalization in India because there is a growth both in terms of value & volume of majority of payment system indicators in the year 2016-17 as compared to the year 2015-16 especially in the case of mobile banking. Demonetization has triggered the wide use, acceptance, growth & popularity of digital payment system & in future is expected to control inflation, corruption and crime through greater transparency and effectiveness in technology dependent Indian economy.

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A STUDY ON IMPACT OF CORPORATE TAX INCENTIVES ON REVENUE GENERATION AND FISCAL CONSOLIDATION

Shantanu Bose and Dr. Soma Sharma
Assistant Professor, DMIMS, Nagpur

ABSTRACT

Fiscal Consolidation is a major challenge in front of the government of developing countries. Fiscal deficit has become an integral part of the Union budget & it has become a major cause of concern for the government, monetary authority, general masses and altogether for the nation as a whole. Taxation plays a vital role in economic development of any nation. 60% of the total revenue generated by Government of India is by means of taxation. Direct tax in the form of corporate tax plays pivotal role not only in generating the revenue but at the same time it is the best possible measure to keep the fiscal deficit under control. In India indirect taxes provide greater assistance as compared to direct taxes as far as revenue generation of government is concerned. A huge amount of revenue is being forgone every year by way of corporate taxes. Considering this as major concern towards the path of fiscal consolidation, this research paper focuses on the fiscal deficit for last five years, corporate taxes forgone and its adverse affect on the economy and probable remedies that can improve tax collection and revenue generation in order to bring this fiscal deficit under control.

Key words: Direct Tax, Fiscal Consolidation, Fiscal Deficit, GDP , Indirect Tax.

INTRODUCTION

Fiscal Consolidation is a major challenge in front of the government of developing countries and India is no exception to that. Fiscal deficit has become an integral part of the Union budget & it has become a major cause of concern for the government, monetary authority, general masses and altogether for the nation as a whole. As per the FRBM Act the Government of India has to keep this fiscal deficit with the range of 3.5 to 4 percent of GDP. This deficit can be reduced and controlled either by downsizing expenditure or by increasing the revenue generation. Taxation plays a vital role in revenue generation and overall economic development of any nation. Nearly 60% of the total revenue generated by Government of India is by means of taxation. Both direct & indirect taxes play pivotal role not only in generating the revenue but also helps in fiscal consolidation.

In India indirect taxes provide greater assistance as compared to direct taxes as far as revenue generation of government is concerned. In fact the highest revenue which is being generated by Union Government comes from Central Excise. But seeking too much assistance from indirect taxes for generating revenue creates inflationary pressure on the economy. Central Government every year in its union budget adopts several measures in the taxation system which determines the impact on the revenue generating capacity, for the economic development of the nation. But certain policies of the government towards direct taxation especially towards corporate taxation are proving detrimental towards revenue generation and overall economic development.

The basic question is why the government resorts to imposition and collection of taxes. The answer is very simple. Every year in its fiscal policy i.e. income and expenditure policy of government, the union government needs to spend a huge amount towards expenditure of public welfare in various sectors, like health, education, infrastructure, industry, power etc, for growth and economic development. For this the government generates revenue to meet these expenditures. When the expenditure supersedes revenue, there arises fiscal deficit. For the last three on an average the fiscal deficit in case of union budget remains approximately between 3.5 to 4 percent of GDP. This remains a major cause of concern for the government, monetary authority, general masses and altogether for the nation as a whole. This deficit of every financial year is being filled up by resorting to borrowings. The borrowing is either public borrowings or borrowing from other institutions whether being national or international. There are various ways and means to reduce or bring this fiscal deficit under control. This research paper focuses on corporate tax incentives and taxes forgone and its impact towards the revenue generating capacity of government of India.

TYPES OF TAX INCENTIVES TO CORPORATE

Revenue generation affects adversely as a result of several tax incentives which are being provided to the corporate. Some of the major tax incentives and concessions are in the form of additional depreciation, terminal depreciation, unabsorbed depreciation, interest on loan used for payment of sales tax, interest on loan used for payment of dividend, interest on loan used for granting free loan to sister concern in the form of

allowable expenses creates a major hindrance towards revenue generation. Of these incentives additional depreciation

FISCAL DEFICIT FOR LAST FIVE YEARS

It has become a general trend in India that the government expenditure raises every year. In comparison with that the revenue generation is far lower than that of the expenditure. This excess of expenditure over the revenue results in fiscal deficit. The following table depicts the fiscal deficit over the last five financial years of income and expenditure policy of Government of India. (Refer Table No.1.)

From table no 1 it has become clear that the amount of fiscal deficit (actual) has been on rising trend for last six years except in 2012-2013. This has become a serious matter of concern for the economic growth of the nation. The more the deficit the more the government has to resort to borrowings for filling up this gap of expenditure and income, thereby resulting into huge indebtedness of the nation. Secondly, even if the government does not resort to borrowings, then it has to cut its total expenditure and subsidies, which will again affect the nation's overall economic development. This is because all the expenditure which the government incurs or declares to incur in its union budget every are the expenditure for public welfare like health, education, infrastructure development etc and if there is reduction in these expenditure it means compromising with the expenditure of public welfare and thereby affecting the nation's economy adversely. Then in order to run the country's economy in a robust manner, the government must resort to revenue generation by way of direct taxes both by way of expansion of direct tax net as well as changes in the various tax policies and improvement in tax collection procedure.

Table no: 1 (Figures in Rs. Crores)

Year	Total Expenditure	Total Receipts	Fiscal Deficit
2011-2012 (Actuals)	1304365	788375	515990
2012-2013 (Actuals)	1410372	920182	490190
2013- 2014 (Actuals)	1559447	1056589	502858
2014-2015 (Actuals)	1663673	1152948	510725
2015-2016 (Actuals)	1790783	1257992	532791
2016-2017 (Revised Estimates)	2014407	1480133	534274

(Source: data obtained from annual financial statements: www.indiabudget.nic.in)

REVENUE GENERATION BY WAY OF CORPORATE TAX FOR LAST FIVE YEARS

The revenue generated by the government to meet the public expenditure is in the form of tax revenue and non tax revenue. The revenue generated by way of taxes are in the form of direct and indirect taxes. Direct taxes basically means the incidence and impact of taxes falls on the same person. On the other hand indirect taxes mean the incidence and impact falls on the different persons. But we know that revenue generation by way of direct taxes will provide greater assistance for putting the economy in formidable position. Again in direct taxes corporate taxes can provide a major chunk of revenue for narrowing the gap of fiscal deficit. In this research work it has been tried to analyze the general trend of revenue generation by way of corporate taxes for five years. Following table points out the revenue generated by way of corporate taxes from financial year 2011-2012 to 2015-2016. (Refer table no. 2)

Table no: 2 (Figures in Rs. Crores)

Year	Corporate Tax in the form of revenue receipt	% out of total revenue receipt
2011-2012 (Actuals)	322816	42.95%
2012-2013 (Actuals)	356326	40.52%
2013- 2014 (Actuals)	394678	38.89%
2014-2015 (Actualss)	428925	38.94%
2015-2016 (Actuals)	453228	37.92%
2016-2017 (Revised Estimates)	493923	34.69%

(Source: data obtained from annual financial statements: www.indiabudget.nic.in)

From table no. 2 it can be seen that the percentage of revenue generation by way of corporate taxes has been in decreasing trend for last five years. The percentage of corporate tax revenue out of the total revenue receipt remains well below 50% in the last five years.

Even in the revised budget estimates of 2016-2017 it has been estimated that out of the total revenue receipt, the proportion the corporate tax is pegged at 34.69%. But if we look at the figure of proportion of direct taxes, especially corporate tax out of the total revenue receipt of the developed nation we can see that it is above 90% in general. This simply pointing out that unless and until the proportion of corporate tax increases in the total revenue generation it is very difficult to bring the fiscal deficit under control and will become a greater impediment towards fiscal consolidation.

CORPORATE TAXES FORGONE FOR LAST FIVE YEARS AND ITS IMPACT ON OVERALL ECONOMIC DEVELOPMENT

Another major problem lies with the revenue generation by way of corporation tax, is the amount of taxes forgone every year by the government. The government needs to take a drastic step towards this aspect. Every year the lakhs of crores of rupees is being forgone by way of direct taxes (especially corporation tax), which hampers the revenue generation drastically. The following table depicts the amount of revenue forgone by way of direct taxes and out of that by way of corporate tax for the last six years.

Table no: 3 (Figures in Rs. Crores)

Year	Total Revenue forgone by way of direct taxes	Revenue forgone by way of corporate taxes
2010-2011	94,738	57,912
2011-2012	10,1140.7	61,765.3
2012-2013	102,255.7	68,720
2013- 2014	93047.1	57,793
2014-2015	102,833.2	62,398.6

(Source: website thehindu.com budget 2015-2016)

From the table no. 3 it can be noticed that the total amount of revenue forgone by way of direct taxes and especially corporate taxes has been increasing every year except 2013-2014. It is on the rising trend and this is ominous sign for Indian economy. Out of the total revenue forgone by way of direct taxes, the mount of corporate tax is whopping one. In fact the amount of corporate taxes forgone is more than 60% of the total revenue forgone by way of direct taxes. If we add up the figure of corporate taxes forgone from 2010-2011 to 2014-2015, we can get a figure of Rs. 308589 crores, which is enough to raise ones eyebrows. This indicates that for the Indian economy, as far as revenue generation by way of direct taxes, there is hardly anything bright on the horizon.

This has large impact on the overall economic development of the nation. The government finally resorts to reduction of necessary public welfare expenditure, like agricultural development, rural development, development of infrastructure etc. Not only that, the government evened resorts to subsidy cut in the necessary items like fertilizer, LPG, etc, which are being used by the common people of this country and that hit very badly to the middle and lower income group of the people.

The another bad effect of this is that, reduction in subsidies in necessary items provides a tremendous boost to the rising inflation and thereby reduction in Gross Domestic Savings (GDS) which leads to lower capital formation. These things affect expansion and development of economy adversely. To put that number in perspective, the total revenue foregone by India in tax exemptions in 2014-15 was more than the amount the Indian government needed to borrow from the market in this last year to be able to fully fund its budget.

GOVERNMENT POLICIES REGARDING CORPORATE TAX

Some of the policies of the government towards the corporation tax are also responsible towards constantly increasing in the trend of fiscal deficit. As per section 32(1) (ia) of the Income Tax Act of 1961, under the head Profit and Gains from Business and Profession, an additional depreciation of 20% is being provided to all the business houses who are engaged in manufacturing and production process. It means apart from the normal depreciation of 15% an additional depreciation of 20% on top of it will be available those industrial houses. Being allowable non cash expenses, this will show a reduction in the net profit by 20% and consequently leads to sharp reduction in revenue generation by way of corporate tax. Secondly the taxation policies by way of reduction in surcharge, proposed reduction in corporate tax rate from 30% to 25% also creates big hindrance towards the process of fiscal consolidation. Certain expenses like interest on loan used for payment of sales tax, interest on loan used for payment of dividend, interest on loan used for granting free loan to sister concern etc under sec 36(1)(iii) in the form of allowable expenses creates a major hindrance towards revenue generation by way of corporate tax

Another aspect is of total tax exemption of long term capital gains in case of shares of joint stock companies, if it is held for more than 12 months and STT has been paid, the total income from it is completely exempt from tax. This has become a major hurdle in the endeavor towards expansion of direct tax net. As a result of this lakhs of crores of rupees is being forgone every year by way of tax revenue.

REMEDIES /MEASURES TO REDUCE THE FISCAL DEFICIT

The fiscal deficit can be reduced or can be brought under control by many ways. Either the government have to cut the expenditure or generate the revenue. But reducing the expenditure would affect the welfare of the people and economic growth adversely. Hence it's always better to concentrate on enhancement of revenue generation. The revenue can be generated in various forms like interest on loans, sale of some government assets, public borrowings, taxes collected from state and central government. Out of these the major chunk of the revenue is being generated by way of taxes and that too by way the indirect ones. A proper and rationalized direct taxation system will provide great assistance in generating the revenue which can play a major role in reducing the fiscal deficit & thereby can help the Government in framing a sound fiscal policy. It also helps the government in reduction of debt burden and deficit financing.

Again as mentioned above the expansion of direct tax net plays a very pivotal role in the generation of revenue. Certain remedies can be adopted. Firstly the amount of corporate tax that has been forgone during the last five year is a whopping one. Out of the total taxes forgone Rs. 308589 crores has been forgone by way of corporate tax in the last five years which is almost 90% fiscal deficit of budget estimate of 2015-2016. Thirdly too much tax incentive to business in the form of allowable expenses to corporate sector like additional depreciation, presumptive income, investment allowance etc, affect the collection of taxes adversely and consequently affect the revenue generation. Secondly, the income generated by way sale of shares, debentures and units of mutual funds etc. after one year from the date of purchase should be brought under the tax bracket.

Crores of revenue can be generated, if unnecessary incentives in the form of additional depreciation, reduction in corporate tax rate, unnecessary allowable expenses in the form of interest on loan used for payment of sales tax, interest on loan used for payment can be abolished. Apart from these the income generated by way of long term capital gains in case of listed shares and debentures needs to be brought within the tax bracket. Then only the revenue generation by way of corporate tax can be improved and fiscal consolidation can be achieved to a great extent.

CONCLUSIONS AND SUGGESTIONS

By looking at the above analysis we can conclude that there is a need for rationalization of direct tax structure. It is indeed a major source of revenue generation. In developed countries 96% of the total revenue is being generated by way of corporate and direct taxes. In developing countries like it is 60%. Time has come to reframe the fiscal policy by the government of India. If we look at the government expenditure in the last five years budget, it is constantly rising. In fact in the budget of 2015-2016, non planned expenditure is more than that of planned expenditure. Secondly the revenue generated by the government is insufficient to meet this expenditure. Every year it has been noticed that there is drastic cut in the public expenditure when we compare the actual and the budgeted estimates. This hampers the overall economic growth. In fact it is the biggest impediment towards the economic and social development of the nation.

To overcome this appropriate action must be taken to the expand direct tax net in the form of imposition of taxes on income like Long Term Capital Gain which is being earned by selling of shares or debentures having holding period of more than one year. Finally the government should concentrate more on the corporate taxes and tax rate as well for better revenue generation; because corporate tax is the biggest source of revenue as far as the direct tax is concerned. In fact in the budget of 2015-2016, it has been proposed to cut corporate tax rate from 30% to 25%, which according to our opinion is negative step as far as generation of revenue and control of fiscal deficit is concerned. If these things are being dealt with, certainly it will lead to capital formation thereby leading to overall economic development and growth of the India.

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**PERCEPTIONS AND AWARENESS REGARDING 'CHANDRANNA BIMA SCHEME' AMONG
THE UNORGANISED WORKERS IN ANDHRA PRADESH**

Dr. Sarada Chengalvala

Associate Professor, VSR Government Degree and P G College, Movva (Krishna District), Andhra Pradesh

ABSTRACT

Economic reforms initiated in India since 1991 have provided ample opportunities for industrial growth in the country. This has resulted in an increase in employment opportunities in the organized and unorganized industrial sectors. Employees in the organized sector have been protected by various insurance schemes from time to time. On the other hand, workers in unorganized sector had very little opportunities to provide for the future financial security of their families. In this context, provision of financial security for the workers in the unorganized sector assumes significance for policy makers at both central and state levels in India. This research paper attempts to analyse the demographic profile and perceptions of workers from the unorganized sector regarding 'Chandranna Bima Scheme' launched by government of Andhra Pradesh in 2016. The results of the research indicate that such schemes will be of great support for the families of workers in the unorganized sector.

Key Words: Andhra Pradesh; Chandranna Bima Scheme; unorganised workers; financial security

INTRODUCTION

Provision of social security is one of the important segments of research in the area of employee welfare (Hoda & Rai, 2017). The social security measures cover the workers of both organized and unorganized sectors. In the Indian context, the social security measures for workers in the unorganized sector are very limited. In this backdrop, the government of Andhra Pradesh introduced an accident insurance scheme called 'Chandranna Bima Scheme' in 2016.

The primary purpose of 'Chandranna Bima Scheme' is to provide financial security to the families of workers in the unorganized sector in Andhra Pradesh state. This insurance scheme provides relief to the families of unorganized workers in case of death or any disability due to any accidents. The state government in Andhra Pradesh envisioned this scheme considering the large number of accidents reported in the state annually. These accidents result in great financial stress to the families of the affected workers. In case of any accidents, the families are impacted by high healthcare expenditures. In this backdrop, it is imperative there to provide accident death and disability insurance to the worker to ensure the social security of the affected families.

In this scheme, all workers belonging to the unorganized sector in the age group of 18 to 70 years are eligible to be registered as beneficiaries of the 'Chandranna Bima Scheme'. All the workers are registered under Unorganised Workers Social Security Act, 2008 and are registered as members under State Accident Death and Disability Scheme, Aam Admi Bima Yojana (AABY) and will also be covered under the Pradhan Mantri Suraksha Bima Yojana (PMSBY).

The benefits of the scheme include the following:

1. Rs. 5 lakh for Accident Death and Total Disability: Rs. 2,25,000/- (Rupees two lakh twenty five thousand) from State Accident Death and Disability Scheme, Rs.75,000/- (Rupees seventy five thousand) under Aam Admi Bima Yojana (AABY) and Rs.2,00,000/- (Rupees two lakh) from Pradhan Mantri Suraksha Bima Yojana (PMSBY)
2. Up to Rs.3,62,500/- for Partial Disability: Up to Rs.2,25,000/- (Rupees two lakh twenty five thousand) from State Accident Death and Disability Scheme, Rs.1,00,000/- (Rupees one lakh) from PMSBY and Rs.37,500 from AABY
3. Rs.30,000/- for Natural Death under Aam Admi Bima Yojana (AABY)
4. Rs.1200/- p.a. towards scholarship per child up to two children of the beneficiary studying 9th, 10th, Intermediate or ITI.

REVIEW OF LITERATURE

Agarwal et al (2016) examined the trends in the ageing population in India and suggested various measures to address the issues concerning the elderly population. The authors observed that the average life expectancy of Indian population is expected to increase in the near future. This necessitates the importance of various

welfare schemes for the welfare of the elderly population. The authors presented an account of various welfare schemes initiated by the Indian government in the recent years.

Praharaj (2016) studied the status of health insurance the Indian context. In this research study, the author highlighted the high cost of medical care in India and the significance of health insurance for Indian population. Various health insurance schemes promoted by public and private sector insurance firms at central and state levels have been presented in the research. A comparative analysis of the performance of public and private insurance service providers had also been presented to understand the health insurance sector in India.

Saxena and Sharma (2017) analysed the status of life insurance penetration in India. The authors highlighted the statistics regarding insurance penetration and insurance density in India. It was observed that the insurance penetration in India is very low. The authors concluded that increase in insurance penetration should be aimed at providing higher security cover for the unorganized sector in India.

Sen (2016) investigated the effect of social welfare programs among the labourers ('Beedi Rollers') in the unorganized sector in India. This section of workers represents one of the most vulnerable groups among the unorganized labour groups in India employing a large number of women and children. The author studied the impact of various social welfare schemes provided to 'Beedi Rollers' in the states of Madhya Pradesh and Chhattisgarh. The study on a sample of 200 workers concluded that many of the welfare schemes are poorly implemented and do not fulfill the objectives of the schemes due to poor awareness levels of the various welfare schemes.

Yadav and Mohania (2016a) presented an overview of Pradhan Mantri Jan Dhan Yojna (Atal Pension Scheme) which is aimed at providing financial security to workers in unorganized sectors in India. The study concludes that the scheme needs further modifications in terms of pension amount, tax exemptions and claim settlement processes. The authors observed that this scheme has the potential to change India into a pensioned society from being a pension-less society in near future. This is likely to help more than 410 million workers in the organized sector in India.

Yadav and Mohania (2016b) analysed an accident insurance coverage scheme called Pradhan Mantri Suraksha Bima Yojna introduced by the Government of India. The primary aim of this insurance scheme is to provide accident insurance security to all Indian citizens at a very nominal premium. The study concluded that this insurance scheme is very attractive due to its flexibility, easy processing and efficient claim settlement process.

OBJECTIVES OF THE STUDY

The objectives of the study include the following:

1. To understand the demographic profile of workers in the unorganized sector in Andhra Pradesh
2. To investigate the perceptions and awareness levels regarding 'Chandranna Bima Scheme' among workers in unorganized sector in Andhra Pradesh

RESEARCH METHODOLOGY

Data regarding the demographic profile and perceptions of respondents regarding 'Chandranna Bima Scheme' were collected using a structured questionnaire. A sample of 805 respondents included in the study through convenience and judgement sampling procedure. Data were collected from the respondents belonging to 15 villages in Movva mandal of Krishna district in Andhra Pradesh. Data analysis is presented through percentage analysis.

RESULTS AND DISCUSSION

Table 1 presents the demographic profile of the respondents. It can be noted that out of the total sample of 805 respondents, nearly 54 per cent (438) were male respondents and 46 per cent (367) were female respondents. It can be observed that a balanced gender ratio was achieved through the data collection which captures the perceptions of both the genders. In terms of the marital status, it can be noted that nearly 91 per cent of the respondents are married. This reflects the fact that majority of the workers in the unorganized sector are married and have the responsibility of providing financial security to their families. Nearly 50 per cent of the respondents belong to the age group between 35-55 years while nearly 25 per cent of the respondents belong to the age group of 25-35 years. This indicates that majority of the respondents belong to an economically productive population and will require financial security for themselves and their families. In terms of the social status, nearly 51 per cent of the respondents belong to the backward sections of the society.

Table 1: Demographic Profile of the Respondents				
S. No.	Demographic Variables	Classification	Frequency	Percentage
1	Gender	Male	438	54.4
		Female	367	45.6
		Total	805	100.0
2	Marital status	Married	732	90.9
		Unmarried	57	7.1
		Widowed	16	2.0
		Total	805	100.0
3	Age (in years)	Below 25 years	75	9.3
		25-35 years	200	24.8
		35-45 years	244	30.3
		45-55 years	157	19.5
		55-65 years	94	11.7
		Above 65 years	35	4.3
		Total	805	100.0
4	Caste	OC	394	48.9
		BC	250	31.1
		SC	152	18.9
		ST	9	1.1
		Total	805	100.0
5	Occupation	Agricultural labour	268	33.3
		Daily labour	311	38.6
		Petty jobs	127	15.8
		Domestic servants	99	12.3
		Total	805	100.0
6	Family Monthly Income (Rs.)	Less than 5000	202	25.1
		5000-10000	388	48.2
		10000-15000	215	26.7
		More than 15000	0	0.0
		Total	805	100.0

Additionally, in terms of occupation status, more than 70 per cent of the respondents are engaged in daily wage earning activities. Lastly, it is noted that nearly 75 per cent of the respondents have a monthly family income of less than Rs. 10,000 which necessitates the future planning for financial security of their families.

Table 2 provides an account of the perceptions and awareness levels of respondents regarding the 'Chandranna Bima Scheme' being offered by Andhra Pradesh state government since 2016. It can be observed that only 35 (279 respondents) per cent of the respondents are covered through some insurance scheme which shows the vulnerability of the group to any unforeseen circumstances leading to financial distress. This indicates that there is large scope for success of initiatives like 'Chandranna Bima Scheme' among the workers of the unorganised sector.

Table 2: Perceptions and Awareness about 'Chandranna Bima Scheme'				
S.No.	Variable	Classification	Frequency	Percentage
1	Insurance Coverage	Yes	279	34.7
		No	526	65.3
		Total	805	100.0
2	Scheme of Insurance	Chandranna Bhima	149	53.4

	Coverage	DWCRA*	31	11.1
		LIC	99	35.5
		Total	279	100.0
3	Willingness to join Chandranna Bima Scheme	Yes	526	100.0
		No	0	0.0
		Total	526	100.0
4	Awareness about Chandranna Bima Scheme	Yes	632	78.5
		No	173	21.5
		Total	805	100.0
5	Source of Awareness about Chandranna Bima Scheme	Radio	195	24.2
		Television	169	21.0
		Friends	96	11.9
		Neighbors	69	8.6
		DWCRA members	276	34.3
		Total	805	100.0
6	Possession of Aadhar Card	Yes	802	99.6
		No	3	0.4
		Total	805	100.0
7	Possession of Bank Account	Yes	778	96.6
		No	27	3.4
		Total	805	100.0

Among the 279 respondents who are covered through some insurance scheme, a vast majority of them (53 per cent) are covered through this scheme while others are covered through Life Insurance Corporation of India insurance policies or self-help-groups like 'Development of Women and Children in Rural Areas' (DWCRA). This highlights that 'Chandranna Bima Scheme' is widely accepted by the respondents.

Interestingly, among the 526 respondents who are presently not covered through any insurance scheme, all the respondents have indicated a willingness to join 'Chandranna Bima Scheme' for the future financial security of their families. This highlights that the features of the scheme have been very well appreciated and accepted by the workers in the unorganised sector. Additionally, among all the respondents, nearly 79 per cent indicated that they are aware of the 'Chandranna Bima Scheme' launched by the state government. Majority of the respondents indicated that DWCRA groups are their main source of information regarding the 'Chandranna Bima Scheme' followed by advertisements in local radio and television.

The Indian government has recently introduced many initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY) to improve the status of financial inclusion in India (Rentala et al, 2016). These initiatives have helped the workers in the unorganized sector to open savings bank accounts to be financially included. This is reflected in the results of this research which indicates that nearly 97 per cent of the respondents have a formal savings bank account and more than 99 per cent of the respondents have a formal identity card to facilitate their inclusion into the formal financial systems in India. This is likely to be a great facilitator in the adoption of 'Chandranna Bima Scheme' in Andhra Pradesh.

CONCLUSIONS

The economic reforms in India that were initiated in 1991 have provided a lot of opportunities for agricultural and industrial growth. This has led to an increase in employment opportunities in the organized and unorganized sectors in India. Employees in unorganized suffer from lack of financial security and hence there was a need to introduce initiatives like 'Chandranna Bima Scheme' launched by the government of Andhra Pradesh. The findings of this research study indicate that such schemes will offer great benefits of the welfare of the social security of families of workers in the unorganized sector. It is suggested that such schemes be implemented in other states as well to benefit large number of workers in the unorganized sector.

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**THE STATUS OF CONTINUOUS ASSESSMENT AND MAJOR HINDERING FACTORS IN AWI
ZONE SECONDARY SCHOOLS, ETHIOPIA**

Asrat Dagnew

Associate Professor, College of Education and Behavioral Science, Bahir dar University, Bahir dar, Ethiopia

ABSTRACT

The general purpose of this study was to examine the status of continuous assessment and identify hindering factors in secondary schools of Awi zone. The research questions were what is the status of secondary school teachers' continuous assessment implementation? What are the major hindering factors to implement continuous assessment in Awi Zone secondary schools? Descriptive design was employed to the study. The size of the population was 244. From these, 58 teachers, 3 principals, 3 cluster school supervisors and 180 students were included in the sample making a total of 244 samples. Stratified random sampling and comprehensive sampling were employed in choosing the samples. The data collection instruments were a close-ended questionnaire with 28 items, 4 open-ended interview items and an observation checklist with 10 items. The questionnaire was used by adapting it to address the issue of the study. Pilot test was conducted before the questionnaire was administered and the reliability of the instrument was computed using Cronbach Alpha, and found reliable. Cronbach Alpha values were 0.932 for students and 0.815 for teachers. Both descriptive and inferential statistics analysis techniques were used to analyze the data. The results of one sample t-test revealed that the status of continuous assessment (CA) by secondary school teachers of Awi Zone was significant low. The researcher had also identified major hindering factors to implement CA. These include time constraint, large class size, absenteeism, lack of common record keeping guide lines, lack of teachers' commitment and interest, workload, considering CA as boring, lack of knowledge, lack of school leader support and shortage of resources. Therefore, concerned bodies should work in collaboration in practicing and implementing the CA policy, in changing teacher's attitude and providing the necessary support to teachers and in solving the challenges which may hinder the implementation of continuous assessment (CA).

Key Words: Continuous assessment, Hindering factors & Secondary school

INTRODUCTION

Educational assessment provides the necessary information we require in order to maximize the outcomes of educational efforts. It is becoming more evident that classroom assessment is an integral component of the teaching and learning process (Gipps, 1990; Black&Willam, 1998). Continuous assessment is the periodic and systematic method of assessing and evaluating a person's progress. Also, information collected from continuous assessment of students will help the teacher to better understand their strengths and weaknesses. It provides a comprehensive picture of each student over a period of time by using certain strategies. Godfrey (2011) cited in Nadia (2013) argues that continuous assessment refers to practice of continuously checking on learner's attainments with an aim of building an assessment profile. Accordingly, today, there is a growth of interest in the field of educational assessment to the new approach, known as continuous assessment. Using this approach which accompanied criterion referenced assessment in education has also been outlined in the comprehensive education and training policy of Ethiopia (MOE, 1994).

Secondary education is the key part of one's education life to determine the future academic line. This is true because as Erikson (1950) believed schooling life of youngsters is an age of change and they begin raising the question "who am I". Therefore, for the well being of students in their academic performance and to be good citizens, it seems to be important to allow them quality education in secondary schools by applying continuous assessment properly. To get such skills and attitudes they have to be evaluated through continuous assessment, so that it is possible to take corrections at the process.

In order to implement continuous assessment effectively and meaningfully, the supports of educational experts have great role (Susy, 2008). In line with these supervisors, school principals and department heads are responsible to check and assist teachers in implementing continuous assessment by preparing checklist. Recently, the Ministry of Education has also designed educational materials to promote the understanding and implementation of continuous assessment in schools (MOE, 2005). In Amhara region as well, continuous assessment technique has been implemented in all secondary schools as it is suggested in MOE (2005) document.

Nowadays, continuous assessment is seen as much a broader concept and used for many purposes. This is because continuous assessment has much potential due to the fact that it provides immediate diagnostic and

formative feedback by the use of different techniques such as observation, project work, interviews, questions and portfolios testing, etc (Gipps, 1995; Torrance, 1995 & Broad, 1996). Further, it operates in the context in which instruction is presented and plays the role of facilitating in the specific situation (Nitkol, 1995 & Little, 1990) in learning process and has a significant impact on what students learn and how effectively they learn. Hence, teachers are expected to assess students learning appropriately using relevant assessment practices.

Teaching, learning and assessment are inextricably related and their alignment has been crucial for achieving the goals of education (Birenbaum, 2003). According to the (USAID, 2003), continuous assessment is a classroom strategy implemented by teachers to ascertain the knowledge, understanding and skills attained by pupils. From these definitions, one could infer that continuous assessment is an assessment approach which involves not only the use of a variety of assessment instruments and various components of learning and thinking processes but also includes behaviors, personality traits and manual dexterity. Continuous assessment of students learning is an important aspect of educational process and has important implication for instruction. It provides teachers and students with information and insight needed to improve teaching effectiveness and learning quality. School administrators also share feedback with students, using it to help them improve their learning strategies and study habits in order to become more independent and successful learners. In line with the Ethiopian Educational Training Policy, one requirement for the provision of quality education is to promote good implementation and practice of continuous assessment. Continuous assessment is being asked by any credible educators, teachers, parents, students and accrediting bodies.

Although the Ethiopian Education and Training Policy (MOE, 2005) adheres the implementation of CA at all educational levels, there seems to be problems of implementation related to various factors. Accordingly, various researches have been conducted regarding the implementation of CA at different educational levels in Ethiopia and revealed that teachers do not use CA in their classrooms. Despite the fact that there is an increased pressure upon teachers to provide evidence of educational activities, as experience shows teachers are engaged in tests and examinations rather than continuous assessment (Birhanu, 2004; Getachew, 2008 & Abera, 2009).

The investigator is motivated to study CA implementation and hindering factors in secondary schools of Awi Zone, a Zone found in Amhara regional State. As the previous works indicated and to the knowledge of the researcher, no research has been done on continuous assessment at secondary schools in Awi Zone. So, the nature of respondents, location and other conditions related to the current study are different from the previous local studies. Accordingly, to investigate the problem in detail the following basic research questions were posed:

1. What is the status of secondary school teachers' continuous assessment implementation?
2. What are the major hindering factors to implement continuous assessment in Awi Zone secondary schools?

The major objective of this study was to examine the status of continuous assessment implementation and major hindering factors in secondary schools of Awi Zone. Accordingly, the specific objectives of the study were, to describe the status of secondary school teachers' continuous assessment implementation and to identify the major hindering factors to implement continuous assessment in Awi Zone secondary schools.

MATERIALS AND METHODS

The investigator selected the descriptive design for this study. The descriptive design is favorable to this study because the nature of the problem needs wide description and investigation. The study was basically descriptive because it helps to make detail survey of existing phenomena with the intent of employing data to justify the information that was obtained from interview and document analysis. Both quantitative and qualitative designs were employed. The qualitative approach was employed as supplementary to this study.

POPULATION, SAMPLE AND SAMPLING TECHNIQUES

There are five districts in Awi administrative zone. From these five districts, three districts(60%) namely: Dangila, Banja and Ankesha were selected using random sampling technique. In the three sample districts there are seven secondary schools. In these seven secondary schools there were 108 teachers, 1625 students, 7 principals and 3 cluster supervisors. From these 7 secondary schools 3 (42.85%) namely: Mengesha jembere, Tilile and Azena Secondary Schools were selected using random sampling technique. There were 58 teachers, 3 principals and 3 cluster supervisors in the three selected sample schools. The investigator took all 58 (100%) teachers who were teaching in the sample schools using comprehensive sampling technique to be participants of the study. This was because the size was manageable, and the researcher thought that the sample would be more reliable. Moreover, 3 (100%) principals and 3 (100%) cluster supervisors in the sample schools were

selected using comprehensive sampling technique for the interview as they had a role in facilitating and supporting the implementation of continuous assessment. There were 898 (male=592 female=306) students in the three selected sample schools. From these 118 (20%) male and 62 (20%) female, a total of 180 students were selected using stratified sampling technique. The number of members from each group that is the member of female and male students from grades nine and ten of the sample secondary schools were selected proportionally. This study used first cycle general Secondary schools (grade 9-10).

SOURCES OF DATA

The data were collected from primary sources (teachers, principals, cluster school supervisors and students) and secondary sources from documents.

DATA GATHERING INSTRUMENTS

This study used closed-ended questionnaire, interview, observation and document analysis as data collection instruments to get relevant information.

DATA ANALYSIS TECHNIQUES

For the sake of meaningful analysis, the data were collected and categorized into themes as per the research questions. Thus, depending on the nature of the research questions and variables considered, the investigator used both quantitative and qualitative analysis. The one sample t-test was employed to analyze the status of teachers' CA practice in their own subjects, and students filled the questionnaires based on how they were assessed by English and Biology subject teachers. The major problems encountered in the implementation of continuous assessment in secondary schools were determined from mean rankings of the problems. On the other hand, the respondents' opinions and suggestions obtained from open-ended items of interview and document analysis were analyzed qualitatively using narrative description. Finally, to capture and analyze the quantitative data, Statistical Package for Social Sciences (SPSS) version 20.0 was used.

RESULTS

The first purpose of this study was to describe the status of Awi Zone secondary school teachers' continuous assessment. Table 1: shows the status of sample school teachers' implementation of continuous assessment. To know respondents' consensus, nine items were employed. Detail of the analysis of this part is presented below following each item with reference to the expected mean 2.5. ($\frac{4+1}{2} = \frac{5}{2} = 2.5$) since the number of scales is 4 (always, frequently, some times and never).

Table-1: The Status of the Implementation of Teachers' Continuous Assessment in Awi Zone Secondary School.

Expected mean value=2.5					
No	Assessment of methods	Mean	Std. Dev	t-value	Sig
1	Quiz	1.107	0.312	-33.398	0.000
2	Project work	1.036	0.187	-58.517	0.000
3	Group work	1.768	0.426	-12.861	0.000
4	Observation	1.446	0.537	-14.692	0.000
5	Oral question	1.893	0.312	-14.558	0.000
6	Class work	1.893	0.312	-14.558	0.000
7	Subjective Test	1.196	0.401	-24.333	0.000
8	Objective Test	2.143	0.444	-6.015	0.000
9	Assignment	1.179	0.368	-25.588	0.000

N=56, df=55 * p<0.05

As indicated in Table 1 above, the results of one sample t-test demonstrated that teachers' implementation of continuous assessment methods calculated mean value was found to be significantly lower than the mean expected value which was 2.5. Surprisingly, the results show that teachers' implement all continuous assessment methods below the expected value. This finding shows that the status of teachers' implementation of continuous assessment in Awi Zone Secondary School was low as viewed by the teachers themselves. In a similar way, the status of the implementation of teachers' continuous assessment was appraised as perceived

by their students in two school subjects namely: English and Biology and the results are presented in Table 2 & 3 respectively.

Table-2: The Status of Teachers' Implementation of Continuous Assessment Methods in English Classroom as Viewed by Students

Expected mean value=2.5					
No	Methods of assessment	Mean	Std.Dev	t-value	sig
1	Group work	2.028	0.594	-10.628	0.000
2	Quiz	1.185	0.477	-34.094	0.000
3	Project work	1.279	0.581	-28.121	0.000
4	Oral question	1.933	0.547	-13.878	0.000
5	Observation	1.475	0.698	-19.659	0.000
6	Class work	1.939	0.563	-13.354	0.000
7	Assignment	1.508	0.648	-20.474	0.000
8	Subjective Test	1.827	0.549	-16.408	0.000
9	Objective Test	2.743	0.875	3.717	0.000
N=179, df=178					

As indicated in Table 2 above, the results of one sample t-test revealed that English teachers' implementation of continuous assessment methods in all calculated mean values was found to be significantly lower than the mean expected value which was 2.5, except for the use of objective test which was found to be significantly higher than the expected mean value. The result showed that English teachers mostly used objective tests as part of continuous assessment method in English classrooms. The results depicted that the status of English teachers' implementation of continuous assessment methods in their classrooms was at lower and minimal level compared to the nature of the course it demands.

Table-3: The Status of Teachers' Implementation of Continuous Assessment Methods in Biology Classrooms as Perceived by Students

Expected mean value=2.5					
No	Methods of assessment	Mean	Std. Dev	t-value	Sig
1	Group work	1.860	0.548	-15.609	0.000
2	Quiz	1.408	0.692	-21.117	0.000
3	Project work	1.268	0.586	-28.124	0.000
4	Oral question	1.983	0.595	-11.626	0.000
5	Observation	1.564	0.679	-18.444	0.000
6	Class work	1.844	0.506	-17.348	0.000
7	Assignment	1.715	0.713	-14.730	0.000
8	Subjective Test	1.994	0.640	-10.563	0.000
9	Objective Test	2.682	0.782	3.106	0.002
N=179 df=178					

As shown in Table 3 above, the results of one sample t-test indicated that Biology teachers' implementation of continuous assessment methods in all calculated mean values was found to be significantly lower than the mean expected value which was 2.5, except for the calculated mean value of objective test which was found to appear significantly higher than the mean expected value. The finding revealed that Biology teachers as their English counterparts used only objective tests as continuous assessment methods in their classrooms. Biology teachers' status of implementing continuous assessment methods was lower and not diversified.

The second purpose of this study was to find out major hindering factors to implement continuous assessment in Awi Zone Secondary schools. To attain this, mean ranking was utilized, and the results are presented in Table 4, below.

Table -4: Major Hindering Factors in the Implementation of Continuous Assessment in Secondary Schools of Awi Zone

NO	Hindering Factors	Mean	Ranks
1	Lack of common record keeping guide lines	5.6429	4
2	Shortage of time	3.3036	1
3	Large class size	3.5714	2
4	Lack of knowledge about the implementation of continuous assessment	6.4107	8
5	Student absenteeism	4.4464	3
6	Lack of school leaders' support	6.5179	9
7	Shortage of resources and materials like paper, pencil, guide books, etc.	6.7857	10
8	Lack of teachers' commitment and interest	5.8214	5
9	Work over load	6.1429	6
10	Continuous assessment is boring to implement	6.3750	7

As shown in the table 4 above, the results of mean ranking revealed that the major factors in the implementation of continuous assessment were shortage of time, large class size, student absenteeism, and the least factors were shortage of resources and materials like paper, pen, pencil, guide books, etc, lack of school leaders' support and lack of knowledge about implementation of continuous assessment. The average factors were continuous assessment is boring to implement, work over load and lack of commitment and interest as ranked in the table above.

DISCUSSIONS

The data obtained from questionnaire, interview, classroom observation and document analysis were made to explain the results of the study with reference to the basic research questions formulated under the statement of the problem. The major ideas or themes of the discussion are:

- What is the status of secondary school teachers' continuous assessment implementation?
- What are the major hindering factors to implement continuous assessment in Awi Zone secondary schools?

THE STATUS OF SECONDARY SCHOOL TEACHERS' CONTINUOUS ASSESSMENT IMPLEMENTATION

Depending on the data obtained from the questionnaire, the interview, observation and document analysis, the status of continuous assessment implementation was not adequately carried out in the sample schools. That is teachers had no sufficient awareness/understanding on techniques, principles, characteristics and advantages of continuous assessment, and they did not implement variety of assessment techniques in students' learning. The study revealed that many techniques like, quiz, project work, group work, observation, oral question, class work, feedback, subjective test, objective test and assignment were not implemented in assessing the students. The overall mean value was (1.79), which was lower than the test value of (2.5). However, as classroom observation and document analysis confirmed, teachers exercised some of the continuous assessment methods like oral question, home work and class work in rare case. This tells us that the evaluations made by teachers about the progress of students learning were not fair and appropriate. In line with these findings, Abera (2009), for instance, revealed that physical education teachers do not use CA in their classrooms in secondary schools. Based on this, most teachers of the sample schools practiced sometimes oral questions and class work activities. CA techniques were not consistent and uniform, not only in different schools but also in the same school within the same grade level and subject matter.

Classroom observation result also supplemented with quantitative findings and indicated that in Awi Zone secondary schools teachers had limits of knowledge on continuous assessment. The document analysis disclosed that teachers understood continuous assessment simply as giving a written examination without assessing the progress of students. Betel (2007) suggested that lack of training service about continuous assessment was critical factor for the implementation of continuous assessment within the secondary school teachers.

Classroom observation and the interview data indicated that teachers did not attend any training to conduct and implement continuous assessment in their classrooms. In addition, teachers had lack of ongoing training, support services, proper control of assessment marks, and they had also difficulty with the continuous assessment mark allocation, weighting and calculation. English teachers mostly used objective tests as part of continuous assessment method in English classroom. The results of this study depicted that the status of English teachers' implementation of continuous assessment methods in their classrooms were at lower level and minimal compared to the nature of the course it demands.

In similar way, Biology teachers mostly used objective tests which were found to appear significantly higher than the test value. This indicated that Biology teachers as their English counterparts used only objective tests as continuous assessment method in their classrooms. The objective type of test can be used for evaluation at any stage of learning. It can be used at the end of a unit of instruction, at the end of a course, a term or a year.

THE MAJOR HINDERING FACTORS TO IMPLEMENT CONTINUOUS ASSESSMENT

In the analysis of mean ranking of hindering factors that impede the continuous assessment were presented in table 4 above. As the results of mean score indicated, those items which have the lower mean scores were the most challenging factors and those items which have the higher mean scores were the least challenging factors respectively. The major factors in hindering implementation of continuous assessment were shortage of time, large class size, student absenteeism and lack of common record keeping guide lines. These were ranked as the major challenges to implement continuous assessment, and the least factors were shortage of resources and materials like paper, pen, pencil and guide books, etc. lack of school leaders' support and lack of knowledge about implementation of continuous assessment respectively. However, factors like continuous assessment is boring to implement it, work overload and lack of teachers' commitment and interest were ranked averagely.

In the rank mean the major factors that hinder the continuous assessment implementation were shortage of time to assess students' performances and give constructive feedbacks. Most of the time teachers complained that shortage of time to cover huge lessons of text books and to utilize different techniques of CA were hindering factors to implement continuous assessment method. This result was in line with Alausa (2006) study that teachers consider continuous assessment as time consuming (even as waste of time by some of them), or because they were influenced by the traditional view of 'testing for evaluation.' In the open ended questions respondents' opinions on the time usage also confirmed that continuous assessment takes time to gather information from the learner and to give appropriate feedback.

The data analysis also showed that large class size was ranked as the second major challenge that hindered the implementation of continuous assessment. The average class size in sample schools is 60, which is relatively large. That is the total number of students was 898 and the total number of sections was 15. From this result large class size was one of the principal hindering factors of continuous assessment. As the number of students is high in the class, the involvement of the teachers in assisting their students might be less and somewhat challenging. Therefore, it can be concluded that class size is a determinant factor of continuous assessment implementation.

In line with this, Slavin (1989) explained that small classes are superior to large classes in terms of academic and affective outcomes. Class size affects the amount of time teachers spend talking about course content or classroom routines and verbal instructions. Moreover, Ogunniyi (1984) argues that a teacher of even thirty to forty students and with between twenty and thirty periods a week cannot cope effectively with different aspects of continuous assessment. This finding also goes with Uiseb (2009), stating that the core challenges were mostly overcrowded classrooms that hinder proper assessment.

Regarding student absenteeism, table 4 indicated that student absenteeism was a major problem of continuous assessment implementation in the selected secondary schools. Based on the data obtained, student absenteeism was one of the major problems that affected the implementation of continuous assessment in secondary schools. According to Williams (2000), students who have absenteeism problems generally suffer not academically in schools but also socially in the community, and students who are absent have lower achievement and may be penalized on test scores. The problem of student absenteeism also causes work load upon teachers and waste of time for teachers and students. But most of the specified problems were considered as major problems that hinder the proper implementation of CA, and most respondents agreed with these problems.

In the mean ranking of hindering factors for the implementation of continuous assessment teachers' commitment hampered the practice of assessment. In this study the data revealed that teachers' commitment was averagely problematic. It is generally regarded as a desirable attribute, and a committed teacher is

considered to be coupled with a sense of professionalism. A teacher who is committed to students and makes efforts to create a supportive learning climate in the classroom, for example, may not have affective affiliation to the school organization due to the lack of identification with school goals (Choi & Tang, 2009). Thus, a teacher who is highly dedicated to student affairs but resistant to school reforms may be regarded as committed when her/his attitude towards students is assessed.

Findings of the study about teachers' workload in the sample schools indicated that the respondents have 15-20 periods per week and this shows above average number of teachers were loaded. As the teaching load of a teacher increases, teacher's practice of implementing variety of techniques of CA will be limited and decreased. On the contrary, if teachers have enough time to prepare and design different teaching learning activities including CA practices, the implementation of CA will be effective. That is, teachers with low teaching load could have great opportunity and time to practice CA in the classroom. From this perspective, high teaching load per week could also be another hindering factor of continuous assessment.

CONCLUSION

The findings of the study indicated that the status of continuous assessment was significantly low in the sample schools. That is teachers' awareness/understanding on techniques, principles, characteristics and advantages of continuous assessment was not sufficient, and they did not provide variety of assessment techniques in students' learning. They practiced very limited number of assessment techniques, not more than giving tests. Shortage of time, large class size, student absenteeism and lack of common record keeping guide lines were ranked as the major challenges to implement continuous assessment and On the other hand, factors like continuous assessment is boring to implement , work overload and lack of teacher's commitment and interest were ranked averagely. This shows that unless schools, district education offices and Zone education office give special attention to the performance of schools by giving supportive training, fulfilling appropriate teaching materials and strong follow up, the status of continuous assessment implementation in Awi zone will be in question.

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AN ANALYTICAL STUDY ON SOCIAL & ENVIRONMENTAL ACCOUNTING AND REPORTING (SEAR) OF SELECTED INDEX BASED INDIAN COMPANIES

Dr. Tejas Gandhi¹ and Dr. Yagnesh Dalvadi²

Assistant Professor¹, Bhaktaraj Dada Khachar Arts and Commerce College, Gadhada (Swamina), Botad
Professor², Post Graduate Department of Business Studies, Sardar Patel University, Vallabh Vidyanagar

ABSTRACT

In essence, both Social and Environmental Performance are very much associated with an overall healthy growth of a concern. They are, of course, a vital part of a sound business. Every decent business has focused upon them directly or indirectly. The future growth of a business, therefore, revolves around them. However, Social & Environmental Accounting and Reporting (SEAR) needs a guiding path towards two important questions, viz., "What to report" and "How to report". This paper attempts to clarify what Social and Environmental Accounting is all about- largely focusing on the reporting practices and measurement of social and environmental indicators of few randomly selected index based Indian companies.

The objective of this study is to mainly examine the "Quantity" and "Quality" aspects of few selected social and environmental performance indicators from the various reports of randomly selected index based Indian companies. The result may serve a base or the path towards better Social and Environmental Performance disclosures.

Keywords: Social & Environmental Accounting and Reporting (SEAR), Sustainability, Social Accounting, Social Performance, Social Reporting, Environmental Accounting, Environmental Performance, Environmental Reporting.

INTRODUCTION

Social & Environmental Accounting and Reporting (SEAR), in simpler terms, refers to the accounting and thereby reporting of Social as well as Environmental performance by the companies. Companies' are an integral part of the society and therefore, they should be held responsible to give back something to the society within which they operate. Also, their contribution towards environment is worth noting and so they should also step forward in contributing towards a better & a healthier environment. Companies apart from its traditional objective of profit making should throw some light upon social and environmental concerns. They should engage themselves continuously in societal growth and healthier environment. They should invest funds for an overall social development of a country as a whole and not limit themselves only towards its employees. In addition, they should also move towards "Cleaner" and "Greener" businesses by protecting the environment.

The concept of "SEAR" therefore, pushes the companies to not only engage themselves in social and environmental activities but also to report them clearly and in a descriptive manner through separate reports (apart for traditional annual reports). This would enable the stakeholders to get knowledge on its move towards better & healthier businesses.

DEFINITIONS OF SOCIAL AND ENVIRONMENTAL ACCOUNTING**(A) SOCIAL ACCOUNTING**

➤ Mathews (1997a) noted a number of definitions for social accounting published prior to 1995, concluding that definitions appeared to be problematic because of the debate about voluntary or compulsory disclosures, and the quantitative vs qualitative dimensions. The definition which implicitly governs this survey of the literature is broad, as provided by Mathews and Perera:

"At the very least, social accounting means an extension of disclosure into non-traditional areas such as providing information about employees, products, community service and the prevention or reduction of pollution."

However, the term 'Social Accounting' is also used to describe a comprehensive form of accounting which takes into account externalities. Public sector organisations may also be evaluated in this way, although most writers on the subject of social accounting appear to be concerned with private sector organisations.

➤ Gray et al., 1996, have defined Social Accounting as:

More specifically, Social Accounting is about some combination of: (a) accounting for different things (i.e. other than accounting strictly for economic events); (b) accounting in different media (i.e. other than accounting in strictly financial terms); or (c) accounting to different individuals or groups (i.e. not necessarily

only accounting to the providers of finance) and (d), accounting for different purposes (i.e. not necessarily accounting only to enable the making of decisions whose success would be judged in financial or even only cash flow terms).

(B) ENVIRONMENTAL ACCOUNTING

The term “Environment” includes everything in all its manifest forms; on the earth, beneath the earth and above the earth. All over the world, there has been much concern regarding management of environment for ensuring sustainable economic development.

A system in which economic measurements take into account the effects of production and consumption on the environment is called “Environment Accounting”.

OBJECTIVES OF THE STUDY

The prime objective of this study is to measure the Social and Environmental Reporting Disclosures of the selected index based Indian companies. In order to evaluate the social and environmental reporting practices, few indicators were selected. However, it also mainly throws light upon the “Quantity” and “Quality” analysis of the social and environmental reporting practices of the selected companies whereby, better social and environmental reporting practices in India can be arrived at.

The objective of the study was to determine the following in the annual reports (sustainability reports or corporate social responsibility reports/any of its kind) of the selected Indian companies:

- Quantity of disclosure, using a sentence based approach (Hackston and Milne, 1996; Buhr, 1998) which were then accumulated into page proportions; and
- Quality of disclosures (Gamble *et al.*, 1995; Wiseman, 1982; Guthrie and Parker, 1990; Walden and Schwartz, 1997; Kusumo *et al.*, n.d.).

REVIEW OF LITERATURE

According to Holsti (1969), content analysis categorises narrative matter into themes, a method consistently used in Corporate Social Reporting research (Adams and Roberts, 1995), Zeghal and Ahmed (1990), Gamble *et al.* (1995). Hackston and Milne (1996) and Krippendorff (1980. p. 21) define content analysis as “a research technique for making replicable and valid inferences from data according to their context”.

James Guthrie, Suresh Cuganesan and Leanne Ward (2007) - Regulators and other industry associations have recognized the importance of considering the industry setting when determining social and environmental (SE) policy and reporting requirements. However, social and environmental impacts vary greatly from industry to industry. The generalized nature of many SE disclosure instruments is a limitation on the accuracy of the results of empirical studies which only focus on annual report disclosure and size. The said research attempts to develop a framework for reporting the various social and environmental indicators, measuring and reporting them in order to serve an ease to the common laymen in understanding & interpreting them.

Singla Nisha and Arora R.S. in their research article entitled “Social Disclosure Practices: A Study of Indian Corporates” examines the social disclosure practices of 22 Indian manufacturing units belonging to different industries. The social disclosures in the said research article have been examined corresponding to years 2008-09 and 2013-14 which represents the negative and positive sentiments of market respectively. However, at the end a conclusion has been drawn that social disclosure scores of most of the companies have improved in the year 2013-14 as compared to 2008-09.

RESEARCH METHODOLOGY

The nature of the said research work is analytical. This study is based on the secondary data collected from the annual/ sustainability/ corporate social responsibility/or any other such related reports, downloaded from the websites of the selected companies. Using Microsoft Excel 2007, the researcher has applied a formula for Random sample i.e. =Randbetween (1, 30) and got the sample companies out of the total population. Total ten companies were randomly selected for the purpose of this study viz., Imperial Tobacco Company of India Ltd. (ITC Ltd.), Infosys Ltd. (IFS Ltd.), Maruti Suzuki Ltd. (MSU Ltd.), Reliance Industries Ltd. (REL Ltd.), Tata Motors Ltd. (TAM Ltd.), Bharat Heavy Electricals Ltd. (BHE Ltd.), Hindalco Industries Ltd. (HIN Ltd.), Bajaj Auto Ltd. (BAJ Ltd.), Asian Paints Ltd. (ASP Ltd.) & Oil and Natural Gas Corporation – ONGC Ltd. (ONG Ltd.).

The study is based for a five year period starting from 2012-2016. However, amongst all the years of study period, the year whereby maximum reporting has been done is taken into consideration to arrive at better results. In order to measure the social and environmental performance reporting practices by the said

companies, few indicators were taken as a base. Analysis of the data is based on a few selected social and environmental indicators to have a better measurement.

Each indicator has been measured in “Quantitative” terms (via., sentence, paragraph, half A4 page, 1 A4 page and >1 A4 page) and has been allotted 10 points each based on the quantity (length) in the following manner.

Table I: Quantity Measurement “Score Board”

Quantity of Disclosures “How Much”	Score (Points to be allotted)
1 = sentence/s	10
2 = paragraph/s	20
3 = half A4 page	30
4 = 1 A4 page	40
5 = >1 A4 page	50

Further, each such indicator therein was individually measured in “Qualitative” terms also (viz., monetary, non-monetary, qualitative, qualitative & monetary, qualitative & non-monetary, monetary & non-monetary and qualitative, monetary & non-monetary) to know the content disclosed in qualitative terms in the following manner.

Table II: Quality Measurement “Score Board”

Quality of Disclosure “How measured”	Score (Points to be allotted)
1 = Monetary	10
2 = Non-Monetary	10
3 = Qualitative only	10
4 = Qualitative and Monetary	20
5 = Qualitative and Non- Monetary	20
6 = Monetary and Non- Monetary	20
7 = Qualitative, Monetary and Non-Monetary	30

QUANTITATIVE AND QUALITATIVE MEASUREMENT OF SOCIAL AND ENVIRONMENTAL PERFORMANCE REPORTING OF SELECTED INDEX BASED INDIAN COMPANIES

Freedman and Jaggi (1986), Kelly (1981) and Roberts (1992) are of the opinion that the use of annual reports as a primary communication vehicle for social and environmental performance serves a better measurement tool. For the purpose of this study also, annual reports or sustainability/ CSR reports are used as a data source.

The point of commencement was to determine if the annual/sustainability/or other such related reports included disclosure on social & environmental issues or not.

The annual/sustainability/other reports’ information was initially analyzed using a *dichotomous variable* (Yes=1; No=0). Once it was ascertained that the social and environmental information was present in the reports, it was necessary to determine how it would be coded.

Table III: Social and Environmental Performance Information

Companies	ITC Ltd.	IFS Ltd.	MSU Ltd.	REL Ltd.	TAM Ltd.
Information Present	1	1	1	1	1

Companies	BHE Ltd.	HIN Ltd.	BAJ Ltd.	ASP Ltd.	ONG Ltd.
Information Present	1	1	1	1	1

It is clear from Table III, that all the selected companies included social and environmental performance related information in their reports to more or less extent, which is resembled by “1” as per dichotomous variable, i.e., Yes.

QUANTITATIVE AND QUALITATIVE MEASUREMENT STANDARDS OF SOCIAL AND ENVIRONMENTAL PERFORMANCE REPORTING PRACTICES

Table IV: Quality and Quantity definitions of the Content Analysis

Quantity of Disclosures “How Much”	Quality of Disclosure “How measured”	Quality definitions
1 = sentence	1 = Monetary	Disclosure in monetary/currency terms
2 = paragraph	2 = Non-Monetary	Quantified in numeric terms of

		weight, volume, size, etc. but not financial/currency
3 = half A4 page	3 = Qualitative only	Descriptive prose only
4 = 1 A4 page	4 = Qualitative and Monetary	Descriptive prose and currency
5 = >1 A4 page	5 = Qualitative and Non-Monetary	Descriptive prose and numeric terms
	6 = Monetary and Non-monetary	A combination of currency and numeric terms
	7 = Qualitative, Monetary and Non-monetary	Descriptive prose, financial and numeric terms

Table IV, above exhibits the “Quantity” and “Quality” definitions of the content analysis to be made in respect of the social and environmental performance indicators selected. It has further been divided into two categories in order to have a clear insight into the content. Table V shows the social and environmental performance *indicators* to be measured in “quantitative” and “qualitative terms”. Table VI (A) & (B) shows the **quantity** of disclosures “How much” and a score to the content present thereof. While, Table VII (A) & (B), shows the **quality** of disclosures “How measured” and a score, thereof of the selected Indian companies. While, Table VIII show the overall scores of social and environmental performance disclosure practices of the selected Indian companies both in “Quantitative” and “Qualitative” terms.

SOCIAL AND ENVIRONMENTAL PERFORMANCE INDICATORS TO BE MEASURED IN “QUANTITATIVE” AND “QUALITATIVE” TERMS

Once we have known about the status of the social and environmental performance information present in the various reports, few selected social and environmental indicators which play a major role in social responsibility and environmental preservation were selected for the measurement purpose.

Following social and environmental performance indicators were selected for this study purpose:

Table V: Social and Environmental Performance Indicators Measured

Sr. No.	Social and Environmental Indicators Measured
1.	Corporate Social Responsibility (CSR) Awards
2.	Alleviating Environmental Pollution/ Environmental Protection
3.	Waste Management/Recycling & Waste Management
4.	Tree Plantation
5.	Rural/Community Development
6.	Support for Public Health/Promoting Health Related Programs
7.	Promotion of Education
8.	Occupational Health & Safety/Health & Safety at Work Place
9.	Training and Development Programs
10.	Customer Relation & Feedback Mechanism
11.	Diversity in Workforce
12.	Efforts to reduce CO Emissions/GHG
13.	Infrastructure Development
14.	Water Management/Conservation
15.	Women Empowerment
16.	Corruption
17.	Child/Forced Labour
18.	Social & Environmental related projects
19.	Toilet Construction
20.	Preservation of Native Flora & Fauna

The above are the few selected indicators which contribute towards a better social and environmental balance and preservation. They would be analyzed on the basis of their information present in the reports in Table VI & VII on “Quantitative” and “Qualitative” basis respectively.

QUANTITATIVE MEASUREMENT OF SOCIAL AND ENVIRONMENTAL PERFORMANCE REPORTING PRACTICES OF THE SELECTED COMPANIES

Each indicator of Table V above have been measured in quantitative terms- “Quantity Aspect” (via., sentence, paragraph, half A4 page, 1 A4 page and >1 A4 page) and has been allotted 10 points each as per Table I. Table VI (A) & (B) depicts the score allotted thereon.

Table VI (A) : Social and Environmental Indicators Measured (Quantity-Wise)
(Score Board)

Indicators	ITC Ltd.	IFS Ltd.	MSU Ltd.	REL Ltd.	TAM Ltd.
Corporate Social Responsibility (CSR) Awards	30	30	20	50	30
Alleviating Environmental Pollution/ Environmental Protection	30	20	20	20	20
Waste Management/Recycling & Waste Management	50	50	50	30	20
Tree Plantation	50	20	10	20	20
Support for Public Health/Promoting Health Related Programs	50	30	30	50	20
Promotion of Education	30	30	30	40	20
Occupational Health & Safety/Health & Safety at Work Place	50	40	40	50	50
Training and Development Programs	40	30	40	40	40
Customer Relation & Feedback Mechanism	40	40	20	20	20
Diversity in Workforce	40	30	20	20	50
Efforts to reduce CO Emissions/GHG	50	50	20	20	40
Infrastructure Development	50	20	10	20	50
Water Management/Conservation	50	20	20	30	50
Women Empowerment	30	40	40	20	20
Corruption	20	20	20	10	20
Child/Forced Labour	10	10	10	10	20
Rural/Community Development	20	20	20	50	20
Toilet Constructions	20	0	20	0	20
Social & Environmental related projects	50	20	20	30	30
Preservation of Native Flora & Fauna	20	20	0	0	20
TOTAL	730	540	460	530	580

Source: Sustainability/Annual/CSR reports

**Table VI (B) : Social and Environmental Indicators Measured (Quantity-Wise)
(Score Board)**

Indicators	BHE Ltd.	HIN Ltd.	BAJ Ltd.	ASP Ltd.	ONG Ltd.	Avg. Indicator Wise (All 10 Companies)
Corporate Social Responsibility (CSR) Awards	20	40	10	10	10	25
Alleviating Environmental Pollution/ Environmental Protection	20	20	10	10	20	19
Waste Management/Recycling & Waste Management	50	50	20	40	20	38
Tree Plantation	30	40	10	0	30	23
Support for Public Health/Promoting Health Related Programs	40	40	20	20	30	33
Promotion of Education	30	40	20	50	30	32
Occupational Health & Safety /Health & Safety at Work Place	50	50	20	50	50	45
Training and Development Programs	50	50	20	40	30	38
Customer Relation & Feedback Mechanism	30	30	10	40	0	25
Diversity in Workforce	20	30	10	30	20	27
Efforts to reduce CO Emissions /GHG	50	50	10	20	30	34
Infrastructure Development	20	20	10	20	10	23
Water Management/Conservation	50	50	20	50	50	39
Women Empowerment	20	30	20	20	30	27
Corruption	50	20	10	0	10	18
Child/Forced Labour	10	20	10	10	10	12
Rural/Community Development	30	30	20	20	20	25
Toilet Constructions	20	20	0	20	0	12
Social & Environmental related projects	50	50	20	20	30	32
Preservation of Native Flora & Fauna	0	10	0	0	30	10
TOTAL	640	690	270	470	460	537

Source: Sustainability/Annual/CSR reports

We can observe from Table VI (A) & (B), amongst all the selected companies, “ITC Ltd.” earns the highest score of 730 points; followed by HIN Ltd. (690 points), BHE Ltd. (640 points), TAM Ltd. (580 points), IFS Ltd. (540 points), REL Ltd. (530 points), ASP Ltd. (470 points), MSU Ltd. & ONG Ltd. scoring equally (460 points) and BAJ Ltd. scoring the least (270 points) in “Quantitative” measurement of social and environmental performance.

Further, looking to the average scores of the social and environmental indicators (Quantity & Indicator-wise), the indicator-“Occupational Health & Safety/ Health & Safety at Work Place” scored the highest average (45 points average) amongst all the selected indicators during the study period. While, the indicator-“Preservation of Native Flora & Fauna” scored the least (10 points average) amongst all the selected companies during the study period. However, score “0” indicates that there was no information found clearly in the reports regarding that indicator.

QUALITATIVE MEASUREMENT OF SOCIAL AND ENVIRONMENTAL PERFORMANCE REPORTING PRACTICES OF THE SELECTED COMPANIES

A firm providing a combination of discussion on social goals and objectives, and outcome in qualitative, non-monetary and monetary terms was considered to be more meaningful to aid stakeholder decisions by linking disclosure, social performance, and economic performance (Belkaoui and Karpik, 1989).

Each indicator of Table V, was individually measured in “Qualitative” terms (viz., monetary, non-monetary, qualitative, qualitative & monetary, qualitative & non-monetary, monetary & non-monetary and qualitative,

monetary & non-monetary) to know the content disclosed in qualitative terms. Table VII (A) & (B) depicts the score allotted thereon as per Table II.

Table VII (A) : Social and Environmental Indicators Measured (Quality-Wise)
(Score Board)

Indicators	ITC Ltd.	IFS Ltd.	MSU Ltd.	REL Ltd.	TAM Ltd.
Corporate Social Responsibility (CSR) Awards	20	20	10	20	20
Alleviating Environmental Pollution/ Environmental Protection	10	20	20	20	20
Waste Management/Recycling & Waste Management	20	20	20	10	20
Tree Plantation	20	20	10	20	20
Support for Public Health/Promoting Health Related Programs	20	20	20	20	20
Promotion of Education	20	20	20	20	20
Occupational Health & Safety/Health & Safety at Work Place	20	20	20	20	20
Training and Development Programs	20	20	20	20	20
Customer Relation & Feedback Mechanism	20	20	10	10	20
Diversity in Workforce	20	20	10	20	20
Efforts to reduce CO Emissions/GHG	20	20	20	20	20
Infrastructure Development	20	10	10	10	20
Water Management/Conservation	20	20	20	20	20
Women Empowerment	20	20	20	20	10
Corruption	10	10	20	10	20
Child/Forced Labour	10	10	10	10	10
Rural/Community Development	10	20	10	20	20
Toilet Constructions	20	0	20	0	20
Social & Environmental related projects	30	20	20	20	20
Preservation of Native Flora & Fauna	20	10	0	0	20
TOTAL	370	340	310	310	380

Source: Sustainability/Annual/CSR reports

Table VII (B) : Social and Environmental Indicators Measured (Quality-Wise)
(Score Board)

Indicators	BHE Ltd.	HIN Ltd.	BAJ Ltd.	ASP Ltd.	ONG Ltd.	Avg. Indicator Wise (All 10 Companies)
Corporate Social Responsibility (CSR) Awards	10	10	10	10	10	14
Alleviating Environmental Pollution/ Environmental Protection	10	10	10	10	20	15
Waste Management/Recycling & Waste Management	30	20	20	20	20	20
Tree Plantation	20	20	10	0	20	16
Support for Public Health/Promoting Health Related Programs	20	20	20	20	20	20
Promotion of Education	20	30	30	20	20	22
Occupational Health & Safety/Health & Safety at Work Place	20	20	20	20	20	20
Training and Development Programs	20	20	20	20	20	20

Customer Relation & Feedback Mechanism	20	20	10	20	0	15
Diversity in Workforce	20	20	10	20	20	18
Efforts to reduce CO Emissions/GHG	20	20	10	20	30	20
Infrastructure Development	20	20	10	20	10	15
Water Management/Conservation	20	20	20	20	20	20
Women Empowerment	10	20	20	10	20	17
Corruption	20	10	10	0	10	12
Child/Forced Labour	10	10	10	10	10	10
Rural/Community Development	20	30	20	10	20	18
Toilet Constructions	20	20	0	20	0	12
Social & Environmental related projects	20	20	20	20	20	21
Preservation of Native Flora & Fauna	0	10	0	0	10	7
TOTAL	350	370	280	290	320	332

Source: Sustainability/Annual/CSR reports

We can observe from Table VII (A) & (B), amongst all the selected companies, “TAM Ltd.” earns the highest score of 380 points; followed by ITC Ltd. & HIN Ltd. scoring equally (370 points), BHE Ltd. (350 points), IFS Ltd. (340 points), ONG Ltd. (320 points), MSU Ltd. & REL Ltd. scoring equally (310 points), ASP Ltd. (290 points) and BAJ Ltd. scoring the least (280 points) in “Qualitative” measurement of social and environmental performance.

Further, looking to the average scores of the social and environmental indicators (Quality & Indicator-wise), the indicator-“Promotion of Education” scored the highest average (22 points average) amongst all the selected indicators during the study period. While, the indicator-“Preservation of Native Flora & Fauna” scored the least (07 points average) amongst all the selected companies during the study period. However, score “0” indicates that there was no information found clearly in the reports regarding that indicator.

OVERALL SCORES IN DISCLOSING SOCIAL AND ENVIRONMENTAL PERFORMANCE INFORMATION IN THE REPORTS OF THE SELECTED COMPANIES

Overall score is made up of the qualitative and quantitative information disclosed pertaining to social and environmental performance information [exhibited by Table VI (A) & (B) and VII (A) & (B)] of the selected companies.

Table VIII: Overall Scores

	ITC Ltd.	IFS Ltd.	MSU Ltd.	REL Ltd.	TAM Ltd.	BHE Ltd.	HIN Ltd.	BAJ Ltd.	ASP Ltd.	ONG Ltd.	Avg.
(A) Quan.	730	540	460	530	580	640	690	270	470	460	537
Rank	1	5	8	6	4	3	2	10	7	8	--
(B) Quali.	370	340	310	310	380	350	370	280	290	320	332
Rank	2	5	7	7	1	4	2	10	9	6	--
Total (A + B)	1100	880	770	840	960	990	1060	550	760	780	869
Overall Rank	1	5	8	6	4	3	2	10	9	7	--

Combining the overall score of both “Quantitative” and “Qualitative” measurement of the social and environmental performance indicators, it is clear that ITC Ltd. discloses the maximum information on social and environmental performance aspect scoring the maximum i.e., 1100 points (in total) ; followed by HIN Ltd., BHE Ltd., TAM Ltd., IFS Ltd., REL Ltd., ONG Ltd., MSU Ltd., ASP Ltd., and BAJ Ltd. starting from

highest to lowest disclosures (overall rank-wise) respectively. We can observe that in “Quantitative” terms- ITC Ltd. (730 points) is the best among the selected companies (based on the quantitative scores and/or rank-wise) while, in “Qualitative” terms TAM Ltd. (380 points) scores the highest (based on the qualitative scores and/or rank-wise) among the selected companies during the study period. However, the company BAJ Ltd. is the least scorer (based on the quantitative, qualitative & overall scores) among the selected companies during the study period.

HYPOTHESIS

H_0 = There is no significant difference in Social and Environmental Reporting scores of Indian Companies.

H_1 = There is a significant difference in Social and Environmental Reporting scores of Indian Companies.

To test the above mentioned hypothesis, we have applied One Sample t test. Following are the results of one sample t test.

One-Sample Statistics ^a				
	N	Mean	Std. Deviation	Std. Error Mean
En_Qty	20	13.8571	9.56370	2.13851
En_Quality	20	9.0952	6.33040	1.41552
En_total	20	22.9524	15.69916	3.51044
So_Qty	20	9.7656	7.57289	1.69335
So_Quality	20	6.5156	5.11913	1.14467
So_total	20	16.2813	12.63289	2.82480
a. Area = Indian Company				

One-Sample Test ^a						
	Test Value = .5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
En_Qty	6.246	19	.000	13.35714	8.8812	17.8331
En_Quality	6.072	19	.000	8.59524	5.6325	11.5580
En_total	6.396	19	.000	22.45238	15.1049	29.7998
So_Qty	5.472	19	.000	9.26563	5.7214	12.8098
So_Quality	5.255	19	.000	6.01563	3.6198	8.4115
So_total	5.587	19	.000	15.78125	9.8689	21.6936
a. Area = Indian Company						

Above table shows that, there was a statistically significant difference between the means ($p < .05$) for all variables and therefore, so we can reject the null hypothesis and accept the alternative hypothesis which means that there is no significant difference in Environmental and Social Reporting Scores of Indian companies.

CONCLUSION AND SUGGESTIONS

Looking to the overall scores, it can be said that only few Indian companies disclose their social and environmental performance information clearly (although not at its fullest possible) as found during the study period. While, the rest companies' still needs to make a quick move in this regard.

In order to achieve best results, it is thereby suggested to all the selected companies as well as the companies (of India) in general to prepare sustainability/or other related such reports and publish it on regular basis. It is also suggested to the companies to prepare a separate table of all the social and environmental performance indicators disclosed and publish it in their reports which would provide an ease to all its stakeholders to have a glance upon. All the Indian companies' (over and above the selected ones) needs to disclose more and more information on its social and environmental performance clearly and fully (both in quantitative and qualitative terms).

LIMITATIONS OF THIS STUDY

The study considers only few randomly selected Indian companies' which just gives a brief view of the social and environmental performance reporting practices carried out in India. It does not purport to demonstrate the exact results and reporting practices of the country as a whole, which can be considered as an ideal measure for such reporting.

Also, the study has been taken on for only five years period which gives a very brief view of the social and environmental performance reporting practices of the selected companies. It gives a nut shell view of the few selected indicators and not the reporting of social and environmental performance as a whole.

Though efforts were undertaken to ensure coding reliability, there remains a degree of subjectivity in the determination and undertaking of coding practices in content analysis research.

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RECENT TREND OF DISPARITIES IN TEACHER EDUCATION IN INDIA

Dr. Amar Upadhyaya

Assistant Professor, Department of Education, Dibrugarh University, Dibrugarh

ABSTRACT

Teacher Education is considered as one of the important areas of the education system. It is the fundamental area of education which enhances the quality of teacher. According to Goods Dictionary of Education, Teacher Education means "all the formal and non-formal activities and experiences that help to qualify a person to assume responsibilities of a member of the educational profession or to discharge his responsibilities more effectively." The American Commission on Teacher Education rightly observes, "The quality of a nation depends upon the quality of its citizens. The quality of its citizens depends not exclusively, but in critical measure upon the quality of their education, the quality of their education depends more than upon any single factor, upon the quality of their teacher." The present scenario of teacher education in India is not very much encouraging. The trend of increasing private Secondary Teacher Education Institutions (STEIs) is a common phenomenon all over India. The rising trend of self-financing institutions and the commercialization of Secondary Teacher education in India is of great concern for a country. This paper mainly highlights the regional gap in teacher education and trend of privatization of teacher education in India. The data collected from secondary sources were analyzed to fulfill the objectives. A few suggestions are also incorporated in the paper for the healthy growth of teacher education in India.

Key words: India, Privatization, Teacher Education. NCTE

1. INTRODUCTION

Teacher Education is considered as one of the important areas of the education system. The American Commission on Teacher Education rightly observes, "*The quality of a nation depends upon the quality of its citizens. The quality of its citizens depends not exclusively, but in critical measure upon the quality of their education, the quality of their education depends more than upon any single factor, upon the quality of their teacher.*" As stated by NCTE (1998) in Quality Concerns in Secondary Teacher Education, "*The teacher is the most important element in any educational program. It is the teacher who is mainly responsible for implementation of the educational process at any stage. This shows that it is imperative to invest in the preparation of teachers, so that the future of a nation is secure. The importance of competent teachers to the nation's school system can in no way be overemphasized. The National Curriculum Framework 2005 places demands and expectations on the teacher, which need to be addressed by both initial and continuing teacher education.*"

According to Goods Dictionary of Education, Teacher Education means "*all the formal and non-formal activities and experiences that help to qualify a person to assume responsibilities of a member of the educational profession or to discharge his responsibilities more effectively.*"

The trend of increasing private Secondary Teacher Education Institutions (STEIs) is a common phenomena all over India. The rising trend of self-financing institutions and the commercialization of Secondary Teacher education in India is of great concern for a country, like India, where poverty is a major stumbling block in the goal of education. The problem of commercialization of teacher education in India is highlighted in the NCERT document which expressed its concern with the words, "*Commercialization is fastly gripping the teacher education today. With state support dwindling, self financing institutions are the latest phenomena. From admission to the conduct of courses and finally to evaluation the costs for students are rising. Unscrupulous profit motivated individuals and agencies are getting into the business of teacher education. Poor infrastructure, meager salaries to teachers and high fees from students are becoming common. Teacher Educators are appointed on total emoluments less than those received by regular teachers, as sanctioned by the UGC and the governments. High fees are charged from the application for admission process, which leaves plenty of profits over expenses.*"

The increasing numbers of private organizations are basically motivated by the profit motive and they compromise the quality of teacher education. So, on the one hand, while the cost of teacher education has been rising with each passing year, on the flip side the quality of teacher education is compromised. The rising trend of cost of teacher education is guided by the rising phenomena of self-financing institutions.

2. OBJECTIVES OF THE PAPER

The main objectives of this paper are:

- To assess the State-wise disparities in Teacher Education programmes in India.
- To analyze Management-wise disparities in Teacher Education programmes in India.
- To analyze the level-wise disparities in Teacher Education programmes in India.

3. METHODS OF PREPARATION OF THE PAPER

This paper is conceptual and analytical in nature. The presenter has studied different books and journals and internet sources and collected secondary data to fulfill the objectives as stated in the paper.

4. RATIONALE OF THE PAPER

Teacher education is an essential aspect of the education system. As India is a geographically and demographically vast and diverse country so it is essential to analyze the distribution pattern of teacher education opportunities of the different regions of the country.

5. ANALYSIS AND DISCUSSIONS

Below is given briefly, the analysis of the three objectives of the present study:

A. State-wise Disparities in Enrolment into Teacher Education Programmes in India: The provisions of teacher education programmes have not been equally enjoyed by the people of all corners of this country. Just like overall development of Higher education is quite unbalanced in the country, the Teacher education programme has also developed in an unbalanced manner in the different corners of the country. The Table: 1 shows the state-wise distribution of the number of teacher education institutions in India. The table also reflects the ratio of the total population of each state and the existing number of teacher education institutions within its territory.

Table 1: State-wise disparities in Enrolment into the Teacher Education Programmes in India (as on 15.3.2013)

Sl. No	Name of the State	Number of teacher education institutions	Total Intake	Total population of the state as per Census 2011	Ratio of total population and Number of teacher education institutions
01.	Andhra Pradesh	1597	119616	84665533	53015:1
02.	Arunachal Pradesh	12	895	1382611	115217:1
03.	Assam	78	5790	31169272	399606:1
04.	Bihar	207	19985	103804637	384461:1
05.	Chhattisgarh	192	17550	25540196	133021:1
06.	Goa	9	595	1457732	161970:1
07.	Gujarat	1068	68679	60383628	56538:1
08.	Haryana	838	80592	25353081	30254:1
09.	Himachal Pradesh	147	13643	6856509	46642:1
10.	Jammu & Kashmir	NA	NA	1254896	
11.	Jharkhand	127	11560	32966238	259576:1
12.	Karnataka	1604	100445	61130704	38111:1
13.	Kerala	489	32824	33387677	68277:1
14.	Madhya Pradesh	1002	71935	72597565	72452:1
15.	Maharashtra	2249	137998	112372972	49965:1
16.	Manipur	17	1380	2721756	160103:1
17.	Meghalaya	15	1024	2964007	197600:1

18.	Mizoram	7	515	1091014	155859:1
19.	Nagaland	10	790	1980602	198060:1
20.	Orissa	112	6359	41947358	374529:1
21.	Punjab	394	52370	27740236	70406:1
22.	Rajasthan	1174	99755	68621012	58450:1
23.	Sikkim	8	515	607688	75961:1
24.	Tamil Nadu	1677	211691	72138958	43016:1
25.	Tripura	11	1150	3671032	333730:1
26.	Uttar Pradesh	2201	167235	199581477	90677:1
27.	Uttaranchal	104	9372	10116752	97276:1
28.	West Bengal	420	31078	91347736	217494:1

Source: MHRD, Govt. of India (www.mhrd.gov.in)

The Table 1 shows that Assam is the state where the lowest concentration of Teacher education Institutions is found in comparison to the total population of the state. The other states who reflect such dismal figures in this category are Bihar, Jharkhand, Orissa, West Bengal and all the Northeastern states. On the other hand, in some states the concentration of teacher education institutions is very high. The states which fall under this category are Andhra Pradesh, Gujarat, Haryana, Himachal, Karnataka, Maharashtra, Tamil Nadu, Rajasthan etc.

B. Management-wise disparities In Enrolment into Teacher Education programmes in India: The teacher education scenario in India is highly confusing where the management of these institutions are concerned. The numbers of Elementary Teacher Education Institutions (ETEIs) under private management are 9 times more than the Elementary Teacher education institutions (ETEIs) under Government management. In a similar way, the situation for Secondary teacher education is quite pitiable. The numbers of Secondary Teacher education institutions (STEIs) under private management are 30 times higher than the Secondary Teacher education institutions (STEIs) under Government management. It can be easily realized from the figures provided in the Table: 2, given below, that the role played by the Government is insignificant in the field of teacher education in India. The intake in Government ETEIs during the academic session 2012-13, (illustrated in Table: 2), was 43,930 while in the Private ETEIs it was 3,56,731, **which is 8 times more than the Government ETEIs**. Similarly, the intake in Government STEIs for the same period was 22,931 and in Private STEIs the enrolled figure was 758976, **which is 33 times more than the intake in Government STEIs**.

C. Level wise disparities in Teacher Education programme in India: The teacher education in India has also been found unequal on the basis of level. The total number of teacher education institutions for elementary level are 7194 out of which 751 (Govt.) and 6443 (Private) and for secondary level it is 6748 out of which 220 (Govt.) and 6528 (Private).

Table 2: Management and Level wise distribution in Teacher Education institutions in India (as on 15.3.2013):

Sl. No	Name of the State	ETEIs				STEIs			
		Govt.	Intake	Private	Intake	Govt.	Intake	Private	Intake
1.	Andhra Pradesh	31	1550	725	37252	5	500	583	62321
2.	Arunachal Pradesh	6	295	0	0	1	100	5	500
3.	Assam	22	1320	0	0	9	660	43	3725
4.	Bihar	54	3800	11	700	6	610	131	14700
5.	Chhattisgarh	18	800	22	1150	2	200	135	12660
6.	Goa	1	40	3	160	0	0	4	360
7.	Gujarat	29	1450	579	27624	11	1100	345	34500
8.	Haryana	24	1200	243	12150	19	2740	468	60400

9.	Himachal Pradesh	12	1200	24	1948	3	300	87	8845
10.	Jammu & Kashmir	NA	NA	NA	NA	NA	NA	NA	NA
11.	Jharkhand	17	1010	10	600	4	400	91	9350
12.	Karnataka	19	811	989	49589	10	1000	391	39100
13.	Kerala	33	1150	180	9000	15	1500	177	17770
14.	Madhya Pradesh	65	3250	391	18520	5	500	464	46900
15.	Maharashtra	133	6650	1390	68750	19	1900	556	55500
16.	Manipur	8	400	0	0	2	330	5	600
17.	Meghalaya	10	574	1	50	1	100	3	300
18.	Mizoram	4	330	0	0	2	150	0	0
19.	Nagaland	3	150	1	60	2	200	4	380
20.	Orissa	65	3290	1	50	20	2025	0	0
21.	Punjab	17	850	59	22050	6	1200	225	23925
22.	Rajasthan	35	1750	261	13050	8	800	769	79800
23.	Sikkim	3	150	1	40	1	100	2	200
24.	Tamil Nadu	37	3350	765	54388	10	708	674	150110
25.	Tripura	4	480	0	0	1	150	3	400
26.	Uttar Pradesh	58	5750	638	32150	4	250	1136	113750
27.	Uttaranchal	5	450	0	0	46	4600	33	3280
28.	West Bengal	38	1880	149	7450	8	808	194	19600
	Total	751	43930	6443	356731	220	22931	6528	758976

Source: MHRD, Govt. of India (www.mhrd.gov.in)

6. RECOMMENDATIONS

From the above analysis the paper safely concludes that although there is an urgent need for increasing the number of Teacher education institutions at all levels, the present findings reveal that the majority of ETEIs & STEIS are mostly under private management, where the fees are highly unregulated and at times extremely high, which makes it difficult for many eager students to refrain from admission into these educational programmes and seek admission into other courses or programmes which are within their reach. This had led to the lack of skilled and trained teachers in our country, besides the huge lag between the demand for trained teachers and the supply of such skilled personnel. On the basis of these findings therefore, the authors would like to recommend the following suggestions:

- The Govt. of India has to increase the amount of financial and infrastructural allocations for the teacher education programmes at all levels.
- More Teacher education institutions are needed to be started in the states having less numbers of institutions in the context of the total population desirous for the same.
- Considering the economic status of the people, the Government has to establish more numbers of institutions under its own financial management to prevent the mushroom growth of Private teacher education institutions.
- The NCTE has to take necessary steps to stop the commercialization of Teacher education all over the country so as to ensure equity and access to the persons desirous for teacher education and also to ensure quality and excellence in existing private teacher education institutions.

7. CONCLUSION

In the present century, the importance of teacher education is highly recognized in all over the world. The developing countries having the bottom-age population pyramid are struggling for quantity and quality of education specially the school education. The large number of untrained teachers is a vital factor for lack of quality school education all over the country. Until and unless the parameters of need and equity are addressed and importance is given to providing access to teacher education based on the foundations of demand and supply, quality cannot be achieved in school education. Importance on teacher education indirectly means an increase in the Government expenditure for expansion of teacher education programmes at all levels in the country, especially in states like Assam and other Eastern and Northeastern states, which are lagging behind in comparison to the developed states of the country. To address this gap, the 12th Five year Plan (FYP) highlighted the importance that it gave to Teacher education, by stating in its document that urgent measures needed to be taken in this regard. It even mentioned in its 12th FYP document that the provisions for

teacher education in the country should lay special emphasis on the northeastern states along with the Northern and Eastern parts of the country. This document emphasizes this as: “*Several States in the North, East and North- Eastern regions have an acute problem of untrained teachers. Therefore, pre-service and in-service training of teachers needs to be mounted on a mission mode during the Twelfth Plan.*”

The 12th Plan document also observed that in order to address the issue of availability and quality of teachers for the school system, each State must maintain a detailed district-wise database of teachers, teacher educators and teacher education institutions. National professional standards for teachers and teacher educators must be evolved. These must be used as a basis for designing pre-service and in-service training programmes and their performance assessment processes for professional development.

But it is mainly a question of accessibility and availability of funds for improvement of the quality of teacher education that is a matter of concern for educational policy planners and educationists of this field. It is clearly observed that the problem of infrastructure existed in both private and government-managed teacher education institutions in Assam. The private teacher education institutions are growing tremendously compromising the quality of Teacher education, which is not a good sign for the expansion of teacher education in Assam as well as in the whole country. So, Teacher education needs to be nurtured and fostered by the Government of the day if we want to build a better society of young leaders for the future.....those who are presently studying in the schools of the country: young, aspirational citizens of the future, who need to be moulded in the classrooms of our schools today by committed and creative teachers who may be able to kindle their spirits for a better world tomorrow.

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**MERCHANTS PERCEPTION TOWARDS CASHLESS ECONOMY: A CASE STUDY WITH
REFERENCE TO BELTHANGADY TALUK IN KARNATAKA**

Dr. ChandravathiCoordinator, Department of P G Studies in Commerce, GFGC Belthangady, D.K District, Karnataka

ABSTRACT

The purpose of this paper is to examine the perception of merchants towards a cashless society in India with reference to Belthangady TQ especially with lack infrastructure deficits. This study examines the cashless economic system, so as to assess its feasibility in India with regards to timelessness, preparedness and adequacy against the backdrop of our level of development both technologically and educationally. This study reports the findings from a survey; A questionnaire was administered to 50 merchants in the study area. This findings states that analysis of Variance (ANOVA) shows that there is a significant difference ($p < 0.001$, HS) merchant perception towards creates cashless society. Thus, Null hypothesis has to be rejected. It is inferred that there is a significant relation among various components to create cashless society.

INTRODUCTION

In Belthangady continues to be driven by the use of cash, less than 5% of all payment happen electronically. The finance minister in 2016 budget speech talked about the idea of making India a cash less society with the aim of curbing the flow of black money. A cashless society means all the transaction are done using cards all digital means circulation of money or currency or coins is minimum. In study area people too much using cash for transaction comparing to other cities like puttur, Mangalore etc. In this study area people are using less percentage of cards or digital because of non availability of internet connection and financial literacy. In Belthangady TQ dominated by small retailers, they don't have enough resources to invest in electronic payment infrastructure; The perception of customer's also same times acts a barrier. Most card and cash fear that they will be charged more if they used card, and lack of infrastructure difficulties.

OBJECTIVE OF STUDY

- a) To understand merchants' awareness about the cashless society
- b) To know the expectations of the Merchant towards Cashless economy
- c) To understand perception towards Cashless economy

LITERATURE REVIEW

Recently, measurement of cash less economy has received interest among merchants. Few prominent studies in this line are as follows Some of these developments are characterized as mobile ways of transferring money digitally; Short Message Service (SMS), Quick Response (QR)-codes, and Near Field Communication (NFC).

SMS : SMS has existed since 1992 and a message can only contain 160 characters, which limits the contents relatively. SMS's are used in areas such as in Television shows for buying tickets for transportation, or between friends. The technology always works as remote communication via Global Systems of Communication (GSM) and EDGE/UNITS networks among others.

QR-code : A QR-code is a 2D barcode that can be scanned by a mobile phone, using a network on the mobile phone's browser. In the same manner, the user enters his credit card information on the webpage to be charge this way. A QR-code can also be used as verification for a purchase such as in boarding pass. The code can be scanned directly on the mobile phone by a flight line agent. However, a QR-code payment is still a strange thing to Nigerian financial landscape.

NFC : NFC is a new and more sophisticated technology within the Radio Frequency Identification (RFID) technology, which is a subset of RF technology. It is based on a wireless, but close proximity transmission from a mobile phone to another or to a reader at a maximum range of 10cm. A research carried out by Au, Y.A & R.J, Kauffman. (2007)., and [EIU & IBM (2010)], suggested that the increased use of cashless payment systems could lead to a cashless society; a topic eagerly debated among information technology (IT) students, politicians, companies and banks. In a cashless society, payments can be made at unmanned vending machines, at manned point of sale (POS), over the Internet, using mobile phones, personal digital assistants (PDA's), smart cards and other electronic payment systems such as credit and debit cards. The creation of such a society creates a complex challenge. If it were to succeed, it could have a positive effect on the economy, crime, health and the environment. In a time when the welfare state's future is up for discussion, sound financial savings and efficiency improvements are important conditions for the future welfare level.

ANCIENT METHODS OF PAYMENT

In the early 2000's early mobile contents and services such as ring tones and logos were successful, and made mobile payment services a hot topic that even survived the burst of Internet activities N. Mallat. (2006). Mobile payments were suggested as an alternative for micro-payments at POS, where the use of cash had been declining for many years. Lots of mobile and electronic payment solutions have been introduced ever since, but most of them have failed or have had a low penetration rate [V.G. Kopytoff. (2010) and [T. Dahlberg, N. Mallat, J. Ondrus, & A. Zmijewska. (2008)]. It needs to be noted the concept of 'payment' is a basic act which cannot be changed just like that considering that payment is transacted in almost the same way worldwide, and would therefore be a serious challenge if each country had its own electronic payment system. Further complications arise when business additionally develop their own electronic payment systems, such as those for buses, subways and petrol. [V.G. Kopytoff. (2010)] supports this argument and states that payment solutions have to be standardized in order to be adopted by the consumers. One of the more successful electronic payment systems is 'PayPal', which was launched as far back as 1999. Initially, PayPal enabled people to perform transactions of small payments by means of e-mails and PDA's (personal digital assistance). Since then, PayPal's system has been re-designed and extended several times, and was acquired by eBay in July, 2002 [N. Mallat. (2006).]

METHODOLOGY

This study was descriptive and analytical in nature. The study mainly depended upon the primary data to develop this article. However, some secondary sources of data were consulted for the purpose of gathering background information supporting the study. Relevant primary data were collected using the combination quantitative (sample survey). Primary data were collected through questionnaire method. A Questionnaire was administered to 50 merchants in the study area. Appropriate and relevant statistical tools and techniques will be used such as Descriptive statistics (Mean and S.D), Analysis of Variance (ANOVA). Tools used for the study is shown in the table:

Table-1 Criteria used for the Research Study

Class	0-25	25-50	50-75	75-100
Perception of Student	Strongly Disagree	Disagree	Agree	Strongly Agree

ANALYSIS AND FINDINGS

Respondent opines that they agree cashless economy						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	1	2.0	2.0	81.5	3.26±0.5996
	Disagree	1	2.0	2.0		
	Agree	32	64.0	64.0		
	Strongly Agree	16	32.0	32.0		
	Total	50	100.0	100.0		

2 % of the respondents strongly disagree, 2 % of them disagree, 64% of them agree, 32% of them strongly agree that Respondent opines that they agree cashless economy

Respondent opines that cashless transaction is good for the business						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	1	2.0	2.0	81.5	3.26±0.5996
	Disagree	5	10.0	10.0		
	Agree	30	60.0	60.0		
	Strongly Agree	14	28.0	28.0		
	Total	50	100.0	100.0		

2 % of the respondents strongly disagree, 10 % of them disagree, 60% of them agree, 28% of them strongly agree that Respondent opines that cashless transaction is good for the business

Respondent opines that cashless transaction safe						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Disagree	6	12.0	12.0	80	3.2±0.6388
	Agree	28	56.0	56.0		
	Strongly Agree	16	32.0	32.0		
	Total	50	100.0	100.0		

0 % of the respondents strongly disagree, 12% of them disagree, 56% of them agree, 32% of them strongly agree that Respondent opines that cashless transaction safe

Respondent opines cash transaction is better than cashless transaction						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	4	8.0	8.0	65.5	2.62±0.77959
	Disagree	16	32.0	32.0		
	Agree	25	50.0	50.0		
	Strongly Agree	5	10.0	10.0		
	Total	50	100.0	100.0		

8 % of the respondents strongly disagree, 32 % of them disagree, 50% of them agree, 10% of them strongly agree that Respondent opines cash transaction is better than cashless transaction

Respondent opines that Mobiles banking, internet banking, online banking is safe						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	1	2.0	2.0	76.5	3.06±0.68243
	Disagree	7	14.0	14.0		
	Agree	30	60.0	60.0		
	Strongly Agree	12	24.0	24.0		
	Total	50	100.0	100.0		

2 % of the respondents strongly disagree, 14 % of them disagree, 60% of them agree, 24% of them strongly agree that Respondent opines that Mobiles banking, internet banking, online banking is safe

Respondent opines that Indian banking technology enough for cashless transaction						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	7	14.0	14.0	62	2.48±0.88617
	Disagree	18	36.0	36.0		
	Agree	19	38.0	38.0		
	Strongly Agree	6	12.0	12.0		
	Total	50	100.0	100.0		

“14 % of the respondents strongly disagree, 36 % of them disagree, 38% of them agree, 12% of them strongly agree that Respondent opines that Indian banking technology enough for cashless transaction

Respondent opines that cashless transaction is safe after demonetization						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	9	18.0	18.0	74.5	2.98±0.58867
	Disagree	33	66.0	66.0		
	Agree	8	16.0	16.0		
	Total	50	100.0	100.0		

18 % of the respondents strongly disagree, 66% of them disagree, 16% of them agree, 0% of them strongly agree that Respondent opines that cashless transaction is safe after demonetization

Respondent opines at present prime minister dream towards cashless economy is good						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	3	6.0	6.0	88	3.52±0.78870
	Agree	15	30.0	30.0		
	Strongly Agree	32	64.0	64.0		
	Total	50	100.0	100.0		

6 % of the respondents strongly disagree, 0% of them disagree, 30% of them agree, 64% of them strongly agree that Respondent opines at present prime minister dream towards cashless economy is good

Respondent opines that to create cash less society requires up gradation of banking technology						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Disagree	11	22.0	22.0	75	3.0±0.67006
	Agree	28	56.0	56.0		
	Strongly Agree	11	22.0	22.0		
	Total	50	100.0	100.0		

“0% of the respondents strongly disagree, 22% of them disagree, 56% of them agree, 22% of them strongly agree that Respondent opines that to create cash less society requires up gradation of banking technology”

Respondent opines that demonetization is the stepping stone to create cashless society						
		Frequency	%	Valid Percent	% Mean	Mean and Standard Deviation
Valid	Strongly Disagree	1	2.0	2.0	79	3.16±0.65027
	Disagree	4	8.0	8.0		
	Agree	31	62.0	62.0		
	Strongly Agree	14	28.0	28.0		
	Total	50	100.0	100.0		

2% of the respondents strongly disagree, 8% of them disagree, 62% of them agree, 28% of them strongly agree that demonetization is the stepping stone to create cashless society

ANOVA Table

		Sum of Squares	df	Mean Square	f	Sig.
Respondent opines that cashless transaction is good for the business	Between groups	2.395	3	.798	1.871	.148
	Within groups	19.625	46	.427		
	Total	22.020	49			
Respondent opines that cashless transaction safe	Between groups	3.094	3	1.031	2.806	.050
	Within groups	16.906	46	.368		
	Total	20.000	49			
Respondent opines cash transaction is better than cashless transaction	Between groups	2.374	3	.791	1.328	.277
	Within groups	27.406	46	.596		
	Total	29.780	49			
Respondent opines that mobiles, internet and online banking is safe	Between groups	1.195	3	.398	.847	.475
	Within groups	21.625	46	.470		
	Total	22.820	49			
Respondent opines that indian banking technology enough for cashless transaction	Between groups	2.543	3	.848	1.085	.365
	Within groups	35.938	46	.781		
	Total	38.480	49			
Respondent opines that cashless transaction is safe after demonetization	Between groups	1.355	3	.452	1.330	.276
	Within groups	15.625	46	.340		
	Total	16.980	49			

Respondent opines at present prime minister dream towards cashless economy is good	Between groups	1.761	3	.587	.940	.429
	Within groups	28.719	46	.624		
	Total	30.480	49			
Respondent opines that to create cash less society requires up gradation of banking technology	Between groups	2.281	3	.760	1.774	.165
	Within groups	19.719	46	.429		
	Total	22.000	49			
Respondent opines that demonetization is the stepping stone to create cashless society	Between groups	3.095	3	1.032	2.693	.057
	Within groups	17.625	46	.383		
	Total	20.720	49			

Analysis of variance (ANOVA) shows that there is a significant different ($p < 0.001$, HS,) in perception among the various components of cashless society with special reference to Belthangady. The overall percentage denotes good perception towards cashless society with special reference to Belthangady .

CONCLUSION AND RECOMMENDATION

From the above stated analysis, it appears that much has already been done on the issue of awareness of cashless economy and that a sizeable proportion of the people are actually awaiting the introduction of the cashless economy. It also appears that many people actually agree with the government on the usefulness of the cashless economy. It is agreed that the cashless system will be helpful in the fight against corruption and money laundering. One most significant contribution of the cashless economy is that it is expected to reduce the risk associated with carrying cash. Since most transactions will now be settled electronically, people will have less need to move around with cash and therefore, loss of cash, theft and armed robbery will drastically reduce.

SUGGESTION

- Government should provide Better infrastructure like high speed broad band connectivity
- Better banking facility
- To provide awareness to small retailers.
- Government should offer digital incentives

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PORTRAYAL OF FEMALE GENDER IN ADVERTISEMENTS FOR PERSUASION: THE INDIAN CONTEXT

Ashima Ahuja

Assistant Professor, Amity School of Business, Amity University, Noida

ABSTRACT

Since ages the female gender has been used in various forms in order to persuade people to buy the products in advertisements. It is seldom seen that the women are not objectified or there is not a single stereotype that is associated with the female gender when one looks at the advertisements that are shown in the television or any mass media for that matter.

This study focuses entirely, to critically analyse the usage of female as a gender in advertisement and how it is used in certain places to persuade people to buy the product by sticking to certain stereotypes that have been there in the society since ages.

It goes without saying that due to technological advancements education and changing mindset of people there has been a Paradigm shift in the way things were portrayed earlier, but we still have a long way to go.

INTRODUCTION

The world of advertising is unique. It is fascinating, hypnotic, cossetting, powerful, sequential, global and vivacious. Men and women, are portrayed in advertisements according to the constructed definition of femininity and masculinity, The social role of women and men has changed in many western societies over the past few years. At the same time, advertisers still depict women and men in tradition-bound roles to promote their products. The pervasive use of television, and its potential to influence audiences' attitudes and perceptions, have led to growing criticism of marketers lacking sensitivity to reflect the changes in gender roles in advertising. Researchers from various disciplines have shown interest in this topic and contributed to a large body of research on gender role portrayals in advertising over the last four decades.

We also discuss the advertising strategy then describe the method of the advertising also we discuss about the body image in advertising and societal pressures faced by females due to objectification and discuss about various aspects of usage of gender in advertising along with relevant examples taken to justify the topic and its relevance.

LITERATURE REVIEW

The most frequently researched topics concerning the portrayal of women in advertising are the role portrayals relating to people and products. The issue discussed is whether advertising accurately reflects current women's roles or stresses stereotypic roles for women through explicit portrayals in particular role situations or through innuendo (Kerin et al., 1979) Wagner and Banos (1973) in their study concluded that the percentage of women in working roles had increased to 21%, Dominick and Rauch (1971) examined nearly 1,000 prime time television commercials and found that women were mostly portrayed in the role of housewife/mother and the occupational roles were substantially less as compared to men. Silverstein and Silverstein (1974) in their study on television commercials concluded that :

1. Men are usually announcers, due to the attributed "voice of authority and trust."
2. Women were shown in the home with greater frequency than men.
3. Men were more likely to give advice to women
4. A woman's occupation was rarely evident.
5. Women were eight times more likely to be as portray subservient roles in their interactions with men.

McArthur and Resko (1975) also observed that the percentage of males used in television advertisements was higher even for situations where they would not be the primary users of a product or service. The authors of the sex portrayal articles of the 1970s concluded that women are not portrayed as independent, human beings, but are primarily used as sex objects.

In the 1980s, Courtney and Whipple (1983) found that women were being portrayed in the home settings and men appeared in business settings, although the difference was less than those found in the studies of the 1970s commercials. Sullivan and Connor (1988) studied the role portrayals in magazine advertising from 1953- 1983. They reviewed 364 advertisements over 15 product categories. The results of their study were

similar to the study of Courtney and Whipple. They also concluded that the difference in role portrayals of men and woman had reduced from 1970s. They further said that 52% women were portrayed as employed, 77% in non working roles and only 6.67% were depicted in family environment.

The traditional model of gender has been the prevailing discourse on gender, and the damage done by this hegemony is undeniable. Wage gap (Goldin, 2014), rape culture, sexual harassment and personal repression are all forms of this oppression.

Mass communication – advertising being a form thereof – facilitates the widespread unconscious absorption of culture (Dino, personal communication). Cultivation Theory likewise explains the impact of mass media on both the individual and society (Magno, personal communication).

ADVERTISING STRATEGY

Media and advertising has also taken a strategic role in today's society. Women's behavioural intention is enhanced more through a transformation message strategy than an information message strategy. However, a man's behavioral intention is an information message strategy as opposed to a behavioural intention. Women are frail thin, and often are edited or "touched up" to look thinner and flawless. The people whom advertisements are aimed at, rarely look the same as those portrayed in the advertisement themselves. The Females process self-efficacy and behavioral intention emotionally rather than rationally like males do.

Research suggests that there are **four different and independent components**. They are

- Trait descriptors
- Physical characteristics
- Role
- Occupational status.

Each component has a masculine and a feminine version.

Stereotyping becomes a hurdle for the society when it starts restricting the opportunities in life for a social category or a subject in person. For the exact same reason public policies today are concerned about marketing activities that promote stereotypes which affect a certain section of the society.

In majority of the cases it has been found that the worst affected section of the society is that of women. The physical characteristics shown in the advertisement can lead to low self-esteem, changes in roles, behaviours and it may lead to restricted opportunities for self-development of the individual.

STEREOTYPING IN GENDER ADVERTISING

Stereotypes are a set of concepts pertaining to a social category. Gender stereotypes are beliefs that certain attributes differentiate women and men (Ashmore & Del Boca 1981). Research suggests that they have four different and independent components:

- Trait descriptors (e.g. self-assertion, concern for others)
- Physical characteristics(e.g. hair length, body height)
- Role behaviours (e.g. leader, taking care of children)
- Occupational status (e.g. truck driver, elementary school teacher, housewife).

Each component has a masculine and a feminine version, with masculine and feminine components significantly more strongly associated with males and females, respectively. Many content analyses have provided a catalogue of variables related to gender roles. Most of the variables can be grouped along these components.

Variables that refer to the first component are usually not applied as gender role variables in content analysis. Since, trait descriptors are not directly observable and need to be inferred from indicators, which leads to problems of validity and reliability in a content analysis.

Stereotypes are not necessarily negative judgements, Since they can lead to expectations that can provide useful orientations in everyday life. However, they can lead to oversimplified conceptions, misapplied knowledge evaluations, and thus to misleading evaluations of subjects of a social category.

For instance, when evaluations of job applicants are strongly based on stereotypes, men are favoured over women for jobs that men have traditionally done (Tosih & Einbender).

Such a stereotype threat (i.e. the activation of negative stereotypes when gender is salient) attributes to gender gaps. For instance to impact the mind-set of test-takers at school. which leads to different performance of girls and boys in math-intensive fields.

Each gender stereotyping component can lead to negative consequences that restrict life opportunities, particularly for women. Stereotyping of physical characteristics can lead to reduced self-dignity (e.g. as for beauty ideals) behaviours (e.g. women taking care of children) may lead to restricted opportunities of self-development, and stereotyping of occupational roles may lead to disadvantages in women's careers. Such goals are based on the idea that gender roles are mainly determined by the social environment ,although both approaches provide explanations for gender roles and sex differences.

In the following content analysis, age of central figures in advertising is the only variable that refers to physical characteristics. An unbiased depiction of the age of women and men in advertising would need to represent all age groups according to the age distribution in society.

Since the average age of figures in advertising is less than the national average in a society, there is already a biased depiction of both genders, which may be explained by the fact that more advertisements are directed towards a younger Gender roles in advertising than an older audience.

In order to find out whether the depiction of women is more or less biased than that of men, age equality of central figures can be assumed as a standard of comparison and the deviation from equality provides a relative, not an absolute, measure of stereotyping, showing 'how much more' stereotyping occurs for each gender.

Taken together, the more the depiction of certain characteristics in advertising deviates from the objective of

As for product type, using equality as a comparison baseline for product type is based on the assumption that the number of female and male decision-makers in the broad categories (domestic products versus other products) that were used for the studies are about equal. For instance, although particular body products may be targeted primarily at women, and therefore more women are shown as product users than men in the advertisements, the broader categories of domestic products comprise products that are targeted at both genders.

GENDER ROLES

The perfect example of negative social effects of using stereotypes the difficulties that we face in differentiating gender roles in the modern societies. A division of gender roles is deeply rooted in the social archetypes. In the past, the patriarchy was a dominant family model. Through the ages men have been considered to be financial providers, career-focused, assertive and independent, whereas women have been shown as low-position workers, loving wives and mothers, responsible for raising children and doing housework. Nowadays a family model is based rather on a partnership than on patriarchy and women have more rights and possibilities on the labor market. Feminist environment had a significant impact on the change in this situation. Women's liberation movement fought for the rights of women and for redefining traditional gender roles. They claimed, that there should be no distinction between typical masculine and feminine occupations, and that traits of character should not be ascribed once and for all to one gender. Although females and males are still not equal, the differences between gender are not so vast anymore. Nevertheless, many social institutions, such as mass media, still use gender stereotypes, basing on the assumption, that they are well known to everyone and help the receivers to understand the content of the message.

WOMEN PORTRAYED IN ADVERTISING

- Touching self.
- Caressing an object.
- Lying on the floor.
- Sitting on a bed or chair.
- Eyes closed.
- Confused.
- Vulnerable.
- Body contorted.
- Dressed like a child.

- Holding a man for support.
- Sexy.
- Easily Available.
- Seductive.
- Playful.
- Careless.

According to Steve Craig's research (1997), women can be presented in commercials in several variants. The first one is the most popular: a housewife obsessed by a steam on a new tablecloth or a woman whose main problem is lack of ideas for dinner. The other examples are less traditional, however, they are still very stereotypical. One can distinguish commercials with female vamps – sexy seductresses, the objects of desire of every man. They mostly advertise cosmetics, but they also appear in the commercials directed to men. When a beautiful woman accepts and praises the male cosmetics, it is treated by men as a guarantee of its quality. Another type is a woman, whose major concern is to preserve her beauty. Hence, she presents a healthy life style, is physically active, uses a wide range of body and facial cosmetics. However, one can observe mainly the presence of very thin actresses in this type of commercials, which can lead to the assumption, that only thin women can be beautiful and healthy. As a result, many female receivers fall into the obsession with their weight, which sometimes can have negative effects.

THE INDIAN PERSPECTIVE

The Indian marketing industry has been found wanting in the area of gender sensitivity in many instances due to its inappropriate and sometimes patronizing portrayal of women in advertisements. It would be careless on executives' part to turn a blind eye to the damage that inappropriate brand communication can cause to the company and potentially to the society itself.

The Indian advertising industry's gender insensitivity is proliferated through the gender stereotyping and the objectification of women. Gender stereotyping is subtle in advertising activities due to the lack of awareness, fatalism towards women's condition in the society, lack of easily accessible redressal mechanisms and sometimes plain indifference on the society's part. Going by its track record, Indian advertising industry has rarely shied away from straight-jacketing gender roles.

Numerous advertisements have portrayed women as hollow beings who measure their worth through their skin tone, body weight, beauty quotient and the likes. Scores of advertisements of brands including Axe, Close up, Fair and Lovely, Tuffs shoes, Lux Innerwear have blatantly resorted to showing women in poor light - pushing the image of women to the brink.

Advertising visuals have objectified women to the extent of portraying women as a mere sum of their body parts, denigrating their intelligence and individuality. The advertisements make girls and women feel inadequate if they do not conform to the image projected in the advertisements.

Stereotyping of women is a widespread phenomenon in the Indian media extending beyond the realm of marketing. The typical stereotypes include the naive/dependant housewife whose sole purpose is to keep her husband/kids/in-laws happy, the unmarried girl whose existence can only be validated by a suitable marriage and the village belle who has no means of livelihood and is a burden on her family.

There are a few product categories which frequently use taboo subjects as an advertising strategy e.g. perfumes, chocolates, cars and trendy clothing. In most of these cases, oblique references to eroticism and sex are perhaps one of the most common strategies used.

Women grow up in a world

- Where objectified images of women's bodies are everywhere - on TV, newsstands, in advertisements, movies, calendars.
- Where many women start to feel old and unattractive even in their 20's.
- Where women aren't taken seriously.
- Where even the youngest and most beautiful women often worry constantly, and cannot match in real life their photographed, objectified image.

- Where half-naked female bodies are displayed on walls, in public like objects, exposed female bodies used as markers of male territory, male turf... Immediate signals of discomfort, and of menace, for women.

OBJECTIFICATION OF FEMALES IN ADVERTISING

A meaning about objectification may be: "portrayals about ladies in approaches What's more contexts which propose that ladies need aid Questions will make gazed at, ogled, much touched, or used, unknown things alternately items maybe to make purchased, maybe made - Also once tired of, Indeed going discarded, frequently all the will a chance to be displaced Toward An newer, more youthful edition; absolutely not dealt with Concerning illustration full individuals for equivalent privileges Furthermore necessities.

Objectification for ladies is clearly regular for standard networking. We perceive it over advertising, over pin-ups, calendars, "girly pictures" done movies, magazines, we view it all around.

HERE ARE SOME ADVERTISEMENTS WHICH WILL HELP US UNDERSTAND THE RELEVANCE OF A TOPIC IN A BETTER WAY

• THE AXE EFFECT



The Axe way of Advertising: Axe uses humour, the objectification of sexes and propagandistic advertising techniques to sell products. Most Axe commercials are still directly geared towards men because the overall slogans and messages in the advertisements show that the deodorant will make women more interested in you if you use the product, that objectify women, slander men and that create the very specific idea that if a man or a woman buys Axe deodorant then he or she will get the partner of their dreams.

This commercial is a disturbing depiction of the objectification of women under the heterosexual male gaze and the glorification of male

sexual desire. The ad has incredibly dramatic music playing and swarms of tall, thin women with large breasts, long hair, tiny stomachs, long legs, and large behinds charging the scene as the camera primarily focuses on their fierceness of their ideal bodies as animals rather than faces or individualistic attributes as women.

It is a prime example of objectification of women. Based on Berger's statement that "how a woman appears to a man can determine how she will be treated" this commercial justifies the treatment of women like pets or lesser animals by men.

• WILD STONE



The latest in actor Dia Mirza's longish repertoire of looking impossibly pretty on celluloid, is a commercial for a deodorant brand. This one, unlike the others Bollywood stars have endorsed in the past, doesn't promise pristine white armpits or a pollution invading flowery fragrance. It tells potential male buyers that all you

need to do is spray it and stand at the window - a dazzling Dia Mirza prototype will come running to you.

• MAC Computer System



The goal within this advertisement is an attempt to persuade consumers to purchase a MAC computer system. As you notice, representing the Apple Company is a slim, young, Caucasian male while PC is being represented by a slightly middle aged Caucasian male who appears to be heavier in weight than the representative from the Apple Company. In order to appeal to customers even more, the Apple Company uses Gisele Bundchen to push the product more displaying her in a revealing dress to show off her

skin and physique. On the contrary, PC is then represented by a male dressed unattractively as a woman. Clearly, the goal of the Apple Company is to persuade the public to purchase a MAC because of its appealing and sleek look.

As a result of these commercials, men judge real, non-photoshopped women based on this ideal. These types of advertisements are so degrading to women; women are seen as sexual attractive prizes for men and nothing more

These images send messages to young girls and women that you have to look like this or you are undesirable. The obsession of staying thin comes from comparison theory, where people look at others and determine who is in the better state of attractiveness.

We believe that massive objectification of women may contribute to a "climate" in which violence and exploitation of women are both tolerated and tacitly encouraged.

CONCLUSION

This qualitative work examines one of the most important aspects in advertising which is the gender stereotypes usage. The entire success or failure of advertising depends on the choice of appeals.

With the help of immense literature available on the subject and the author being a witness to the stereotypes and the gender used in the advertising world today, there is definitely an effect on the consumers behaviour and with this we can come to a conclusion that advertising practices in India are continuously evolving over a period of time more mature and sophisticated than ever

Advertising practices are in a phase of transition especially in a developing country like India with the advent of new generation the changes in media demographic and social patterns have pushed advertising to become more mature creative and more innovative

The two advertisements discussed as example of AXE deodorant and wild stone deodorant, have tried to strike a balance between the ad campaigns and the appeal used for them the basic appeal there being femininity sold by objectification of women. This shows that the culture or basic or The Grass root level has not changed much.

The concept of drawing pleasure post-product purchase is fast emerging in the typical Indian scenario which could be attributed to the fact that the 'great Indian middle class' (largest consumer segment) has started enjoying possessing products/services advertised through appeal route. There has in fact been a major shift in the consumer behaviour of this segment. The ads of Lux soaps highlight this. Middle class has become affluent enough to enjoy 'luxury'.

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FDI IN INDIA & AN OVERVIEW OF POLICY MEASURES IN THE MODI REGIME

Shruti Gulati

Guest Faculty, Department of Commerce, Shaheed Bhagat Singh College, University of Delhi, Delhi

ABSTRACT

Foreign Direct Investment has always been the centre of attraction in India be it from the point of New Economic Policy in 1991 or to post reform era, and nonetheless due to its multidimensional role, it has been able to justify all the limelight it has fetched. In present times of globalisation, FDI has been a saviour to a developing country like India in providing an external funds source through non debt financing and bridging between domestic savings and investments by opening up doors of international capital. FDI in India has been a catalyst to economic growth, massive employment, skill and technology advancement and primarily linking different sectors and regions leading to overall growth of the nation. Cheap labour, tax exemptions, education strata and growing purchasing power parity have been able to make India bag the top spot amongst the most favoured nations for FDI.

FDI has grown in its importance in Indian economy gradually after liberalization. In the pre reform era, the amount of FDI was low and conforming to selected sectors, but now the inflow of FDI has grown tremendously in most major sectors of the economy specifically in the Modi government. As a number, the inflow has increased to above 150 times since 1991.

Alongside, The National Democratic Alliance has lubricated overseas monies by opening up several other sectors which were earlier not so accessible, ranging from as civil aviation and defence to food products and pharmaceuticals. Not lagging behind is the Indian government which has also raised foreign investment caps, and making the automatic route i.e. not requiring prior approval wider and making business in India easier. Overhauling of FDI norms has also given space to 100% investment through approval in certain sectors such as retail including through e-commerce and food products manufactured or produced in India.

But at the same time even after several attempts of liberalisation, government's hostility and fear of loss of indigenous industries has been a hindrance to foreign industries in setting up a strong Indian base. To prevent such rupture of Indian industry globally, various policy measures have been taken up in the Modi regime, allowing 100% FDI topping the charts.

Keywords: *FDI, government, growth, development, economy, industry, reforms.*

1. INTRODUCTION

When any country located or having operations domestically invests money beyond the frontiers of its home country in form of buying a company in the target company or expanding its business, it is called Foreign Direct Investment. In present times of globalisation, it is absolutely vital for a country to have associations with other foreign countries. With dynamic environment, no country can now survive only with domestic savings and investment, hence FDI bridges the gap to ensure that companies get adequate capital for growth, expansion and innovation.

According to International Monetary Fund (IMF), FDI is defined as:

“Investment that is made to acquire lasting interest in an enterprise operating in an economy other than that of investor. The investor's purpose is being to have an effective voice in the management of enterprise.”

FDI in India has thus helped in attaining financial stability and move closer to a developed country status. There has been a positive GDP growth of the Indian economy, along with an ever growing purchasing power parity leading to boost of standards of living in India. Foreign direct investments has been instrumental in generating employment to the unemployed, ensuring high revenues in the form of tax and incomes levied through domestically accrued foreign income. This has led to a domino effect in the form of development of infrastructure, backward and forward linkages to various Indian firms for the requirements of raw materials, in turn leading to poverty eradication; there has been rise in individuals resting their earnings through foreign investments like legal and financial advisers.

2. OBJECTIVE

This paper is written to understand the concept of FDI in India. The basic objectives of the study are:

- a. To know the basics of FDI
- b. To understand the concept of FDI in India

- c. To understand the relevance of FDI in India
- d. To understand the post and pre liberalisation phase of FDI reforms in India
- e. To review the recent policy measures suggested by the Modi Government
- f. To study the probable negative impact of these policy measures in India
- g. To study the probable positive impact of these policy measures in India
- h. To point out suggestive measures

3. RESEARCH METHODOLOGY

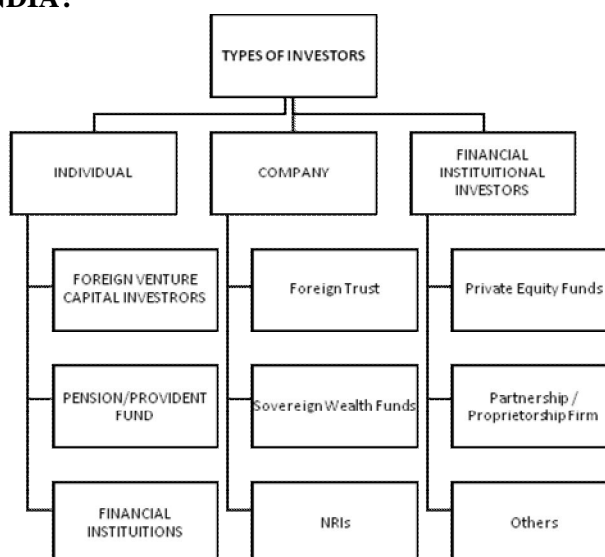
The research paper is an attempt of Descriptive Research, based on the secondary data sourced from various newspaper articles, journals, magazines, press releases and media reports.

4. FDI IN INDIA

FDI in India is not a recent concept, its historical background is routed since pre independence days with the establishment of East India Company of Britain where the British capital found its way to India during colonial era of Britain in India. Yet again, after Second World War, Japanese companies stepped in their way to Indian market and enhanced their trade with India, nonetheless U.K. remained the most prominent investor in India. This finally pushed the policy makers to put light on Foreign Capital and thus, weighing the in national interests the policy makers designed the FDI policy which aims FDI as a means for acquiring advanced technology and foreign exchange resources. With economic and political dynamics of the nation, these policies have also undergone many changes. During 1965, industrial policy, allowed MNCs to venture through technical collaboration in India as it deemed fit during those days leading to a government's liberal attitude in allowing frequent equity.

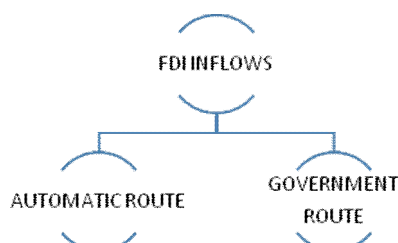
World Bank and IMF were support pillars for government of India in introducing macro-economic stabilization and structural adjustment program which resulted in open doors for FDI inflows and a liberal foreign policy that ensured restoration confidence of the foreign investors. Also, FIPB i.e. Foreign Investment Promotion Board was formed as a part of foreign investment policy of the Government of India that helped to expand and facilitate foreign investments.

WHO CAN INVEST IN INDIA?



HOW TO INVEST IN INDIA?

An Indian company can receive Foreign Direct Investment under the two below mentioned:



Investments in India can be made through:

- (i) Automatic Route: FDI in sectors or activities to the extent permitted under the automatic route does not require any prior approval either of the Government or the Reserve Bank of India for their operations in India.
- (ii) Government Route: FDI in activities that are not covered under the automatic route requires prior approval of the Government which are considered by the Foreign Investment Promotion Board (FIPB), Department of Economic Affairs, and Ministry of Finance of India.

5. RELEVANCE OF FDI FOR INIDA

1) Sustaining a high investment

India being a developing country requires funds to industrialise and modernize which are inadequate from basic savings and investment available domestically. Poverty adds on to the fund crisis.

2) Technological gap

In India, technical assistance from foreign source for provision for expert services, training of Indian personnel and educational, research and training institutions in the industry can be attained through private foreign investment or foreign collaborations.

3) Exploitation of natural resources

There is abundance of natural resources such as coal, iron and steel in the Indian geographical boundary but extraction of the resources require funds through foreign collaboration.

4) Understanding and undertaking the initial risk

In developing countries as capital is a scare resource, hence typically in India the risk of investments in new ventures or projects for industrialization is high. So, foreign capital helps in these investments which require high risk and can capitalise through returns.

5) Development of basic economic infrastructure

In the recent years foreign financial institutions and government of advanced countries have made substantial capital available to the under developed countries. FDI will help in developing the infrastructure by establishing firm's different parts of the country. There are special economic zones which have been developed by government for improvising the industrial growth.

6) Increasing the competition and better product

Foreign firms have always come up with better technology, process, and innovations comparing with the domestic firms, and thus in pressure to survive in the industry domestic firms shall improve their products.

6. FDI POLICY FRAMEWORK IN INDIA

Policy regime is one of the vital factors that influence the quantum of foreign investments flowing in the country. There has been a drastic change in India's approach to foreign investment from the early 1990s during the inception of structural economic reforms, hence policy reforms can be divided in two categories:

a) Pre-Liberalisation Period

India had followed historically an extremely careful and selective approach while formulating FDI policy keeping in mind import-substitution strategy of industrialisation. The regulatory framework saw consolidation through the enactment of Foreign Exchange Regulation Act (FERA), 1973 where up to maximum of 40 per cent foreign equity holding in a joint venture was allowed, which subsequently included various exemptions of foreign companies engaged in export oriented businesses and with high technology and high priority areas including allowing equity holdings of over 40 per cent. Inspired by the success of other Asian countries, Indian Government decided to establish special economic zones (SEZs) along with designing liberal policy cum incentives for promoting FDI in these zones to attract exports. Further liberal attitude towards foreign investments in terms of changes in policy directions was noticed through announcements of Industrial Policy (1980 and 1982) and Technology Policy (1983). The policy was aimed at de-licensing of some of the industrial rules and promotion of Indian manufacturing exports along with emphasis on modernisation of industries through liberalised imports of capital goods and technology. Trade liberalisation measures of tariff reduction and shifting of large number of items from import licensing to Open General Licensing (OGL) supported the argument.

b) Post Liberalisation period

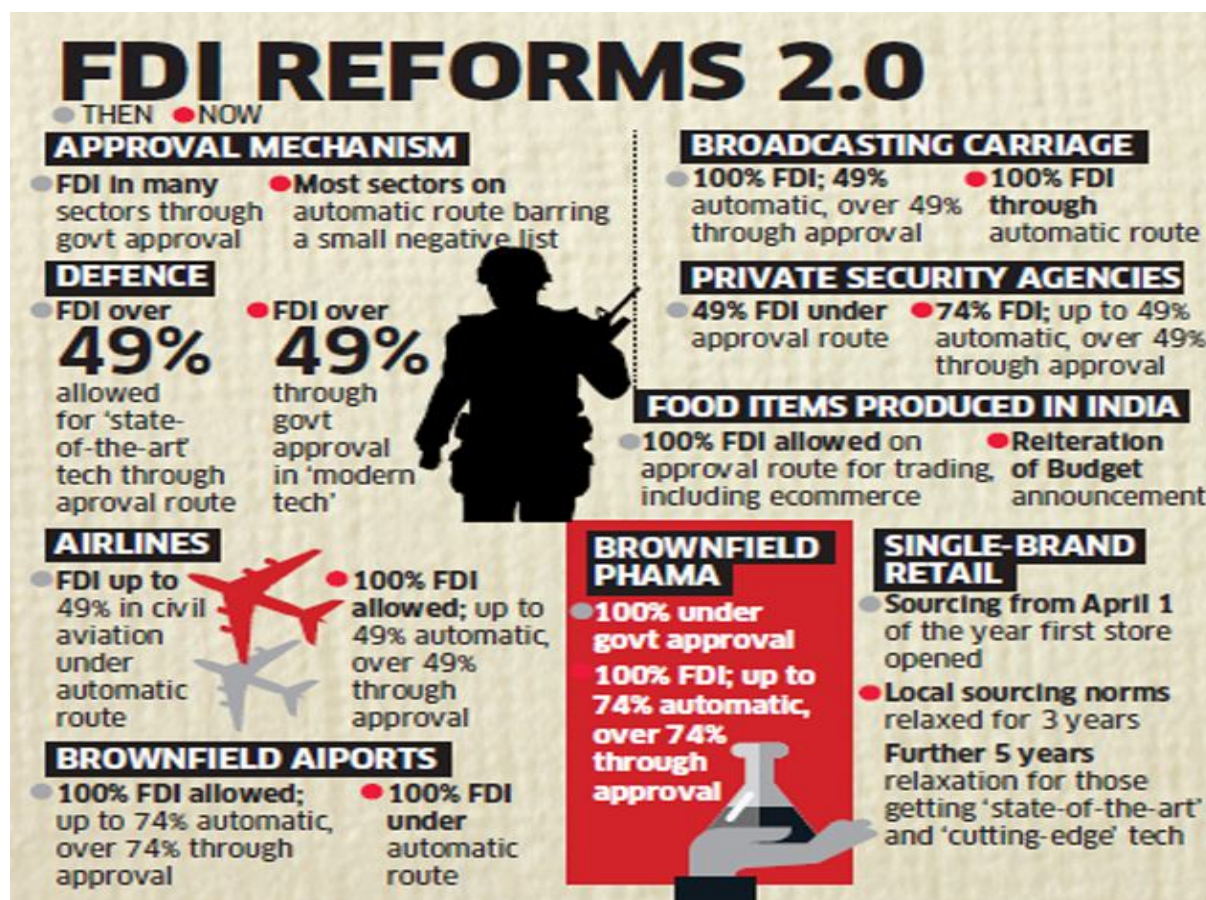
A major shift occurred when India embarked upon economic liberalisation and reforms program in 1991 aiming to raise its growth potential and integrating with the world economy. Industrial policy reforms slowly

but surely removed restrictions on investment projects and business expansion on the one hand and allowed increased access to foreign technology and funding on the other. A series of measures that were directed towards liberalizing foreign investment included:

- ❖ Dal route approval was introduced: FDI–RBI’s automatic route and Government’s approval (SIA/FIPB) route.
- ❖ Technology: Automatic permission for agreements in high priority industries, removal of restriction of FDI in low technology areas and liberalisation of technology imports.
- ❖ Permission to Non-resident Indians (NRIs) and Overseas Corporate Bodies (OCBs) to invest up to 100% in high priorities sectors in India.
- ❖ Hike in the foreign equity participation limits to 51% for existing companies and liberalising the use of foreign brand names.
- ❖ Convention of Multilateral Investment Guarantee Agency (MIGA) for protection of foreign Investments was signed. Alongside, enactment of Foreign Exchange Management Act (FEMA), 1999 [that replaced the Foreign Exchange Regulation Act (FERA), 1973] which was less stringent boosted FDI. Further, 1997, Indian Government allowed 100% FDI in cash and carry wholesale and FDI in single brand retailing was allowed 51% in June, 2006. Finally after a long debate, further amendment was made in December, 2012 which led FDI to 100% in single brand retailing and 51% in multiple brand retailing.

7. RECENT POLICY MEASURES: MODI GOVERNMENT INITIATIVES

Since the very inception, FDI in India has seen a forward moving trend towards growth. Specifically post liberalisation, where FDI has become less stringent and opened up in India, MNCs have given a thumbs up to their ventures in India.



(Image source: Economics Time, Jun 21 2016)

<http://economictimes.indiatimes.com/news/economy/policy/modi-government-approves-100-fdi-in-aviation-and-food-easier-norms-for-defence-pharma-single-brand-retail/articleshow/52842211.cms>

Hence to ensure uninterrupted capital flow in India, according 'Make in India' the following are the recent policy measures that were decided by the government on June 20 for foreign direct investment (FDI) policy at

a meeting chaired by Prime Minister Narendra Modi which are the is the second biggest reform in FDI since those announced in November 2015:

- 49% FDI under automatic route permitted in Insurance and Pension sectors
- Foreign Investment up to 49% in defence sector permitted under automatic route. The foreign investment in access of 49% has been allowed on case to case basis with Government approval in cases resulting in access to modern technology in the country or for other reasons to be recorded
- FDI limit of 100% (49% under automatic route, beyond 49% government route) for defence sector made applicable to Manufacturing of Small Arms and Ammunitions covered under Arms Act 1959
- FDI up to 100% under automatic route permitted in Teleports, Direct to Home, Cable Networks, Mobile TV, Headend-in- the Sky Broadcasting Service
- FDI up to 100% under automatic route permitted in Up-linking of Non-‘News & Current Affairs’ TV Channels, Down-linking of TV Channels
- In case of single brand retail trading of ‘state-of-art’ and ‘cutting-edge technology’ products, sourcing norms can be relaxed up to three years and sourcing regime can be relaxed for another 5 years subject to Government approval
- Foreign Equity cap of activities of Non-Scheduled Air Transport Service, Ground Handling Services increased from 74% to 100% under the automatic route
- 100% FDI under automatic route permitted in Brownfield Airport projects
- FDI limit for Scheduled Air Transport Service/ Domestic Scheduled Passenger Airline and regional Air Transport Service raised to 100%, with FDI up to 49% permitted under automatic route and FDI beyond 49% through Government approval
- Foreign Airlines would continue to be allowed to invest in capital of Indian companies operating scheduled and non-scheduled air transport services up to the limit of 49% of their paid up capital
- In order to provide clarity to the e-commerce sector, the Government has issued guidelines for foreign investment in the sector. 100% FDI under automatic route permitted in the marketplace model of e-commerce
- 100% FDI under Government route for retail trading, including through e-commerce, has been permitted in respect of food products manufactured and/or produced in India
- 100% FDI allowed in Asset Reconstruction Companies under the automatic route
- 74% FDI under automatic route permitted in brownfield pharmaceuticals. FDI beyond 74% will be allowed through government approval route
- FDI limit for Private Security Agencies raised to 74% (49% under automatic route, beyond 49% and up to 74% under government route)
- For establishment of branch office, liaison office or project office or any other place of business in India if the principal business of the applicant is Defence, Telecom, Private Security or Information and Broadcasting, approval of Reserve Bank of India would not be required in cases where FIPB approval or license/permission by the concerned Ministry/Regulator has already been granted
- Requirement of ‘controlled conditions’ for FDI in Animal Husbandry (including breeding of dogs), Pisciculture, Aquaculture and Apiculture has been waived off.

The National Democratic Alliance (NDA) government on Monday opened the doors wider to foreign direct investment (FDI) in seven sectors ranging from civil aviation and defence to food products and pharmaceuticals, seeking to attract more overseas money to create jobs and boost economic growth.

The government raised foreign investment caps in some sectors, brought more investments under the automatic route that will not entail prior approval and relaxed some conditions governing FDI to improve the ease of doing business in India.

It's the second major overhaul of FDI rules in seven months. In November, the government eased norms for overseas investment in 15 sectors. The announcement came on a day the equity and currency markets battled

investor concerns over Reserve Bank of India Governor Raghuram Rajan's announcement regarding his return to academics at the end of his tenure in September without an extension.

WHAT THE CHANGES MEAN

Sector	Proposed FDI regime	Existing FDI regime	Implication
Defence	100% FDI in defence via govt approval	49% for foreign entities under automatic route and beyond 49% on government approval on a case-by-case basis subject to access to state-of-the-art technology	Foreign defence firms can set up manufacturing facilities in India
Pharmaceuticals	74% FDI through automatic route in brownfield	100% FDI in brownfield through govt approval	More private equity deals in pharma as new regulation clears uncertainty over FIPB approvals
Aviation	100% FDI for foreign entities	49% for foreign entities	Local airlines can attract more capital
Broadcast			
●Cable networks			More investment opportunities
●Direct to home (DTH)	100 % FDI allowed via automatic route	100% FDI allowed, only 49% allowed via automatic route	No FDI expected till cross-media ownership cap removed
●Headend-in-the sky (HITS)			

Source: Department of industrial policy and promotion

(source: <http://www.livemint.com/Politics/ky5zXQg0DTmlYd2K1R4dJP/Govt-announces-major-overhaul-of-FDI-rules.html>)

8. PROBABLE NEGATIVE IMPACT OF POLICY MEASURES ON INDIA

Decision to allow a full 100% investment in certain sectors is not easy and its impact can thus definitely not be close to minimal. Where on one end India is trying hard to leave a global impact, there're quite big chances of such policy measures hurting back at the homeland. As much as it's going to increase India's visibility and accessibility as a global trading hub, it is also believed that it might have an adverse effect on the economy as a whole. This move has been planned keeping in mind only the business aspects, socio economic reasons have definitely been ignored. Various aspects where it could have a negative impact are:

❖ A step towards jobless growth in India

Relaxations of the sort has led to a wave of economic insecurity and hinting towards a growth which is not directly proportional to employment growth and hence leading to economic insecurities. Allowance of 100% FDI owned to commercial entities, a much greater share of returns on investments will flow outside India, decided based on business preferences of foreign owners. This eliminates the multiplier effects of financial returns on the economy and employment. Relaxation of local sourcing restrictions will further dampen the situation.

❖ Agricultural economy

Since years India has been an Agricultural economy. Transition to service sector has been gradual but it has not eroded India's dependence on agriculture. Hundred percent FDI in animal husbandry, retail and trading of food products might lead to greater consolidation and controlled autonomy of farmland and other agricultural assets in the hands of large corporations. This will further make a majority of small farmers and farm-dependent families more vulnerable and accelerate distress migration to cities pushing them to hardships and an elongated circle of debt trap.

❖ Small manufacturing and services industries

Policies indicating at relaxation of local sourcing norms for state of the art technology based retail trading companies will subdue opportunities for suppliers to increase their business and upgrade technology skills. Small industries, most of which are suppliers to larger firms, constitute a majority of India's industrial base so a policy that goes against their interest is therefore detrimental to the 'Make in India' agenda.

❖ Manufacturing and services industries where Indian firms have already demonstrated exceptional world-class competence and performance

Not just foreign MNCS but, there are various industries where some Indian firms have proven high competency and capability in technology and management. Some of which include existing parts suppliers in

the defence industry, suppliers in the automotive industry, others having potential to supply to defence and civil aviation sectors. Raw material as well as finished product manufacturers in pharmaceuticals and a lot of retail industries have vast experience of selling high quality products and services too. Airlines services and airport projects have not been lagging behind in India too as it has established domestic players with efficient and high quality performance in services and projects involving complex operations and technology. Similarly, there are routine service industries, such as private security, that have witnessed the emergence of domestic firms with professional work standards and management systems. And there is reasonable domestic competition in these industries. The Indian pharmaceutical industry is known for reverse engineering, efficient operations and technological skills and is a major supplier of affordable medicines to many third world countries. In this scenario there questionability of any further substantial benefit arising from such 100% FDI norm.

❖ Domestic R&D and manufacturing capability in state-of-the-art technology areas

Removal of the condition of access to state-of-the-art technology for defence sector and alongside waiver of the minimum local sourcing condition in single-brand retail has directly dampened the opportunities for building higher-end capabilities among Indian industries and entrepreneurs.

❖ Infrastructure

It will be wrong to say that India's infrastructure is totally dependent on FDI. Infact India's infrastructure in major sectors including civil aviation and broadcasting services has already been witnessing substantial investments, growth and modernisation since recent times. There are several public and private Indian firms which have demonstrated a long experience of building facilities and networks with modern technology and systems, through forms of sole ownership or joint ventures. In infrastructure requiring the latest technology, growth could easily have continued through joint venture mechanisms also.

9. PROBABLE POSITIVE IMPACT OF POLICY MEASURES ON INDIA

Half glass full and half glass empty, there is an equal possibility that these new measures bring out a positive impact on the Indian Economy.

❖ Reduced dependence on Original Equity Manufactures (OEM)

The recent policy measures to liberalize the foreign direct investment rules for the defence sector could force Indian companies to re-look at their plans as it reduces the dependence of original equipment manufacturers (OEMs) on domestic manufacturers. Under the previous rules, foreign OEMs were typically required to form joint ventures with domestic firms if they wanted to establish a manufacturing base in India. With the amendment, an OEM can independently plan and implement operations in India. As these new rules could mean that Indian companies that were earlier rushing to tie up with OEMs in expectation of future business may find that their partners choose to enter the market on their own now. This would save the time spent on lengthy negotiations with Indian companies hence leading to faster operations.

❖ Level playing field

It is believed 100% FDI in defence will create a win-win situation for the country's defence forces, local industries and international OEMs. It is said that these will ensure availability of cutting edge technologies for the defence forces, boost local manufacturing in India and provide assured returns for international OEMs. The move will also enhance overall R&D to develop and deploy solutions catering specifically to the country's security needs and hence lead to an overall customised well-structured system.

❖ Relief to brick and mortar retail stores

As per the regulations, FDI has been permitted only in companies following the marketplace model and not the inventory based model. So the government has quoted:

"E-commerce entities providing marketplace will not directly or indirectly influence the sale price of goods and services and shall maintain level playing field."

This clause will impact the way e-commerce functions, especially during times of flash sales when massive discounts are offered and underwritten by these ecommerce companies.

Some companies like Amazon that would give discount in the normal course of business by reimbursing the loss to sellers as 'promotional funding' shall now no longer be able to do so with the curtailment of such acts. Hence, this move will be a big relief to the brick and mortar retailers in India who were the worst hit on account of predatory pricing.

SUGGESTIVE MEASURES

It has been felt that the FDI regulations have not been as supportive of the socio economic development as it should have been as there's a sense of dictation that can be sensed rather.

Behind this there is a deeper concern that our developmental priorities which can be seen reflected in drastic FDI relaxations, appear as being fundamentally misplaced. While 'ease of doing business' is definitely a desirable thing, in India's it has been at the cost of other more important national objectives such as employment, survival and skill upgradation of agricultural and small manufacturing economies and families dependent on them, expanding on existing domestic capacities in those industries where Indian firms have already demonstrated competence and development of domestic R&D and manufacturing capability in state-of-the-art technology areas all leading to a jobless dormant growth. FDI should rather be subservient to and offer support to these more important socio-economic goals of the nation. The ongoing development policy which is by promoting FDI at the expense of these goals, is in fact really not for overall development and more like partial development.

Opening a large economy to foreign investments without either adequate checks or having a strong domestic economy of suppliers, markets and technological capability is akin to fattening a person by injecting drugs.

By and large, democracies with high income and low social strife are the ones which have opened their economies to foreign capital in a major way only after achieving a reasonable degree of domestic economic stability, industrial technological competence and overall prosperity. It is a short cut to growth, but one which will yield an economy that is inherently weak and vulnerable. It is also likely to produce a society beset with economic fault-lines that constantly trigger social conflicts – a phenomenon that might intensify beyond the levels we have witnessed in the past. (<https://thewire.in/44309/governments-new-fdi-policy-will-hurt-indias-interests/>)

It is believed that these measures are purely driven by economic benefits that might arise from such measures. The plight of the rural agricultural dependent population which still accounts to majority of India is likely to be worst hit. It will be better if there was limit to such alliances and not a clean sweep of 100% so as to balance out the socio economic and purely economic reasons behind this.

Where on one end the massive Make in India campaign has been doing the rounds, such policy measure has further built up competition which seems to be contradicting the former. So it is suggested instead to put in efforts to equip well-performing domestic firms to become globally competitive and increase their exports. That will boost the economy and employment, and upgrade technological skills leading to a balanced overall growth.

CONCLUSION

India has seen tremendous changes in the area of Foreign Direct Investment since independence and liberalisation. FDI has been instrumental in the economic growth of India and has opened up various doors for the Indian industries to leave a mark globally. Where on one end Modi government has come up with various bold steps such as demonetisation, FDI has not been lagging behind. There are mixed views on the impact of such relaxations and regulations under the Modi regime ranging from accusation of a future jobless growth and unnecessary competition while the other end it was believed that it shall probably have a level playfield. In either of the cases, India welcomes this move with open arms and wishes to have a stronger base internationally as one of the greatest trading partners of the world.

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PENALTY ON CONCEALMENT OF INCOME OR FURNISHING INACCURATE PARTICULARS OF INCOME: INAPPROPRIATE ADDITIONS MADE BY AO UNDER INDIAN TAXATION SYSTEM

Sandeep Kumar Sahu

Assistant Professor, Institute of Management Studies, Noida

ABSTRACT

Government of India always tries to control the undisclosed income by way of preventing actions, provisions of penal actions and charging tax at higher rates on such income. Such provisions are often misused by the Assessing officers while completing assessment procedures of assessee under various provisions. Such penal provisions should have legitimate basis and should clearly mark as penalty for furnishing inaccurate particulars of income or penalty for concealment of income.

Key words – Undisclosed Income, Concealment of Income, Inaccurate Particulars of Income, Tax sought to be evaded, Question of Fact.

INTRODUCTION

The Assessing officer shall levy penalty for concealment of income on the addition made by him at the time of assessment made under section 143 (3) of Income Tax Act 1961(hereinafter will be called 'Act') relating to scrutiny assessment, section 144 of the Act relating to Best judgment assessment, section 147 of the Act relating to income escaping assessment, section 153A of the Act relating to search cases.

The Commissioner (Appeal) shall levy penalty for concealment of income on the addition made by him in an order passed under section 250 of the Act. Whereas Commissioner shall levy penalty for concealment of income on the additions made by him in an order passed under section 263 of the Act.

Accordingly we can say, that penalty is imposed by above mentioned authorities on the *respective findings and additions* made by them. Order of penalty passed by them must clearly state that penalty was being levied for 'concealment of particulars of income' or for 'furnishing inaccurate particulars of income' by the assessee. Any revised return of income furnished by assessee, after concealment of income detected by the Assessing officer, offers no immunity from initiation of penalty.

STATUTORY PROVISIONS UNDER SECTION 271 (1) (C) OF INCOME TAX ACT 1961

If the Assessing officer or the Commissioner (Appeals) or the Commissioner or Principal Commissioner in the course of any proceedings under this Act is satisfied that any person has:

- (a) Concealed the particulars of his income, or
- (b) Furnished inaccurate particulars of such income

he may direct that such person shall pay by way of penalty, in addition to tax, if any payable, a sum which shall not be less than, but which shall *not exceed three times* the amount of tax sought to be evaded by reason of concealment of particulars of his income or furnishing inaccurate particulars of such income.

Explanation 1: where in respect of any facts material to the computation of total income of any person-

- i. If such person fails to offer an explanation or offers an explanation which is found by the Assessing officer or the Commissioner (Appeals) or the Principal Commissioner or Commissioner to be false.
- ii. If such person offers an explanation which he is not able to substantiate and fails to prove that such explanation is bona fide and that all the facts relating to same and material to the computation of total income have been disclosed by him,

then the amount added or disallowed in computing the total income of such person as a result thereof, shall be deemed to represent the income in respect of which particulars have been concealed.

Explanation 2: Where the source of any receipt, deposit, outgoing or investment in any assessment year is claimed by any person to be an amount which had been added in computing the income or deducted in computing the loss in the assessment of such person for any earlier assessment year or years but in respect of which no penalty under clause (iii) of this subsection

had been levied, that part of the amount so added or deducted in such earlier assessment year immediately preceding the year in which the receipt, deposit, outgoing or investment appears (such earlier assessment year hereafter in this *Explanation* referred to as the first preceding year) which is sufficient to cover the amount represented by such receipt, deposit or outgoing or value of such investment (such amount or value hereafter

in this *Explanation* referred to as the utilised amount) shall be treated as the income of the assessee, particulars of which had been concealed or inaccurate particulars of which had been furnished for the first preceding year.

Explanation 3: Where any person fails, without reasonable cause, to furnish within the period specified in sub-section (1) of section 153 a return of his income which he is required to furnish u/s 139 in respect of any assessment year and until the expiry of the period aforesaid, no notice has been issued to him under clause (i) of sub-section (1) of section 142 or section 148 and the Assessing Officer or the Commissioner (Appeals) is satisfied that in respect of such assessment year such person has taxable income, then, such person shall, be deemed to have concealed the particulars of his income in respect of such assessment year, notwithstanding that such person furnishes a return of his income at any time after the expiry of the period aforesaid in pursuance of a notice under section 148.

IN APPROPRIATE ADDITIONS MADE BY THE ASSESSING OFFICERS

It is incumbent upon the Assessing officer at the time of initiating penalty proceedings to state expressly whether the penalty was being levied for concealment of income of the assessee, or for furnishing inaccurate particulars of income of the assessee. The order of penalty must clearly state the nature of penalty. This section has been misused sometime by the Assessing officers without applying any rational. At the time of assessment process they disallow certain expense, which is claimed by assessee as a deduction, and levy penalty for furnishing inaccurate particulars of income. It has also been seen that they issue notice without expressly stating the nature of penalty, mentioning either furnishing inaccurate particulars of income or concealment of income. Certain judgements have been decided by the honourable court pronouncing the decision in the favour of assessee.

1. CIT Vs. RELIANCE PETRO PRODUCTS (2010) 322 ITR 158 (SC)

Section 271 (1) (c) penalty cannot be imposed for making unsustainable claims.

Facts of the case - The assessee claimed deduction u/s 36 (1) (iii) for interest paid on loan taken for purchase of shares. The Assessing officer disallowed the interest u/s 14A and levied penalty u/s 271 (1) (c) on the ground that the claim was unsustainable.

Supreme Court's decision- the Supreme Court observed that in order to attract penal provisions of section 271 (1) (c), there has to be concealment of the particulars of income or furnishing inaccurate particulars of income. The argument of the revenue that "submitting an incorrect claim for expenditure would amount to giving inaccurate particulars of income" is not correct. By no stretch of imagination can the making of an incorrect claim in law tantamount to furnishing inaccurate particulars. Where no information given in the return is found to be incorrect or inaccurate, the assessee cannot be held guilty of furnishing inaccurate particulars. Only by making an incorrect claim (i.e. a claim which has been disallowed by the authority) would not by itself, tantamount to furnishing inaccurate particulars of income. Hence, the apex court dismissed the appeal.

2. CIT Vs. AMIT JAIN (2013) 351 ITR 74 (DELHI)

Reporting of income under different head does not tantamount to furnishing of inaccurate particulars of income.

Facts of the case – the assessee declared a particular income as short term capital gain in his return of income. The Assessing officer, on an interpretation of the relevant provision and having regard to the nature of transaction, assessed such income as income from business. He further levied penalty u/s 271 (1) (c) on the ground that the assessee had furnished inaccurate particulars of his income.

High Court's decision – The high Court after considering the observations of the tribunal and the decision of the Apex Court in CIT V Reliance petro products Pvt. Ltd, held that the mere reporting of income under a different head would not characterise the particulars reported as "inaccurate" to attract levy of penalty under section 271 (1) (c).

3. CIT Vs. CELETRONIX POWER INDIA P. LTD. (2013) 352 ITR 70 (BOM.)

Disallowance of deduction under chapter VI-A owing to subsequent decision of the Supreme Court does not attract penalty.

Facts of the case – the assessee had claimed a deduction under chapter VI-A relying on a judgment of the Bombay High Court. Subsequent to filing of its return, the above judgment was reversed by the Supreme Court and accordingly, the deduction was not allowed at the time of assessment. Consequent to additions made on account of such disallowance, penalty was also imposed.

High Court's decision – The Court deleted the penalty u/s 271 (1) (c) on the ground that the additions made on account of disallowance was not due to the failure on the part of the assessee to furnish accurate particulars of the income.

These all judiciary process of above cases and judgement in the favour of assessee represent how the income tax authority employ a dictator role and how the judiciary stands a position without having unbiased attitude.

SCOPE OF THE STUDY

Any addition of income or disallowance of expenditure and imposition of penalty there on, has to be made on the following basis:

- Question of law-** Under question of law there is a difference of opinion in the interpretation of law. The Assessing officer or Commissioner (Appeal) or Commissioner of Income tax may not agree with the assessee on a point of law and make additions to the returned income. Here although additions have been made, but there is no concealment of income. Hence penalty is not imposable u/s 271 (1) (c).
- Intangible additions-** here additions are normally made on certain presumptions like % of gross profit or % of net profit basis, there is no evidence to establish concealment, hence penalty is not imposed on intangible additions.
- Question of fact-** In this case assessee has genuinely concealed the particulars of income or furnished inaccurate particulars of his income. Hence penalty is leviable u/s 271 (1) (c).

COMPUTATION OF THE AMOUNT OF TAX SOUGHT TO BE EVADED

If return of income furnished by assessee:

Where the total income assessed by the Assessing officer exceeds the income as disclosed or provided in the return of income by the assessee.

Tax sought to be evaded = Tax on total income assessed – Tax on (total income assessed – concealed income)

Example: Mr. A filed his return of income showing his income Rs. 6,00,000 for assessment year 2016-17. Additions made by the assessing officer on account of Question of law Rs. 50,000 and question of facts is Rs. 1,20,000. He assessed total income Rs. 7,70,000. Compute the amount of tax payable and penalty u/s 271 (1) (c).

Solution: Computation of Tax payable

Tax on assessed income Rs. 7,70,000	81,370
Less: Tax paid on returned income	46,350
Balance tax payable	35,020

Computation of Penalty payable

Tax sought to be evaded shall be determined as follow:

Tax on assessed income Rs. 7,70,000	81,370
Less: Tax on Rs. 6,50,000 (7,70,000 – 1,20,000)	56,650
Tax sought to be evaded	24,720

Minimum penalty @ 100%	Rs. 24,720
Maximum penalty @ 300%	Rs. 74,160

Where the loss declared in the return of income is reduced or is converted into income:

Where the amount of income in respect of which particulars have been concealed or inaccurate particulars have been furnished, having the effect of reducing the loss as declared in return of income or converting that loss into income, the amount of tax sought to be evaded shall be the tax that would have been chargeable on the concealed income had such income been the total income.

Example: Mr. B submitted his Return of loss of Rs. (-) 1,00,000 for the assessment year 2016-17. Additions made by the assessment officer on concealment of income u/s 143 (3) Rs. 4,00,000. Total income assessed Rs. 3,00,000.

Tax sought to be evaded shall be determined as follow-

Addition shall be treated as taxable income	Rs. 4,00,000
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Tax on Rs. 4,00,000	Rs.15,000
Less: rebate u/s 87A	Rs. 5,000
Balance tax	Rs. 10,000
Add: EC & SHEC @3%	Rs. 300
Total tax	Rs. 10,300
Minimum penalty @ 100%	Rs. 10,300
Maximum penalty @ 300%	Rs. 30,900

Mr. B will also be liable for tax on the assessed income of Rs. 3,00,000

CONCLUSION

The Assessing officer or the Commissioner (Appeals) or the Commissioner or Principal Commissioner in the course of any proceedings under this Act is satisfied that any person has Concealed the particulars of his income, or Furnished inaccurate particulars of such income, he may direct that such person shall pay by way of penalty, in addition to tax, if any payable, a sum which shall not be less than, but which shall *not exceed three times* the amount of tax sought to be evaded by reason of concealment of particulars of his income or furnishing inaccurate particulars of such income. Such notice for penalty initiation should be issued for the interest of the revenue, applying the rationale mind, without causing any in genuine behaviour with the assessee. Such initiation shall not be proceeded, unless an opportunity of being heard has been provided to the assessee. If assessee thinks that any injustice happened he may appeal to the higher authority for waiving off or reducing the penalty or for issuing a guidance for completion of assessment.

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INFLUENCE OF SELECTED DEMOGRAPHIC VARIABLES ON TURNOVER INTENTION AMONG TEACHING STAFFS OF SELF FINANCING ENGINEERING COLLEGES IN KERALA

Dr. Vivek S. A.

Post - Doctoral Fellow, Indian Council of Social Science Research (ICSSR), New Delhi

ABSTRACT

Retaining talented employee is tending to be a difficult task for organizations. Turnover intention represents a mental cognition on the part of employees regarding their stay/leaving the organization. This study tries to find out whether there exists any significant difference in turnover intention with respect to selected demographic variables like age categories, education level, gender, marital status, work experience in the present organization and total work experience. One hundred and sixty (160) teaching staffs from self - financing engineering colleges in Kerala were considered for the study. t-Test, Analysis of Variance (ANOVA) and Post Hoc Test - Scheffe Test were used for analysis of data using SPSS. The result revealed that turnover intentions differ significantly across age categories, education level, gender and marital status. Also it is revealed that there is no significant difference in turnover intention with respect to work experience in the present organization and total work experience.

Keywords: employee turnover, turnover intention, demographic variables, teaching staffs, self- financing engineering colleges.

INTRODUCTION

Organizations all over the World find it difficult to retain their employees. In India, almost all sectors faces similar situation. Attrition has taken very unpleasant situation on firm due to heavy expenditure on recruitment, training, administration and retention. Even though attrition is a much deliberated issue, there is no standard reasons why people leave an organizations. It is regarded that turnover intention is the best antecedent of actual turnover (Mobley, Griffeth, Hand, & Meglino, 1979). It is recommended to use turnover intention over actual turnover because actual turnover is more complex to predict than intention due to various other factors which are external in nature that affect turnover (Blueborn, 1982). Sager, Griffeth, and Hom (1998) pointed that there is a scarcity of validated to scale measure turnover cognition. Many researchers have used single item scale to measure turnover intention (Guimaraes, 1997) and this usage is highly as construct validity is anonymous (Sagar, Greiffeth, & Hom, 1998). But only a few studies could find three item (Kim & Stover, 2008), five items (Kellonray, Gottlie & Barhan, 1999) and six item (Singh, Verbeke & Rhoads, 1996) scale. Out of these scales, it is difficult to find validated one specifically on Indian context. This study has two broad objectives.

1. To understand the concept of turnover intention.
2. To determine the extent of turnover intention of employees according to sociodemographic variables including age, education level, marital status, gender, work experience in the present organization and total work experience.

TURNOVER INTENTION

The term employee turnover is defined as the ratio of the number of employees who have left during the period to the average number of employees in that organization during the period (Prince, 1977). Employee turnover is the movement of employees across organization; jobs; labor markets etc (Abassi & Hollman, 2000). Intent to stay/leave denotes to an employee's behavioral intention and has been proved to correct a strong negative impact on actual turnover (Mueller, Wallace & Prince, 1992). Intention to leave involves loyal support of an employee, hence it has its behavioral implications (Iverson & Roy, 1994). Turnover cognition is referred as mental decision intervening between an individual's attitudes regarding the job and the stay or leave decisions (Sagar, Griffeth & Hom, 1998). Currvian (1999) pointed that intention to leave is the extent of likelihood of an employee forfeiting his association in an organization. Boshoff, Wyk, Hoole, and Owen (2002) opined that intention to quit is the intensity of an individual's view to stay or to leave. Turnover cognition represent mental decision intervening between an individual's attitudes regarding a job and the stay or leave decisions. To facilitate understanding, Sager, Griffeth, and Hom (1998) defined the turnover cognition as follows:

1. Thinking of quitting: An employee considers leaving the organization.
2. Intention to search: An employee decides to go about looking for a job outside of the organization.
3. Intention to quit: The employee decides to leave the organization at some specified Point in the future.

METHODOLOGY

For this study, two phase research design was used. The first phase was exploratory in nature, where the concept of turnover intention was determined. The second phase was descriptive where the extent of turnover intention of employees according to socio demographic variables was studied.

Sample

At the initial stage, a list of self financing engineering colleges in Kerala was taken from Department of Technical Education, Government of Kerala website (www.dtekerala.gov.in). Then colleges were segregated into three strata according to the number of teaching staffs. Data were collected through multistage sampling. In the first stage, stratified sampling has been used for selecting the colleges. Out of total self financing engineering colleges, 40 colleges have been selected proportionately from the following strata for final study.

1. Colleges having less than 50 teaching staffs.
2. Between 50 - 100 teaching staffs.
3. Colleges having more than 100 teaching staffs.

A total of 160 teaching staffs were considered for the study.

MEASURES

Turnover intention was measured using 6 items scale developed and validated in Indian context by Dwivedi (2015). The item were scored on a five point Likert scale (1=Strongly Disagree to 5= Strongly Agree). The cronbach alpha of this scale calculated by Dwivedi (2015) was 0.839.

DEMOGRAPHIC VARIABLES

Age, educational level and work experience are some of the demographic variables that have been found to have steady relationship with turnover intention in literature. Cotton and Tuttle (1986) have found that educational level of employees is positively related to turnover meaning that, more educated employees often have more tendencies to leave the organization than the less educated. Relationship between turnover intention and demographic variables such as age and work experience has been found to be negative (Cotton & Tuttle, 1986, Mobley, Griffeth, Hand and Meglino, 1979). Studies on the relationship between gender and turnover provide inconsistent results. Khatri, Fem and Budhwar (2001) found that gender was significantly associated with turnover intention in retail industry, Berg (1991) reported to relationship between gender and turnover, on the other hand Cotton and Tuttle (1986) observed that female employees have more tendency to leave than males. The reason might be the fact that family responsibilities are more for female employees. There studies provide direction to develop the hypothesis for the studies as follows.

H1: There exists significant different in them over intention with respect to select demographic variables (like age, gender, educational level, marital status, work experience in the present organization and total work experience).

DATA ANALYSIS AND DISCUSSION

It is suggest in hypothesis that different socio demographic group will differ with respect to turnover intention. The hypothesis has various sub dimensions eg: age catrgory, education level, gender, marital status, work experience in the present organization and total work experience.

AGE CATEGORIES ON TURNOVER INTENTION

Hypothesis suggest that teaching staffs of different age categories (less than or equal to 30 years, between 31 and 40 years, greater than or equal to 40 years) differ significantly with their perception of turnover intention. The descriptive statistics and Analysis of Variance (ANOVA) are displayed in Table 1. It is evident that, there exists statistically significant difference between means values of different age group of employees on turnover intention. Levene's test was conducted to determine the homogeneity of variance among turnover intention. The result of Levene's test displayed in Table 2 revealed that variances are equal for turnover intention. Further Scheffe test was used to compare the variance. The result displayed in Table 3 revealed that there exists significant difference in turnover intention between each categories of age. Further it is clear that employee in the age category of greater than or equal to 40 years have less turnover intention than other age category employees.

Table 1: Descriptive Statistics and ANOVA of Age Categories on Turnover Intention

Variable	Age Categories	Number	Mean	F-value	Level of Significance
Turnover Intention	Less than or Equal to 30	46	3.43	22.715*	.001
	Between 31 and 40	60	3.16		
	Greater than or Equal to 41	54	2.84		

*Significant at $p < 0.01$ level**Table 2: Testing the Homogeneity of Variance of Turnover Intention**

Variable	Levene's Statistic	Level of Significance
Turnover Intention	9.565*	0.061

*Not Significant

Table 3: Multiple Comparisons between Different Age Categories of Employees Turnover Intention

Dependent Variables	Age Group (I)	Age Group (J)	Mean Difference (I-J)	Standard Error	Level of Significance
Turnover Intention	Less than or Equal to 30	Between 31 and 40	.374*	.0861	.002
		Greater than or Equal to 41	.345*	.105	.002
	Between 31 and 40	Greater than or Equal to 41	.364*	.086	.001
		Less than or Equal to 30	-.374*	.120	.001
	Greater than or Equal to 41	Less than or Equal to 30	-.345*	.104	.003
		Between 31 and 40	-.364*	.110	.002

*Significant at $p < 0.01$ level**EDUCATIONAL LEVEL ON TURNOVER INTENTION**

Employees of different educational levels differ significantly with their perception of turnover intention. Levene's test statistic presented in Table 4 revealed that variances of variable are not equal. The t - value displayed in Table 5 depicted that there is significant difference in the perception of turnover intention across employees of different educational categories. It is clear that teaching staffs having Ph. D degree have more turnover intention.

Table 4: Levene's Test for Equality of Variances of Turnover Intention Scores based on Education Level

Variable	F-value	Level of Significance
Turnover Intention	.552	0.001

*Significant at $p < 0.01$ level**Table 5: Descriptive Statistics and t-value of Turnover Intention scores based on Education Level**

Variable	Educational Level	Number	Mean	t-value	Level of Significance
Turnover Intention	Post Graduate	98	2.9753	-3.526*	0.001
	PhD Holder	62	3.4021		

*Significant at $p < 0.01$ level**GENDER ON TURNOVER INTENTION**

Hypothesis suggests that employees of different gender categories differ significantly with their perception of turnover intention. Levene's test statistic presented in Table 6 revealed that variances of variable are not equal. From the Table 7, t-value made known that there is significant difference between the means values of two gender groups of employees for turnover intention. It is understood that female teaching staffs have more turnover intention.

Table 6: Levene's Test for Equality of Variances of Turnover Intention Scores among Gender Categories

Variable	F-value	Level of Significance
Turnover Intention	.463*	0.002

*Significant at $p < 0.01$ level

Table 7: Descriptive Statistics and t- value of Turnover Intention Scores among Gender Categories

Variable	Gender	N	Mean	t-value	Level of Significance
Turnover Intention	Female	82	4.4272	-.132*	.043
	Male	78	3.5290		

*Significant at $p < 0.01$ level

MARITAL STATUS ON TURNOVER INTENTION

Hypothesis suggests that employees of different marital status differ significantly with their perception of turnover intention. Levene's test statistic presented in Table 8 revealed that variances of variable are equal. From the independent t - test, results presented in Table 9, it is evident that there is statistically significant difference between the mean value of married and unmarried employees for turnover intention. It is proved that unmarried employees have more turnover intention.

Table 8: Levene's Test for Equality of Variances of Turnover Intention Scores among Gender Categories

Variable	F-value	Level of Significance
Turnover Intention	.463*	0.002

*Significant at $p < 0.01$ level

Table 9: Descriptive Statistics and t- value of Turnover Intention among Marital Status Categories

Variable	Marital Status	N	Mean	t-value	Level of Significance
Turnover Intention	Married	87	2.9753	-3.328*	0.002
	Unmarried	73	3.4210		

*Significant at $p < 0.01$ level

WORK EXPERIENCE IN PRESENT ORGANIZATION ON TURNOVER INTENTION

Hypothesis suggests that employees of work experience in present organization differ significantly with their perception of turnover intention. Descriptive statistics and ANOVA displayed in Table 10 noted that there exists no significant difference in the turnover intention across work experience in the present organization.

Table 10: Descriptive Statistics and ANOVA of Turnover Intention based on Work Experience in Present Organization

Variable	Work Experience	Number	Mean	F-value	Level of Significance
Turnover Intention	0-2 years	32	3.2615	1.162*	0.328
	2-4 years	32	3.2587		
	4-6 years	48	3.2037		
	Above 6 years	48	3.0212		

*Not Significant

TOTAL WORK EXPERIENCE IN TURNOVER INTENTION

Hypothesis of different total work experience differ significantly with the perception of turnover intention. The result of descriptive statistics and ANOVA in Table 11 depicts that there exists no significant difference in the perception of turnover intention across total work experience.

Table 11: Descriptive Statistics and ANOVA of Turnover Intention based on Total Work Experience

Variable	Work Experience	Number	Mean	F-value	Level of Significance
Turnover Intention	0-5 years	67	3.1721	2.258*	0.068
	5-10 years	30	3.2542		
	10-15 years	31	3.2704		
	Above 15 years	32	3.8762		

*Not Significant

CONCLUSION

The study revealed that turnover intention of teaching staff of self financing engineering colleges in Kerala differ significantly across different age categories, educational level, gender and marital status. While no significant difference was found in turnover intention across employees of different tenures in the present organization and total work experience. The results are in line with Cotton and Tuttle (1988), and Price and Mueller (1986), as far as turnover intention is concerned across different age group of employees. Management should focus more on retaining employees of lesser age categories, PhD holders and unmarried ones as turnover intention is high among these variables.

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ISLAM, THE NATURE OF PEACE AND STATE SOCIETY RELATIONS IN CONTEMPORARY ETHIOPIA; IMPLICATIONS FOR NATIONAL INTEGRATION

Mohammed Yimer

Lecturer, Department of Civic and Ethical Studies, Arba Minch University, Arba Minch, Ethiopia

ABSTRACT

An attempt has been made to assess the nature of peace, religion and society in Ethiopia, to examine the conflict emerging trends in the post 1991 Ethiopia and its implications for national integration and to identify the underlying causes, actors, and consequences of the conflict. Adopting ethnographic design, the study could secure substantial data through key informant interview and focus group discussions with key stakeholders. Apart from this, the study was substantiated by critical document analysis. The study indicated that an official policy change has been observed in terms of interference, dichotomization and accusations for alleged radicalizing activities of Ethiopian Muslims. While this is considered as eroding the basic features and foundations of the constitution, it has its own implication on the ideology of secular state model. Although the policy of containing Islam has been started earlier, the regime has moved to replace, shape, and educate the ordinary Muslims along with the ideology of anew sect imported from Lebanon with the intention of curbing perceived extremism in Ethiopia. The study further revealed that the recent confrontation between the state and the Muslim community commenced since 2011 has put a repercussion on three interrelated issues. The growing interference of the government in religious affairs, the violation of the ever secular constitution thereof and the deterioration of the state and the Muslim community relations, which will have a great implication on the longstanding agenda of the state to create one political and economic community.

Key words: Islam, Ethiopian Muslims, Post 1991 era, Terrorism, EPRDF, state -society relations

INTRODUCTION

At various times in modern history, Ethiopia's Muslims have faced systematic forms of discrimination, ranging from "benign neglect" to outright persecution and forced conversion to Orthodox Christianity. Muslims have been made to suffer from marginalization, discrimination, oppression, and underrepresentation, especially in the country's economic and political institutions (Miftah, 2015; Ahmed, 1994). However, the country has a long history of religious tolerance and its constitution protects freedom of religion and provides for separation of religion and state. As such, there were no clearly reported religious domestic threats in the country. Islamist threats to Ethiopia's security are primarily external, coming from Somalia and Sudan (AFPC, 2013). While almost all Muslims in Ethiopia are Sunni, with a plurality, if not a majority, adhering to one or another Sufi *tarīqa*¹ and that until the modern period, interactions between Christians and Muslims in Ethiopia have been relatively cordial. Unprecedented in the history of human race, the two major religious communities (Muslim & Christian) have been promoting peace among their followers in Ethiopia. However, relations between the state and the Muslim community are not being seen in a business as usual scenario in the contemporary Ethiopia. This relation increasingly appeared to be distorted following attempts state interventions into its religious affairs (BTI, 2016). The ruling party's success in formerly disadvantaged regions of the country is partly attributable to greater religious tolerance and pluralism.

STATEMENT OF THE PROBLEM

Though the relations between the Christian and Muslim communities in Ethiopia were expressed as cordial (AFPC, 2013), the state policies and practices were directed against Muslims, in which the net result has been peripheralization (Miftah, 2015) of the country's significant segment of Muslim population. The successive kings of Abyssinia commenced from the era of Tewodros II and their antagonistic policies towards Islam and Muslims led the marginalization of Muslims from the development arena in many respects. It has been most frequently discussed at various times in modern history, Ethiopia's Muslims have faced systematic forms of discrimination, ranging from "benign neglect" to outright persecution and forced conversion to Orthodox Christianity (USIP, 2007; Zewude, 1990; Ahmed, 1993). Having the various repercussions of these policies ranging from marginalization up to diminished self perception, strangeness and a feeling of alienation (Ahmed, 1993; Miftah, 2015; Zewude, 1990) gone un noticed, the very recent actions of state and non state actors has led to the deterioration of state society relations (Fentaw, 2012) in the country. An official report by (USIP, 2007) stated that although many Ethiopian citizens strongly defend the historic peace between Muslim

¹ Order

and Christian communities, they are uncomfortable with the visible growth of Muslim worship. Following the political transition in 1990s, the Ethiopian Muslims started to breathe an air of equality at least in textual sense (constitutional provisions guaranteeing equality) and practically to some extent. The ruling party's success in this regard, particularly in formerly disadvantaged regions of the country is partly attributable to greater religious tolerance and pluralism (USIP, 2007). Another study by (Haustein and Østebø, 2011) witnessed that when the EPRDF ousted the *Derg* in 1991, religious liberties were quickly introduced at an unprecedented scale. However, this situation could not stay for so long. Following the terror-attacks on 9/11 and increased geopolitical tensions in the region spurred increased concern from the ruling party, and Ethiopian Muslims were publicly accused of aspiring to political power based on radical religious ideas (Ibid). While there were no signs of significant threat from the domestic arena (AFPC, 2013; Yimer, 2015), the EPRDF's fear of Islam was exacerbated by the increasing strength of Islamist insurgents in Somalia, and the political takeover by the United Islamic Courts in June 2006 sparked concern over its potential effects on Ethiopia's Muslim population (Haustein and Østebø, 2011). While no clear symptom of terrorist act, the government's response came in the form of undertaking several measures which actually intended to protect an improbable takeover of governmental power by political Islam (Fentaw, 2012). The increasing interference of the ruling party through the council which finally ranged to inviting other sects called Ahbash from Lebanon, led to violent conflicts throughout every corner of the country in 2012 and the subsequent periods.

OBJECTIVES OF THE STUDY

1. To assess the nature of peace, religion and society in Ethiopia
2. To examine the post 1991 conflict emerging trends in Ethiopia and implications for national integration
3. To identify the underlying causes, actors, and consequences of the conflict.

METHODOLOGY

The study is based on qualitative design based on ethnographic model. Several studies in the same and most of the related topics are undertaken in a qualitative design (Jon, 2014; Ahmed, 2006; Miftah 2014; Haustein and Østebø, 2011), as they are not suitable for quantification. Based on the nature of the study, two particular primary data gathering tools, namely focus group discussions and Interview were used. Focus group discussions were held among the members of Ethiopian Islamic Affairs and some selected mosques in Dessie, Addis Ababa and Assasa, where violent conflicts have been occurred².

In-depth interviews with the Ministry of Federal and Pastoral Affairs and imams of six mosques from the aforementioned areas were employed for collecting substantive information on the nature of state society relations, Islam and Muslims across the different regimes in Ethiopia, post 1991 conflicts, actors and several other topics. However, many interviewees feared repercussions if their names were revealed, particularly the imams. For this reason, the names of all interviewees have been withheld. In some cases, the location of interviewees has also been withheld to avoid endangering them. In addition, it draws massive data from scholarly works, reports, policy documents and briefs, where findings, concerning actors, causes, consequences and policy implications were drawn.

CONCEPTUAL FRAMEWORK ON STATE SOCIETY RELATIONS, SOCIO-POLITICAL COHESION AND THE NATURE OF PEACE BUILDING

The concept of state-society relations and efforts to foster positive, mutually constructive relations has thus received greater attention. It could be expressed in terms of restoring or generating trust in government and public institutions and trust among citizens; and fostering notions of citizenship and socio-political cohesion (Haider, 2011). This implies the fact that an instrument to foster a positive relationship between the people and the state is trust in government and its workings, which in turn develop a sense of citizenship or belongingness to the state and socio-political cohesion. In its literary meaning, the term citizenship (strong allegiance to the state) entails, how people perceive the state, and how the state perceives them, and this shapes what it means to be a citizen.

In situations of fragility, political identity, fragmentation and weak state institutions reinforce each other. They undermine state legitimacy and the formation of genuine national integration; weaken interpersonal trust; and divide citizens. In situations of violent conflict, processes of 'othering' and dehumanization destroy social relations and networks and leave a legacy of deep mistrust and fear of others. Persistent divisions in the aftermath of conflict result in an unstable peace and the possibility of renewed violence (Haider, 2010).

².Amnesty International Report 2014.

Weak social cohesion and distrust also impact negatively on perceptions of political community and on civic action. People are reluctant to engage with the 'other', hindering the development of civic engagement and collective action. In addition, fear and insecurity and feelings of powerlessness and marginalization from conflict can also weaken a sense of individual civic agency³. Where the state is involved in violence and repression, whether as a perpetrator, by active complicity or passive omission, such sentiments can be more pronounced. In addition to withdrawing from citizenship, citizens may also respond to or cope with violence by establishing parallel governance or security structures. These can further weaken the legitimacy of state institutions and exacerbate intergroup divisions where such parallel structures cater solely to specific groups⁴.

For the purpose of this article, it is crucial to see it in terms of how the Muslim community can recover from episodes of state violence. The nature of grievances and demands in a conflict is central to the analyses of Svensson (2007) and Fox (2003). Fox argues that 'when religious issues are important, they will change the dynamics of the conflict', (2003, 125). This can be attributed both to the role of religious institutions within the state and to the way in which religion influences international intervention in ethnic conflict. Internally, religious institutions tend to facilitate a reaction if the grievances have religious importance; however, if they have no religious importance the religious institutions often inhibit protest. As discussed in several parts of this article, the controversy since 2011 has a devastating effect on the lives of citizens. Several died, others imprisoned, and the rest got exiled. However, the violence didn't end up here. Hatred, enmity, and generally 'no war no peace' relationship is prevailed between the Muslim society and the state (USCIRF, 2014). Svensson (2007) argues that across religions, where the grievances or demands are based on explicit religious claims, the negotiated settlement of conflict is less likely to succeed than if there are no religious claims. The post 2011 era, therefore, is characterized by mistrust, weak or forced belongingness, and consequently weak socio-political cohesion, and hostile relations between the society and the state, which finally leads to state fragility. Thus, mechanisms of recovery should be established in conflict stricken settings.

Therefore, key principles for sustainable violence prevention and recovery are: inclusion, early results to help build citizen confidence; establishing the basic institutional functions that provide citizen security, justice; and embracing pragmatic, best-fit options to address immediate challenges (Ibid). Thus, specific mechanisms tailored towards the psycho-social recovery of war-torn Muslim society need to be in place. Compromise and conflict-resolution could be seen as an integral part of political life, which will also enhance general welfare⁵.

STATE SOCIETY RELATIONS IN ETHIOPIA

Islam had no room in the Ethiopian political tradition, and Muslims were considered as second class citizens until the downfall of the imperial regime in 1974. Though the entire history of Islam was under domination, the relationship was extremely cordial and the Christian Muslim intimacy was absolutely unique from any part of the world. However, this kind of harmonious relationship was not seen between the state and the Muslims. There was an asymmetric relationship between Christian highland kingdom and Muslims, in which the former controlled the main political institutions (Ostebo, 2008; Ahmed, 2006) and defined the latter as second-class citizens. Always a significant but institutionally disadvantaged minority (CGAF, 2016), the Muslim population has grown in relative terms in recent decades. Although, EPRDF improved rights for Muslims initially, but it has intervened more deeply in Muslim affairs in recent years, imposing increasing restrictions on a community that has grown to rival the Orthodox Church in size. This has helped alienate some Muslims from the government (BTI, 2016). As cited in (Feyssa and Lawrence, 2014), Ostebo has convincingly shown in his in-depth analysis of the dynamics of religious identification in contemporary Ethiopia that although Islam does not have a political agenda in Ethiopia, the perception that it has informed government policy and needs to be corrected: "An increased number of mosques and higher representation of Muslims in public life can hardly qualify as evidence for a politicization of Islam in Ethiopia.

In contemporary Ethiopia, constitutional violation in terms of religious interference is not an exception; despite the formal commitment in the constitution for, a government under the law and judicial independence, there are still widespread violations of laws by government officials and infringements on such constitutionally guaranteed rights as freedom of association, press, speech, and others. While these issues

³.State society relations and citizenship in situations of conflict and fragility, topic guild supplement, GSDRC, April 2016.

⁴. For these and related issues, see: gsdrc.org/topic-guides/conflict/ and gsdrc.org/topic-guides/fragile-states/

⁵. See the study by István Benczes and Balázs Szent-Iványi, State-society relations in a dynamic framework: The case of the Far East and Sub-Saharan Africa

promised by the federal constitution, could be negotiated early, remain largely ignored. All these issues imply that the Ethiopian State has not substantially moved away from its traditions of using coercion and deceit in order to maintain control over its diverse population. Hence, State and society relationships in Ethiopia today are mainly characterized by the hegemonic control of the masses (or the majority) by the few who maintain control over the State and its economic and military assets.

RELIGIOUS DIVERSITY IN ETHIOPIA

While there were no signs of religious diversity and equality in the entire history of the imperial Ethiopia, the Derg brought a radical change in the status quo that was likely to favor Islam (Ahmed, 2006) and enable it to attain a status of equality with Christianity, which had always been perceived as a state religion. This was a significant departure for Islam and Muslims in the history of the country. It was also during this time that the Ethiopian Supreme Council for Islamic Affairs (ESCIA) popularly known as Mejlis, was formally established in 1976. The constitution of the next era, the 1995 FDRE constitution made a significant departure from its predecessors. Diversity of religion and ethnicity, among others were officially institutionalized and mechanisms were in place for extraordinary valuation.⁶ The constitution, in its article 11, fairly guaranteed the official separation of state and religion. It declares the 'separation of religion and state', assures there is 'no state religion and above all, strongly demands that 'the state shall not interfere in religious matters and religion shall not interfere in state affairs'.

According to the U.S. government report, the total population of the country is estimated to be 93.9 million as of July 2013. The report further explains the religious demography of the country using 2007 census. Thus, it estimated that 44 percent of the population belongs to the Ethiopian Orthodox Church (EOC), 34 percent is Sunni Muslim, and 19 percent belongs to Christian evangelical and Pentecostal groups⁷.

CONTENDING VIEWS ON ISLAM AND TERRORISM

Although a study by (Galtung 2014) noted that different religions have different degrees of potential to promote peace, it clearly acknowledges that there is no automatic connection between the belief system of a specific religion and the use of force by its followers. The prevalent discourse of the violent force of religion, however, is a myth that has been constructed by Western societies to legitimize their existence; and this myth is used to justify violence perpetrated by the West against Islamic societies (Canaugh 2009). Having the definition by themselves and exploiting such opportunities, popular commentaries facilely point to the ideological sources of conflict, maintaining that the Qur'an is inherently violent and that all forms of Islamism are nothing but an antecedent of violence, terrorism and totalitarianism particularly since the terrorist attacks of 11 September 2001. In fact, most contemporary suicide attacks (1981-2008) can be attributed to jihadist groups' (Moghadam 2009), the escalation of violence carried out in the name of Islam must be attributed to a combination of factors where contextual variables, individual psychologies and opportunity structures in a society are central (Hafez 2003; Jackson and Gunning 2011; Mandeville 2007; Wiktorowicz 2005a). Equally important notion here is radicalization, which many argues that it led to extremism and terrorism. Despite the existing rumors and emotionally loaded speeches of the western society leaders, there is no empirical evidence concerning what the path of radicalization is, whether religion, particularly Islam is responsible for it and the red line to demarcate radicalization from what is not. A study by (Aly and Striegher 2012), synthesized based on trial evidence of the first convicted Islamist terrorist in Australia come to the conclusion that 'religion plays a far lesser role in radicalization toward violent extremism than the (counterterrorism) policy response contends'. However, the existing literatures urge us to see the dynamics against the backdrop of societal and global transformations and their repercussions on individual identities (Roy 2004; Wiktorowicz 2005a; Coolsaet 2011; Schmid 2013). Therefore, the conclusion is, and of course the fact that radical jihadist groups resort to Islamic sources to justify their violent acts cannot, on its own, prove that Islam is inherently violent.

THE CULTURE OF PEACE AND CO-EXISTENCE AMONG THE ETHIOPIAN SOCIETY

Despite the chauvinistic nature of the imperial statuesque, the social life of the people was always harmoniously interactive. Following the demise of the imperial regime in 1974, the Ethiopian Muslims were granted landownership right in 1975 land proclamation. The subsequent regime, EPRDF, further improved the trend and acknowledged Muslims as legal cultural group. This could not stay long due to ridiculous reasons. The growing presence of Muslims in public offices and the mushrooming of mosques all over the country

⁶. These include the establishment of religious courts, language policy, self administration and self representation rights of every nation, nationalities and people.

⁷. International Religious Freedom Report on Ethiopia, 2013.

were repeatedly forwarded as evidence for the claim that Ethiopian Muslims were aspiring for political power based on radical religious ideas (Ostebo, 2013).

The following discussion is quite telling concerning the peaceful coexistence and the culture of peace in a multicultural context.

Now, I am 94 years old. I have passed in three reigns. I have gone several countries in Europe and the middle east and able to see the nature of relationship among the different cultural groups. Unlike these countries, where I made frequent tours, Ethiopia has a society with a formidably tolerant nature. Tolerance is nurtured in our society, and the society, which is highly diversified, could be considered as schools where the white people can take lessons. What should not left un noticed here is that, in every reign decrees were approved calling Ethiopian Muslims official conversion to Christianity. Christians were pressured to play their own role in the process. However, they hide Muslims in their home, while the securities search Muslims for jail. The Muslims, on the other hand, were loyal and humble for their Christian fellows. In the process, both Muslims and Christians lived together peacefully in the presence of an alarming pressure from their successive rulers.

THE POST 1991 CONFLICT BETWEEN MUSLIMS AND THE RULING PARTY

More than any other system, EPRDF brought unprecedented changes for the Muslim population in Ethiopia. The regime, among other things, ended restrictions on hajj, suspended the ban on imports of religious literature, and lifted the restriction on the construction of mosques and religious schools, which in turn paved the way for marked enthusiasm and boosted religious activities among the Muslims (Ibid). This policy produced relatively positive relations between the regime and the larger parts of the Muslim population.

However, the later developments could not be characterized as the beginning. Though humble in their nature, the pressures for the Ethiopian Muslims come from different directions. It is worthy of considering the idea that recently, Ethiopian Muslims have been suffering from increased pressure from the government, the EOC and the global community (Stockman, 2015). The government, for Ethiopian migrants killed in Libya by ISIS, has made a psychological pressure on Muslims in the country. Stockman further stated that the government and the EOC have been using the discourse of Islamic extremism more and more to justify their suspicion and crackdowns on the growing Islamic presence in Ethiopia. Ostebo, a well known researcher on Islamism and related issue in the horn of Africa, who himself has made countless trips to Ethiopia to do fieldwork in different regions of the country, witnessed that there are no signs of actual extremism or radicalization in the field (Østebø, 2013).

A field interview discussion result revealed a fact not different from Ostebo's finding.

The controversy observed and its consequence between the Muslim society and the state is not due to terrorism. Because, if terrorism and its characteristics were seen in our society, we never tolerate it, as we are seeing what it mean in several occasions abroad. In our tangible situation, no bomb has been thrown or civilians were not targeted in any circumstance. Asking one's own freedom is considered as an act of terror, who else is not a terrorist? If terrorists were there, how it could be possible to stay peacefully, at least in the presence of bitter grievance? The protests were absolutely peaceful, targeted only on the respectation of the constitution. Although the government was highly unsuccessful in his frequent attempt to get a pretext using the state media, producing even documentary films, the people and international institutions are highly condemning as violation of human rights. Using the government's strategy of dichotomization of Muslims, however, other actors are attacking Islam and Muslims in a number of ways.

A recent finding by (Ostebo, 2013) has put the reality of dichotomizing Muslims as follows.

"This effort to dichotomize and to promote "moderate" Islam has clearly been seen through the regime's engagement in the Ethiopian Islamic Affairs Supreme Council (EIASC). This was clearly explained in the speeches of the late Prime Minister Meles Zenawi, as *Nebaru Islmna*, Salafism, Wuhabism, etc.,

WHY INCREASING INTOLERANCE FOR ISLAM AND MUSLIMS?

One of the reasons of neglecting and resisting the revival of Islam is fairly discursive; labeling all aspects of Islamic revival in Ethiopia as if it were a manifestation of so-called global Islamic fundamentalism (Feyissa and Lawrence, 2014). In this case there is some sort of misperception reflected among the people and even the policy discourses concerning fundamentalism. As Ahmed noted, "in the Ethiopian situation, fundamentalism is a misleading concept which distorts, and thus hardly applies to, the process of changes in the self-perception

of, and assertion of rights by, Ethiopian Muslims. The second one is that the successive Ethiopian governments across political regimes have also tended to link Islamic revivalism in Ethiopia with external players, as if Muslims were a perennial source of national security threats (Ibid). This implies that there is an old image and ridiculous anxiety developed for centuries in the minds of the Abyssinian rulers and the entire public, though the nature of the relations between the Muslims and Christians in the country were harmonious, as described in several parts of this manuscript. By far, the most probable reason of the government for intolerance of Islam is tied with its geo-political strategic importance for US war on terror and an important ally for US project on counter terrorism which sensibly commenced since September 9/11 attack.

ACTORS IN THE POST 2010 CONFLICTS

Ministry of Federal and Pastoral Affairs

A separate department established to oversee the inter-religious dialogue and pastoral affairs in the post 1991 era. From July to December 2011, the Ethiopian Ministry of Federal Affairs and the Ethiopian Islamic Affairs Supreme Council (EIASC) held mandatory “religious tolerance” trainings⁸ for all imams and Islamic school teachers and administrators in the Addis Ababa and the Amhara, Harar, and Omiriyia regions (USCIRF 2013).

The interviews made among training participant imams in Addis, report the situation as follows;

I, as an imam in a mosque and other sheiks were invited to take part in the training 10 days ahead of the training. We went as invited and attend it; An opening speech was made by a government authority concerning the perceived dangers of wuhhabism, Salafism and extremism. He also spoke about the importance of the training for combating the anxieties in inculcating the virtues of a new training. The invited guests (foreigners) started to deliver the lecture in Arabic language. However, there was a rumor among almost all of the trainees concerning the contents, as some of them were unique to our Islamic tradition and others highly contradictory to what we know. But they warned as to keep silent. We did accordingly. One of the trainers finally informed us that they came from Lebanon through the invitation by the Ethiopian government. They also advised us to adopt this sect across the mosques and Madras's in Ethiopia.

In the same vein, the USCIRF (United States Commission on International Religious Freedom) report, an institution always in charge of controlling religious situations through its chapter on Ethiopia, indicated that “in 2011 the government made efforts to impose a particular Islamic interpretation on the country’s Muslim community”. It further stated that the Ethiopian government has overreacted, prosecuting and cracking down on peaceful Muslim demonstrators protesting against government interference in the internal religious affairs of their community (USCIRF, 2014). From this, it is clear to see that the trainings were led by al-Ahbash clerics from Lebanon and were organized by the government to promote the al-Ahbash Islamic ideology.

Another interview made among two x-Imams in Dessie, revealed the same approach to the training, and contents of the training were fairly synonymous

“An official from the Ministry of Federal and representatives made an introduction to the training concerning Wuhhabism extremism discourses and related issues. Then they left the stage for the trainers (people with Arabic nature). Arabic language was used as a medium of communication in the training. After estimated 30 minutes in the training, some of the trainees started to talk each other. However, since the representatives of the Mejlis informed at the beginning of the training not to ask questions of any kind over the contents of the teaching, nobody was able to ask any issue. We took the training and finished in two days. I asked one of the trainers in the tea break, however, concerning where they came and why. He informed me that they came from Lebanon with the invitation by the government of Ethiopia to teach their sect discourse to the Muslims in Ethiopia.”

In his 2013 publication on Islam and state relation in Ethiopia, Ostebo also has clearly stated that the regime has quickly shifted its policy from containing Islam to producing its own “governmental Islam”. Similarly, USCIRF in its 2014 report has reported the situation at the aftermath of the training, Imams who refused to preach al-Ahbash ideology were dismissed from their positions and replaced with other imams, and some were jailed. The Aweliya Islamic School in Addis Ababa was closed in December 2011. Even in this time July 25/2016, about 300 selected male university students from each university have been invited for a training to indoctrinate the “government’s own sect” ideology. The witness also informed the researcher that it will be

⁸ .The trainings were paid by the Ethiopian government.

followed by female students on the next phase⁹. These students, after the successful completion of the training will be sent to the universities and try to train others there too. The informant did not hide the similar trends in this regard conducted last year and the subsequent reaction of these students to other students over doctrinal issues in different universities. Thus, it is equally responsible for the escalation of conflicts and the later developments likely to occur as a result of this.

ETHIOPIAN SUPREME COUNCIL FOR ISLAMIC AFFAIRS (ESCIA) MEJLIS

The ESCIA (Mejlis) since its establishment in 1976, through the voices from the Muslim intellectuals for quite a long period of time to institutionalize Islam, worked in the entire military regime only as a *defacto*, not de jure, organization (Ahmed, 2006; Feyissa and Lawrence, 2014). It failed to manage even key issues of Muslims in the post Derg era. Being an important apparatus of the government in deconstructing Islam and its legacy in the so called era of equality, even mosques are not established in some areas particularly Axum, the northern part of the country. In Axum, where the orthodox followers consider it as “sacred” area, even the constructed ones were forcefully destructed and zero response from the Mejlis. Corruption (financial, administrative and electoral), rivalry within the leadership of the Council (Ahmed, 2006), allegiance with the government till serving as an instrument, un democratic, un fair and un transparent electoral processes greatly undermined its credibility and claim to represent the Ethiopian Muslim community.

The interview result held among one of the Imams in Arba Minch on the electoral process, its activities, independence and credibility with the Muslim community is stated as follows.

The Muslim community at first demanded the election to be held at the Mosques, suspecting that it will not be genuine. However, the government refused to do so. But, no one was present at the election districts. Immediately, the government further forced us to call the large Muslim community to go at each constituency and elect. If failed to do that, the government authorities warned us with emotionally charged words that we will face penalty. We worried a lot in the situation.

Concerning this issue, the USCIRF in its chapter on Ethiopia, has indicated that while elections were held in September 2012, protestors denounced the elections’ credibility, complaining of government interference and that those individuals voted into leadership positions did not reflect the preferences of the community (USCIRF, 2014). The report of the same institution in its chapter on the Horn of Africa, reported that in 2011-2012, in response to concerns about rising extremism, the government of Ethiopia imposed the al-Ahbash interpretation of Islam on the country’s Muslim community, including through required training for imams; interfered in the independence of the community’s representative body, the Ethiopian Islamic Affairs Supreme Council (EIASC); and then arrested and prosecuted Muslims who opposed these actions and engaged in peaceful protests¹⁰.

Since the government’s interference since 2011, many in the community no longer support and respect EIASC rather as government figureheads. Commencing from the 2011 controversy, the EIASC increased its regulation of the Muslim community. It issued two directives giving it greater oversight, and even ownership, of Ethiopia’s mosques. The directives include detailed rules regulating the administration of mosques; give the EIASC authority to issue internal mosque regulations and appoint mosque employees¹¹; and prohibit public meetings, speeches and preaching, and fundraising events without the EIASC’s written approval¹² (Ibid). Ostebo, while explaining the extremely unsacred matrimony of the council, indicated that “while similar links between Islamic councils and political regimes have been observed in other parts of East Africa, the Ethiopian case reveals more explicit involvement by the authorities, something which became evident after 1995. In the election of a new council in January 2004, for example, the voting session was attended by a representative from the Ministry of Foreign Affairs (Østebø 2012).”

⁹. key informant interview in Addis Ababa 25/07/2015

¹⁰. USCIRF Chapter on the Horn of Africa

¹¹. Many in the Muslim community consider these employees as Al-Ahbash interpretation preachers

¹². No any *alim* (intellectual) can preach either individually or in group, without the permission of the EIASC permission paper or that of the committees in almost all mosques in the country.

PROMINENT LEADERS (ESTABLISHED COMMITTEES) OF THE MUSLIM COMMUNITY

These committees were selected by the protestors over the interference of the government in the 2011/12 incidence. They were proposed to solve the controversy in a peaceful manner with the government. They were known for their religious services in the community and with a personality of high caliber. However, On July 6 and August 3, 2015 respectively, the Ethiopian government convicted and sentenced 18 leaders of the 2012 Muslim protest movement. The worst act was the conviction of the committees “plotting to institute an Islamic government” and sentenced to seven to 22 years in prison under Ethiopia’s controversial Anti-Terror Proclamation. This act of the government and its use of the Anti-Terror Proclamation to silence critics have been criticized by the U.S officials and human rights.¹³

The post 1991 EPRDF project war on terror, commenced with dichotomizing the peace loving Muslim society, has resulted in a number of far reaching consequences on security and human right. Despite the criticism by some intellectuals, frequent attempts of the government to abolish images of the Muslim society result in a growing suspicion within Ethiopian society. Ethiopian Muslims are increasingly scrutinized. The worst action, as many condemned, is the documentary film called *Jihaday Harakat*, prepared and presented by the state media. This film is a calculated move of the regime, targeted to distract the cherished values of the Ethiopian society and ultimately portraying Muslims as a huge threat to other fellow religions and the Ethiopian state in general. Several studies like (Stockman 2015; Ostebo, 2013; USCIRF, 2014) have indicated that the film is really disastrous for the Muslims and for their Christian fellows, and on their citizenship of “othering” Muslims. Stockman, for instance, stated that “the film is especially worrying for Ethiopian Muslims because their peaceful movement is portrayed as extremist and radical. Although the goal of *Harekat* was to generate moral panic -which serves as the fabric of social control-, to portray the EPRDF as protector and to create division within the Muslim community, it actually resulted in a lot of criticism from all parts of Ethiopia.”

THE QUESTIONS OVER GOVERNMENT INTERVENTION IN RELIGIOUS AND SECULARISM

The 1995 constitution has already proclaimed that state and religion are clearly separated and no intervention of any kind should be made between religious institutions and the state. However, various stakeholders are verified that there were contemporary interventions of the state in to the affairs of the Muslim community. Several studies like (CGAF, 2016), and others for instance argues that Ethiopia is faced with difficult policy choices involved in guarding against internal radicalization through systematic (at times constitutionally questionable) interventions that have tended to favor established religious authorities. It further warns the consequences the risk of such interventions to the state’s neutrality as mediator. The alleged government intervention has been a debate among the various bodies over its certainty. Though the project has been formerly designed, it became vividly observable to the various researchers and institutions only in 2012/13. Østebø, in his latest publication on Islam and State relations in Ethiopia, investigated that “the current Ethiopian regime has moved from a policy of containing Islam to promoting its own form of “governmental Islam””dictating that the government has clearly intervened in the issue under discussion. He further states that Crucial in this regard is the cooperation between the regime and the Lebanese organization al-Ahbash and the ways the current regime in cooperation with this organization has embarked on a strategy of combating what it sees as “extremist Islam.”Various interviewed imams witnessed that they were forced to attend the conference by government bodies. At first, the government in the various meetings and through its media insisted that the issue of intervention is un true and even no any sect has been invited. Late on, the government the invitation of the Ahbash sect from abroad, but claim that it is not the government that made the invitation, rather tried to relate it with the Mejils. The point worth of consideration here is that the government accused, killed and sentenced quite a large number of the Muslim community who react such intervention up to 22years of imprisonment. The project of inculcating the new sect through the Mejlis since its inception in 2012/13, has been taking place in every part of the country in firing the former imams and replacing by the new “governmental” ones. The peace loving Ethiopian Muslims, at first, have tried to select some prominent leaders, *ulemas* among the community for dealing the issue with the government body peacefully. The response of the government came, however, in terms of accusing in the name of terrorism and radicalizing the community. The intervention and the subsequent controversy is increasingly instigating a conflict between the Muslim community and the state, which in effect is bringing about further consequences on the lives of individuals, family, and the country at large in terms of curving efforts towards national integration.

¹³.USCIRF Chapter on the HoA.

Concerning the peaceful demonstrations and the government's response to these demonstrations, the participant observation result is compiled as follows.

In response to the required trainings and the closing of the Aweliya Islamic School, Muslims in Addis Ababa and several other Ethiopian cities held peaceful protests in mosques after Friday prayers since 2011. As the mottos of the demonstrators reflected, they are calling on the government to respect constitutional protections for separation of religion and state and end its interference in their community's internal religious affairs. The responses were not good in many respects. Generally, Protestors were beaten, arrested and harassed with some witnesses on police use of teargas and live ammunition against protestors.

CURRENT TRENDS IN RELATION TO ISLAM AND SECURITY

The ruling party's increasing reactions and restrictions deprived Muslims of much of the freedoms they had acquired since 1991 (Haustein and Østebø, 2011), and with the closure of Islamic organizations, it left the EIASC to emerge as the sole actor claiming to represent the Muslim population as a whole. Assisted by the ministry of federal and pastoral affairs (MFPA), the emerging nature of the council's as a vast apparatus and its close links with the government have effectively enabled the latter to monitor and control the various longstanding complains within the Muslim community. Moreover, despite the increased voices and criticisms from the various human right organizations, political parties, intellectuals and others over its ambiguous nature, the country's recently drafted anti terrorism law¹⁴, is being practiced to combat extremism and the subsequent terrorism. Due to the geographical proximity of the country to Somalia, where the theatre of Al-shabab and other groups is displayed, there might be an increasing tension and anxiety over terrorist attacks. However, there is no plausible justification that Islam and Muslims in Ethiopia pose security threats to the country (Fentaw, 2012). Terrorist attacks, as we are seeing everywhere in the world today, are justified by frequent ruthless attacks on civilians, which implies the blind nature of terror of any kind. The Ethiopian experience, a country with a huge number of Muslim populations comparable to that of Sudan, shows no registered terrorist attack in its long history. This shows that there is no security threat in the name of Islam in Ethiopia. In fact, terrorism come in to the scene in the contemporary era at the global level, owing the rest of the long human history dominated by worst records due to slave trade, colonialism, genocide, and more recently world war I and II. However, the effects of globalization, best characterized in swallowing the identities, cultures and civilizations of others, preferably minorities and propagation of the cultural values of the dominant groups, resulted in the consolidation of terror and terrorist groups in our world. From its very nature, Islam, is peaceful, and extremely encourages rational thinking and harmony among all human races. While terrorism put its apogee only at these days, the entire history of Islam, since its inception, is fairly characterized by the advancement of civilizations in science and arts. Once up on a time, preferably from the 4th-12th century, while Europe was suffering from the effects of the period known as Dark Age, the light of Islam was bright in Arabian Peninsula. Thus, it is clear these days that leaders of the west tied Islam with terrorism. But, it is clear that they are the ones who instigated terror through their frequent and excessive interventions in the domestic issues of sovereign Arab states (Yimer, 2015). These includes the assassination of Saddam Hussein of Iraq and the subsequent emergence of factions thereof, un constitutional removal of leaders through financing oppositionary groups in Libya, Egypt, Syria, the cession of south Sudan and the repercussions thereof, and very recently un successful coup attempt in Turkey. All these issues led to the proliferation of several factions and refugee crisis, which in effect brought about insecurity in many respects. Therefore, while there is no domestic security threat in the country, the policy diversions of the nation might be tied to the fact that it has been preferably considered as an important regional security partner to US¹⁵.

THE WAY FORWARD

It is widely discussed that not only the nature of Islam and Muslims in Ethiopia is absolutely peaceful but also interreligious relationships could be characterized as highly harmonious in the long history of the country. Muslims in contemporary Ethiopia still face difficult constraints. Large and frequent Muslim protests were usually peaceful and generally met with a restrained response by security forces, although there were instances of violence. Despite the frequent and excessive violations and marginalization they suffered from the successive Abyssinian rulers, Islam and Muslims existed and continue to coexist peacefully. The current

¹⁴. "Whosoever writes, edits, prints, publishes, publicizes, disseminates, shows, makes to be heard any promotional statements encouraging... terrorist acts is punishable with rigorous imprisonment from 10 to 20 years."

¹⁵. U.S. Department of State, Bureau of African Affairs, "Background Note: Ethiopia."

action of the Ethiopian government against the Muslim community is a kind of conflict instigation and aggression which possibly could lead to total national and regional destabilization. Since 2011, the Ethiopian government moved against the country's Muslim society unprecedented in its nearly 30 year's history. The recent confrontation between the state and the Muslim community commenced since 2011 has put a repercussion on three interrelated issues. The growing interference of the government in religious affairs, the violation of the ever secular constitution thereof and the deterioration of the state and the Muslim community relations, which will have a great implication on the longstanding agenda of the state to create one political and economic community. Various scholars are forwarding their views on the potential consequences of the move by the Ethiopian government to violate the constitutionally guaranteed freedom of religion would push the country into a catastrophic disaster.

RECOMMENDATIONS

As we know, key entry points for development are peace (internal and external) and security. Therefore, maintaining and fostering peace and internal stability are worth considerations in the quest for national integration. There must be cordial state society relationships. Actors should act in the right direction that might result in win-win situations. How can we just return to the past golden days when we saw unique and amazing state society relationships? One pathway, could be adopting right based approach, in which policy makers consider the protection of human rights while making decisions. The other could be establishing transparent and accountable institutions such as the Mejlis, which are not less concerned about the purpose for which they are established. The working of the council (Mejlis) should be free, fair and transparent including in its electoral process, the point in which the recent controversy emerged. Here, although, the regulation and monitoring process for the purposes of concerns with regard to terrorism might not be ignored, excessive intervention through the council is highly disastrous. Equally important point here is the issue of peace building in post conflict arenas. This might include, stopping the increasing interference, using balanced force in times of conflict, freeing those who are in jail, official apology and indemnity for those who lost their families in the conflict, managing state media (the discourse of terrorism and some sort of dispute should be carefully presented to the public), amending the country's law on terrorism, allow civil society organizations to take the responsibility to settle conflicts ahead of their escalation and others.

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