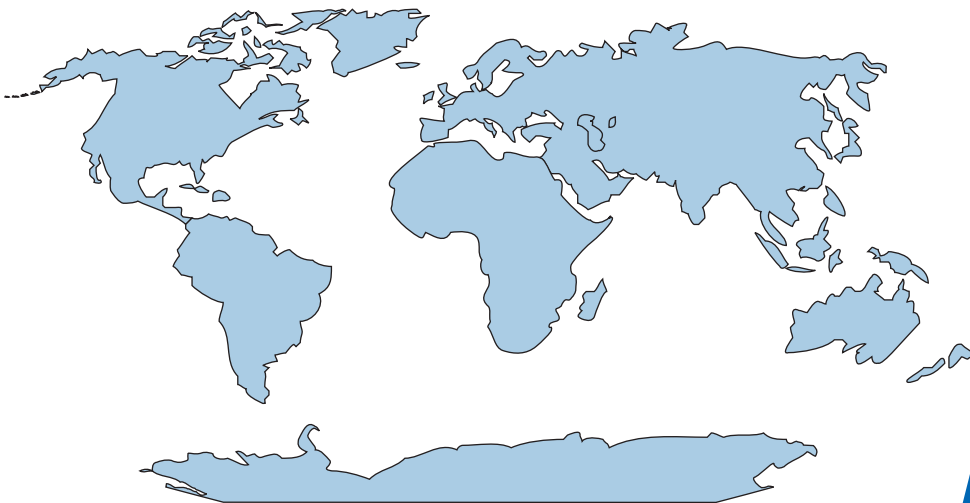


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## **CAUSES AND KINDS OF WORK-LIFE BALANCE – A STUDY**

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### **ABSTRACT**

*Almost in all the Lectures, Guest Lectures, Workshops, Seminars and Conferences very loud comments are passed, quite often, on the topic of 'Work Life Balance.' Some Speakers, Authors, Academicians, Management Consultants, Practitioners, Wise and Mature Thinkers and Councilors are of the view that Professional Life and Personal Life are in fact, directly related with each other while some of them are of the view that these two lives are not related with each other. Different kinds of imbalance can certainly be categorized as Personal, Organizational, and Social, to mention a few. Further, Personal Imbalance can be classified into two different categories, viz., Psychological and Physical. A person may very well know, at times, as to how to bring in 'Balance' in different activities, however, he himself may be highly Imbalanced, at that time.*

*In this Research Paper, immediately after introduction of the concept of 'Work Life Balance,' the Researcher has honestly attempted to Study the peculiar nature, various Kinds, Causes and Signs of Imbalance and has put forward his personal views on all such points. The Researcher has also presented two Case Studies which primarily focus on this concept. .*

*Key Word : Psychological Imbalance, Physical Imbalance, Organizational Imbalance and Social Imbalance*

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### **INTRODUCTION**

Almost in all the Lectures, Guest Lectures, Workshops, Seminars and Conferences, whether National or International, very loud comments are passed, quite often, on the topic of 'Work Life Balance.' On this basis, it can certainly and comfortably be inferred that different Speakers, Authors, Academicians, Management Consultants, Practitioners, other Wise and Mature Thinkers and Councilors, indeed, have no unanimity about this practical concept of intelligent maintenance of Balance between the Professional Life and Personal Life. Some of them are of the view that Professional Life and Personal Life are in fact, directly related with each other while some of them are of the view that these two lives are not related with each other.

Thus, the meaning of the first view is that happiness and satisfaction of an employee in his Personal Life suggests or indicates that he is also happy and satisfied in his Professional Life and vice versa. This view is based on several Personal Experiences, Observations, Experiments, Tests, and Surveys.

It may necessarily not, at all, be out of place to point out over here that again there is a need to conduct a scientific survey or systematically probing or searching inquiry to ascertain several means and ways to achieve Work Life Balance. If, at all, such a survey would really be conducted in near future, there may be various drastic and dramatically opposing or conflicting views, not supporting above views.

As every person has different observations and experiences, his views are also expected to vary. In practice, there are many cases, contrary to the above views, when it is noticed that Professional Life and Personal Life is Independent of each other. This means that happiness and satisfaction of an employee in his Professional Life just does not guarantee or suggest that he is happy and satisfied in his Personal Life and vice versa.

### **RESEARCH PAPER OBJECTIVES**

The Research Paper Objectives are as follows.

1. To Develop Overall Awareness about the Concept of 'Work Life Balance'
2. To Study Kinds and Causes of 'Work Life Balance'

### **RESEARCH PAPER METHODOLOGY**

The Methodology adopted for writing the research Paper is as follows.

1. The Researcher has developed two Case Studies on the basis of his Social Observations and Interactions in order to create foundation of the Research Paper.
2. Several inferences were arrived at and personal views were formed after applying logical interpretations of Case Studies, mentioned as above.

### **PRACTICAL ILLUSTRATIONS**

Let us concentrate on some Cases, in the following lines in order to study the impact of Personal Life on Professional Life.

**CASE NO - I**

There is an executive who is working in a Multinational Company on a very senior position, drawing very handsome salary, having all luxurious facilities and enjoying several executive perks or privileges. However, he is not happy and satisfied in his Personal Life, because he is a divorcee. In the present cultural scenario, Break-ups have turned quite regular phenomenon, in society. On this social background, divorce need not be considered to be a serious lacuna or a self-shortcoming. However, the executive treats himself guilty for the resultant Divorce and he perceives that he has been badly insulted by his former spouse.

In the instant case, he may not be guilty, but, society may treat him as if he is guilty. Strictly equitably and technically that is legally; the guilt of a person can certainly not be established or concluded unless all the parties in a relation, in this case, two, are actually heard, (known as Bi-lateral Hearing) that too, fully, neither unilaterally nor partially. (In case of Unilateral Hearing, only one of the parties is heard to come to a conclusion, whereas in partial Hearing either only one or occasionally both the parties are heard only partly.) However, the society, at large, has no time to do all such kind of judicious business which is ideally expected out of judiciary.

Moreover, wherever in a relation there are two parties of opposite gender, in general, the weak gender, the woman, as in the present case, is given benefit of doubt, perhaps, because of the norms of the Indian traditional culture. If, at all, one arranges to trace real historical cause of this belief, perhaps, blind, one may find out that respecting women was one of the good traditions or rich heritage of Indian Culture. However, when such kind of tradition emerged and developed the overall Nature, Personality, Role, Family and Social Behavior, Economic Dependency, etc, of a woman was altogether far different especially as compared to all such factors, of Social Environment, as on today.

There is no attempt on the part of the author to argue or convince over here that the woman should not be respected or she should be ill-treated, but, a very vital point really needs to be raised and emphasized, at this juncture, that in the wave of 'Women Equality', whenever there is a break-up in a relation, a woman need not be given benefit of doubt, always, but, both, the man and the woman should be put on the equivalent footing, prior to arriving at a final decision. Unfortunately, this does not happen in society, as on today. However, at the same time, there is no need to be too pessimistic about existing social situation because the awareness on this front is growing, though, slowly still steadily, day by day. As a matter of fact, this is one of the Burning Social Issues, at present, which really needs to be addressed to, at a very early date, quite sensibly and sensitively. Furthermore, it may necessarily not, at all, be an exaggeration of a fact to state over here that this Burning Issue, in itself, is one of the topics for an eye-opening Research.

**Case No - II**

In another case, a highly creative Management Consultant lost his wife very early; still his high level of creativity did not come down. When he was asked as to how he could cope up with the undesirable situation and was able to maintain the same level of creativity which existed earlier, he replied very smartly, "I have no incentive, but that can certainly not be the reason, not be creative. On the contrary, relatively high level Emotional Stability is really necessary whenever there are adverse situations."

**NATURE OF IMBALANCE**

A person may very well know, at times, as to how to bring in 'Balance' in different activities, however, he himself may be highly Imbalanced, at that time. 'Balance in Activities is no doubt, an ideal sign while performing, but, sometimes existing Balance turns into Imbalance, unknowingly or automatically and inevitably though undesirably. Maintenance of Balance at such crucial, anxious or tense hours, in itself, is a human skill which needs to be improved. Really, one has to undertake herculean efforts to convert imbalance into balance. The practical means and ways of such a conversion are no doubt, different for different kinds of imbalance.

**KINDS OF IMBALANCE**

Broadly speaking, the kinds of imbalance can certainly be categorized as Personal, Organizational, and Social, to mention a few. Further, Personal Imbalance can be classified into two different categories, viz., Psychological and Physical.

**CAUSES OF IMBALANCE**

Physical Imbalance may result from an injury or illness. Psychological Imbalance may result from an undesirable or unwarranted incidence in human life. For example, Examination Failure, No Promotion, Demotion, Heavy Monetary Loss, Defamation on a very large Scale, Relation Break-up, etc.

Organizational Imbalance may result from not obtaining an official position he thinks he deserves the most. Personal and Organizational Imbalance may lead to Social Imbalance.

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### **SIGNS OF IMBALANCE**

Physically imbalanced person does not take proper and adequate care of his health. If he keeps on ignoring health for long time, sometimes it indeed leads to serious health hazards.

In Psychologically Imbalanced person, appropriate coordination between different activities, personal, official or social, is not experienced. For instance, when such a person writes a few lines on any topic, there may not be noticed logical flow of thought operations since the beginning till the end of the writing. The same can also be the experience for such a person while talking or performing any other preferably creative activity. For example, the wife of one of the Cabinet Ministers expired in a road accident. At that time, the concerned minister was in another city and he was on the way for a program which he had to inaugurate. He heard the sad news of the demise of her wife just five minutes prior to the start of the program. The organizers also got the news, but they were totally helpless, at that time, because it was very difficult for them to organize a substitute to inaugurate the function. The supporters of the minister advised him to cancel the inauguration and return to the city where the death had occurred. However, the minister was quiet considerate, he could well visualize the embracing position of the organizers. Thus, he decided to stay back and to proceed with the pre-scheduled inauguration. During the course of the program, when the minister started his inaugural speech, he found himself in great difficulty. No doubt, he was a good orator; yet, he was not able to deliver the speech, on that occasion, properly and fluently, as usual. The audience experienced tremendous inconsistency in his speech as it was not relevant for the occasion. Besides, he could not recover from the shock for a couple of months, thereafter. This apathetic was the situation of the minister who was recognized as emotionally highly stable who used to stand firmly just like a rock against the adversities especially in the political field. This instance reveals that indeed it is quiet difficult to overcome Psychological Imbalance and perform, forget in the best, even in the reasonable or regular way.

At the same time, psychologically imbalanced person may be observed quiet stable in respect of some other field where there may be reasonable balance. In other words, he may be well balanced for one of the activities whereas he may be totally imbalanced for the other activity especially of a different sphere. For example, in another case, the Cabinet Minister lost his young son in an accident; still, he could control and balance himself so well to the extent that his overall excellent performance as a minister was, not, at all, affected, adversely. In this situation, the minister concerned was capable to maintain Personal Life and Work life balance, properly.

Organizationally imbalance employee tends to behave indifferently, independently and occasionally indecently. He may behave very well with selected employees whom he considers respectable or commendable while he may behave diplomatically with some others whom he thinks do not deserve the organizational position which they have been asked to hold. In his opinion, such employees just do not possess merit or some other features or essential soft skills, knowledge, wisdom and maturity to hold such a position.

Personal and Organizational or both these kinds of imbalances lead to Social Imbalance. Socially imbalanced person dislikes following social beliefs and norms or other cultural values of the society to which he actually belongs to. Firstly, he creates and secondly remains well occupied within the personal framework or network, so created. At times, he avoids social intercourse or selective human interaction and if resources permit, he may revolt against the whole society, at large, after flouting social norms and cultural heritage with the strong blind or baseless belief that whatever he does is perfectly alright.

### **IMBALANCE LEADS TO IMBALANCE**

Frequent social Observations and Interactions further confirm that one kind of Imbalance preferably but not necessarily leads to another kind of Imbalance. For example, Physical Imbalance may lead to Psychological Imbalance and vice versa. Organizational Imbalance may lead to Social Imbalance and vice versa. etc.

Thus, Ones one kind of Imbalance steps within the human personality, it is ideally advisable to convert it into Balance at an early date, desirably much before it leads to another kind of Imbalance. Ones this cycle starts, it continues thereafter, unless some strong remedial actions are initiated to restrict the defects of Imbalance.

### **FINDING**

Both the incidents cited in the Case Studies above indicate that there are human beings who are quite capable to keep their Personal Life and Professional Life, indeed, independent of each other. Likewise, there are, no doubt, many more such cases which can be illustrated just to prove the point. But, for want of length, only two leading cases of representative nature have been brought to the notice of the readers.

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## **CONCLUSION**

The characters described in the above illustrations are real and living human characters, and not fictitious or imaginary characters. Besides, they are neither having the personality features of an extra-ordinary nature nor their overall career achievements are very bright. Likewise, there may be many more such characters in society, all of which can certainly not be known to the world at large, in general and to different Authors, Academicians, Management Consultants and Practitioners and other Thinkers, in particular. Thus, there can be no generalization as some people may not be in a comfortable position to keep their Personal Life and Professional Life independent of each other.

## **SUGGESTION**

It may not be out of place to suggest that a Survey may be conducted prior to coming to a categorical or concrete conclusion to ascertain the exact percentage of people who become either successful or unsuccessful in keeping their Personal Life and Professional Life independent of each other.

## **RESEARCH PAPER LIMITATIONS**

1. As the Research study for this Paper is based on Human Views, that is, Views of the Researcher, all the limitations of Human Views have direct and deep impact on various views formed and inferences arrived at by the Researcher in this Research Paper.

(At the same time, it may, necessarily, not, at all, be out of place to point out, over here that those views and inferences are based on fully considered, well balanced and sound judgment of the prevailing social situations as regards Work Life Balance.)

2. Various views expressed in this Research Paper are partially based on Social Observations of the Researcher and his Experiences during Social Interactions with many people on a number of occasions. As a result, full concurrence with all the personal views as well as personal opinions of the Researcher is certainly not possible, in practice.
3. Different kinds of Imbalance mentioned in this paper are suggestive and not at all, exhaustive in their nature.

## **SCOPE FOR FUTURE RESEARCH**

During the course of the study of this Research Paper, the researcher found out that there is an ample scope and potential for research in future for the following topics

1. Means and Ways to Achieve Work Life Balance – An Empirical Study
2. Social Status of Men in India in the Midst of the Wave of Women Equality – A Study

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## ONE NATION ONE TAX : GST (GOODS AND SERVICES TAX)

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### ABSTRACT

*"Goods and services tax" is an indirect tax applicable to all over India on 1<sup>st</sup> July 2017 which replaces the multiple indirect taxes levied by the central and state government. India took 17 years to implement the GST. GST simplifies taxation procedure and it makes the taxes transparent & eliminates the double Taxation .*

*GST will help the consumers to get the uniform tax Regime ,eliminates double taxation and will provide the more transparent pricing as the customers would know exactly how much taxes they are being charged and on what base.*

*Indian Govt has the main purpose to implement the GST make the one Tax for one Nation so that there should be elimination of cascading effect. Post GST implementation there will be inflation for the short period but in the longer time it will make the things cheaper because there will be very less chances of Tax evasion. India is a federal country so its implement the Dual GST model*

***A TAX IS A FINE FOR DOING WELL, A FINE IS A TAX FOR DOING WRONG***

***Mark Twain***

***Keywords: cascading effect, Tax evasion, Double Taxation, Uniform Tax regime, Federal country, Dual GST model***

### INTRODUCTION

GST : Goods and services tax was firstly introduced in the year 1954 . It was consequently after finance that countries like Japan, South Korea, UK & Australia implement GST LAW. There are around 160 countries that have implemented GST/VAT in some form other. GST is a destination based tax where the tax is paid by the consumers. India is going to implement the GST Law from 1 July 2017.

India has adopted the dual GST model, followed by Canada; the most crucial aspect of this tax regime is the rate of GST that prevails on the various categories of products.

Currently almost 160 countries have implemented GST with some countries having dual GST model (Brazil, Canada). India has chosen the Canadian Dual GST model.

### SALIENT FEATURES OF GST

Some of the salient features of GST (Goods and Services Tax) are:

#### REGISTRATION

GST Registration threshold is Rs

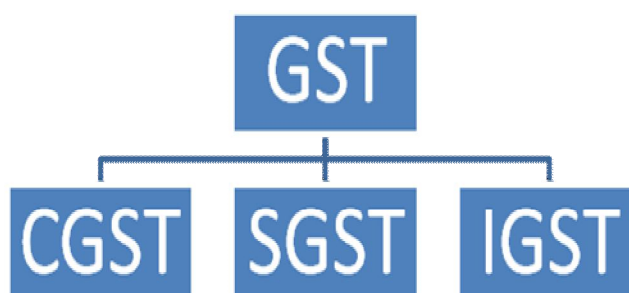
1. 10 Lakh for North East India + Sikkim, J&K, Himachal Pradesh and Uttarakhand, and

2. 20 Lakh for Rest of India. Approximately 7-8 million businesses are likely to be registered under GST. Small dealers with turnover below Rs 50 Lakh have the option of adopting the Composition scheme and pay flat ~1 to 4% tax on turnover.

### DUAL GST (GOODS AND SERVICES TAX)

In consideration of the federal structure of India, Dual GST has been chosen as the apt model wherein tax would be jointly levied by both Centre and the states on supply of goods and services.

It has three components:



1. CGST(Central Goods & services tax): This tax will be collected by central govt on sales of goods and services.
2. SGST(State Goods & services tax): This tax will be collected by state Govt on sales of goods and services .
3. IGST(Inter-State Goods & services tax): This tax will be collected by central Govt on inter-state transactions of goods and services .

The collected IGST revenues will be distributed between the states as per the view of the proposed GST council.

### WHAT IS THE GST BILL?

The Goods and Services Tax(GST) is a value added tax that will replace all the indirect taxes levied on goods and services by the government, both central and states, once it is implemented.

The basic idea of this bill is to create a single, cooperative and undivided Indian market to make the economy stronger and powerful.

### PROS OF GST BILL:

- **GST is a transparent tax and also reduces number of indirect taxes.** With GST implemented a business premises can show the tax applied in the sales invoice.
- GST will not be a cost to registered retailers therefore there will be no hidden taxes and **and the cost of doing business will be lower.**
- Benefit people as **prices will come down** which in turn will help companies as consumption will increase.
- There is no doubt that in production and distribution of goods, services are increasingly used or consumed and vice versa. Separate taxes for goods and services, which is the present taxation system, requires division of transaction values into value of goods and services for taxation, leading to greater complications, administration, including compliances costs. In the GST system, when all the taxes are integrated, **it would make possible the taxation burden to be split equitably between manufacturing and services.**
- GST will be levied only at the final destination of consumption based on VAT principle and not at various points (from manufacturing to retail outlets). **This will help in removing economic distortions and bring about development of a common national market.**
- **It will also help to build a transparent and corruption free tax administration.** Presently, a tax is levied on when a finished product moves out from a factory, which is paid by the manufacturer, and it is again levied at the retail outlet when sold.

### BENEFIT OF GST FOR THE CENTRE AND THE STATES

According to experts, by implementing the GST, India will gain \$15 billion a year. This is because; it will promote more exports, create more employment opportunities and boost growth. It will divide the burden of tax between manufacturing and services.

### BENEFIT OF GST FOR INDIVIDUALS AND COMPANIES

In the GST system, taxes for both Centre and State will be collected at the point of sale. Both will be charged on the manufacturing cost. Individuals will be benefited by this as prices are likely to come down and lower prices mean more consumption, and more consumption means more production, thereby helping in the growth of the companies.

The origins of the GST go back almost two decades and are also found in the reports of the **Kelkar Committee** on Tax Reforms. The basic premise of tax reforms then and now was **lower rates, simpler code** and **eliminates exemptions**. On all these **three** goals we have much distance to travel.

**First**, with five slabs of 0%, 5%,12%, 18%, 28% plus cess, we have increased the chance of **classification disputes, discretion and litigation**. The high rates encourage tax evasion, distort decisions, and promote wasteful resources into tax avoidance. A rational tax system should have very few rates and low rates. Indeed, before the introduction of this GST, the service tax had just one rate, that was 15%, applicable to all services. We now have multiple rates and the chances of disputes and legal battles have increased.

**Multiple rates** are attractive politically. Items consumed by the poor are taxed at low rates and luxury goods are taxed at higher rates. But this classification itself is problematic especially in a diverse, fast evolving economy. For instance, perfumed hair oil may be a luxury item in Bihar but not in Tamil Nadu. Rubber slippers

are worn by the poor, but also the rich at beach resorts. There is also a quality continuum, and from unbranded to branded.

### **WHY WE IMPLEMENT GST IN INDIA**

There are many reasons which are co-related. For knowing reason one need to know what used to happen earlier.

1. Earlier Service tax, Excise, Customs & CST were levied by Central government & VAT was levied by State government. Under VAT, each state had their own power of fixing rates on different items. Suppose if I am trading sports material in Punjab, tax rate was 13.5% whereas in Haryana it was 5%. So there was always rate discrimination. Where as in GST we have single rate as per HSN or SAC all over India.
2. Earlier there was always competition between states for there revenue. Where as in GST we have fix rate and state will be getting 50% of tax as SGST (State GST) on each invoice as their revenue.
3. Earlier there was Cascading tax. At each stage tax was levied. Good manufactured- Excise tax, Goods Traded- VAT/CST. So when goods reach till consumer it is inclusive of EXCISE & VAT which come to 20–30% approximately. Now there is only one Tax i.e. GST. So on final stage only GST will be levied. So here one charges GST and take Input credit of GST.
4. Earlier VAT registered person could claim VAT input only against VAT payable and couldn't claim Input of Service tax against VAT payable for services he took to sale those goods. Similarly Service tax registered person couldn't take input of VAT against service tax payable, so this used to cost of supplier.

Lets take example to understand properly and compare both scenario i.e. under VAT/SERVICE Tax V/S GST

Assume I am in the business of giving service of cleaning. For that I used charge service tax to my clients. I have to purchase some Equipment for providing my services like machinery, mops, chemicals, cloths, etc. Here when I buy these equipments I am charged VAT or EXCISE for it. As I am SERVICE tax registered, I was never allowed to claim VAT/EXCISE Input tax credit against Service tax Payable.

Now there is one tax GST, I can claim the VAT/EXCISE input Tax credit against Service Tax Payable because GST gives the option of input tax credit.

### **OBJECTIVE OF THE STUDY**

- We want to know What is GST.
- It is the first time when the India implemented the GST after the struggle of 17 years so we want analyze how it will affect the Indian economy.
- Customers are the king of the market so we want to know how it will affect their daily life.
- We want to know how it will replace VAT & Sales Tax.

### **RESEARCH METHODOLOGY**

Research is an important pre-requisite for a dynamic study of any type. Precise research is a more systematic activity directed towards the discovery and development of organized body of knowledge.

### **SECONDARY DATA**

The methodology followed in conducting the study is to collect data regarding the GST implementation and also to study the behavior of consumers how they are affected by the GST implementation. The data & facts were taken from many journals, periodicals, published materials, and internet. We use **descriptive method** to collect the data.

### **HOW GST WILL AFFECT INDIAN MARKET**

It is important to understand that GST is not a tax concession scheme where the government has reduced the tax rates and hence all the goods and services would become cheaper once GST is implemented.

Government was attempting to fix a **single Revenue Neutral Rate (RNR)** on the goods and services so that the total tax revenue of the State and the Central Government remain the same. However, due to practical considerations and keeping in view the social conditions of India, four GST slabs have been set at 5%, 12%, 18% and 28% for different items or services. There is also a special rate for precious metals. The rate of 18% would however be applicable for most goods and services.

Government is trying to see that the new GST rates remain more or less similar to the effective tax rates of excise, service tax and VAT in the present time. Hence, the prices of most commodities would remain the same.

**However, the immediate impact of GST would be as following:**

All the services would become more expensive immediately since the present Service Tax rate is only 15% which is now raised to 18% in GST. Some goods would become cheaper due to lower rates levied on such items.

Most goods would become more expensive since the GST rate of 18% or 24% is much more than the present VAT rates which are around 12-15 %. The dealers and retailers are NOT likely to pass on this extra rate immediately to the consumer and they would profit from the increase Input Credit Tax (ICT). However, soon the consumer would reap the benefit and the prices would come down.

**SLABS OF GST****1. GST NIL RATE (0%)**

No tax will be imposed on items like fresh meat, fish chicken, eggs, milk, butter milk, curd, natural honey, fresh fruits and vegetables, flour, besan, bread, prasada, salt, bindi. Sindoor, stamps, judicial papers, printed books, newspapers, bangles, handloom etc.

**2. GST 5% ITEMS LIST**

Items such as fish fillet, cream, skimmed milk powder, branded paneer, frozen vegetables, coffee, tea, spices, pizza bread, rusk, sabudana, kerosene, coal, medicines, stent, lifeboats will attract tax of 5 percent.

**3. GST 12% ITEMS LIST**

Frozen meat products, butter, cheese, ghee, dry fruits in packaged form, animal fat, sausage, fruit juices, Bhujia, Namkeen, Ayurvedic medicines, tooth powder, agarbatti, colouring books, picture books, umbrella, sewing machine, and cellphones will be under 12 per cent

**4. GST 18% ITEMS LIST**

Most items are under this tax slab which include flavoured refined sugar, pasta, cornflakes, pastries and cakes, preserved vegetables, jams, sauces, soups, ice cream, instant food mixes, mineral water, tissues, envelopes, tampons, note books, steel products, printed circuits, camera, speakers and monitors.

**5. GST 28% ITEMS LIST**

Chewing gum, molasses, chocolate not containing cocoa, waffles and wafers coated with chocolate, pan masala, aerated water, paint, deodorants, shaving creams, after shave, hair shampoo, dye, *sunscreen*, wallpaper, ceramic tiles, water heater, dishwasher, weighing machine, washing machine, ATM, vending machines, vacuum cleaner, shavers, hair clippers, automobiles, motorcycles, aircraft for personal use, and yachts will attract 28 per cent tax – the highest under GST system.

**GST IMPACTS ON INDIAN ECONOMY AND CONSUMER EXPERIENCE**

- GST will remove cascading effect of taxes imbedded in cost of production of goods and services and will provide seamless credit throughout value chain.
- GST will facilitate ease of doing business in India.
- Electronic processing of tax returns, refunds and tax payments through 'GSTNET' without human intervention, will reduce corruption and tax evasion.
- Significant reduction in product and area-based exemptions under GST will widen the tax base with a consequent reduction in revenue neutral rate.
- Major beneficiary of GST would be sectors like FMCG, Pharma, Consumer Durables and Automobiles and warehousing and logistic industry.
- The service tax rate could shoot up from the current level of 15 per cent.

**GST WILL REMOVE CASCADING EFFECT**

In the present scenario, there are several types of taxes levied like service tax, VAT, Excise etc. In GST regime there will be a single rate of tax. The tax will be charged on value addition only. This will lead to lower down the price of products and services. After the introduction of GST law, the customer will be able to know that what is the actual tax he is paying for the product or services. In present taxation law, more than individual taxes are levied on several goods and services and they are not even mentioned in the invoices multiple times so customers are not able to know that what the exact amount they are paying as taxes.

After the introduction of GST, several sectors will be profited. Sectors like media, telecom, automobile etc. will be boosted. Due to the elimination of the cascading effect of taxes, the value will be get reduced eventually.

GST is like the metric system - almost everyone in the world [other than the USA] have migrated to it. India is among the rare few economies who are quite late to this.

The experience of over 160 countries is that GST provides for a simpler tax collection and makes it very hard to evade taxes. For legal businesses it makes running their concerns easy and also reduce the competitive disadvantage they traditionally had from tax evading competitors.

### GST WILL IMPACT US IN THE IMMEDIATE FUTURE

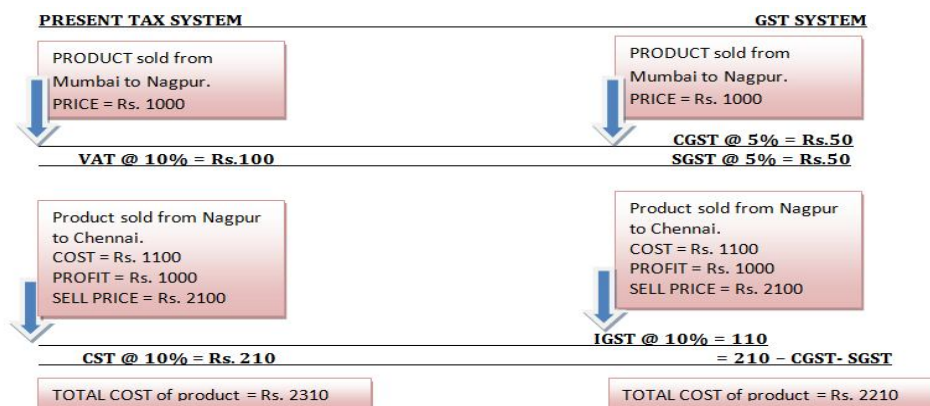
1. Like any change in tax structure, it will bring inflation in the short term. Most products and services we buy will go up in price over the next 1 year. That has been the case in most countries adopting GST. The fear of inflation is one reason that successive Indian governments have been going slow on GST implementation.
2. If you have been running a business without paying VAT/Sales Taxes, things are going to get harder to avoid taxes. Profits will go down.
3. If you are running any business, there will be chaos and confusion for the next 1 year until the accountants and businessmen understand the rules better.

### WHAT IS LIKELY TO BE HAPPEN IN THE LONGER TERM

1. Tax collection will go up as more people will be brought under the tax loop. That could allow governments to either reduce tax rates or increase services.
2. It will become easy to run pan-India businesses as you would have to deal with less number of tax men. When more people run businesses the competition will bring down price [for a sample look at what is happening with the price of your mobile data after Jio came].
3. It will bring down the overall cost of moving goods across India and that would mean a drop in prices.

GST is set to become one of the biggest fiscal reform that our country is going to witness. All businesses, small or large are going to get impacted because of this paradigm shift in the indirect tax regime. Policymakers have consistently resonated the benefit of a unified taxation system in a federal country like India.

There is a long list of benefits, which are being claimed as a result of GST law and one such benefit is removal of the cascading tax effect. In simple words "cascading tax effect" means tax on tax. It is a situation wherein a consumer has to bear the load of tax on tax and inflationary prices as a result of it.



### IMPACT OF GST ON CONSUMERS/COMMON MAN

In the GST system, taxes for both Centre and State will be collected at the point of sale. Both will be charged on the manufacturing cost. Individuals will be benefited by this as prices are likely to come down and lower prices mean more consumption, and more consumption means more production, thereby helping in the growth of the companies.

- In the long run, the lower tax burden could translate into lower prices on goods for consumers. The tax structure will be made lean and simple.
- All Indirect taxes will cut down to one tax, good for common man to understand and to follow. It can bring more transparency.
- Fall in Prices of some of Goods: removing such layered taxation, prices of some goods are likely to come down. However, this benefit generally doesn't reach the ultimate consumer as sellers tend to raise underlying

prices and increase their profit which offsets the gain due to lower taxes. But I hope that some benefit will definitely reach the consumer.

- Less corruption - Number of departments will reduce which in turn may lead to less corruption.

### **HOW WILL GST AFFECT COMMON TAX REGULATOR?**

- It will reduce the number of indirect taxes a common tax regulator has to pay hence make the process a bit easier.
- Lets say you bought a good and you paid some VAT on it but in reality that is understatement of the tax you paid. The product have already gone through many indirect taxes such as excise duty collected by central government which is not mentioned in the bill and is safe to assume we pay well over 20 % tax on the goods we buy.
- Lets now assume GST is applied on the product and you paid 12% tax over the product which include both the state and central government taxes. This will eventually lower the cost of most of the products and hence leading to increase in demand which will in turn lead to increase in production which will lead to increase in job opportunities.
- This will lead to less corruption as officers of both state and central government are involved and the tax a consumer pays will not be used for personal or bad purposes as state will fear a check by central government over taxes and central by state.

### **BENEFITS OF GST**

The real benefits of GST to the consumer and businesses are long term and can be stated as following:

#### **1: MERGER OF TAXES**

At present, there are a large number of taxes at central and state level. They shall all be merged and become one GST as shown in figure.

#### **2: ONE LAW ONE COUNTRY**

At present, you have multiple central laws and state laws for taxations. If you are trading your goods at all India level, you must know and follow all the different laws of India. It is due to this reason that many people avoid trading goods in different states. Once GST is implemented, India would become one market and you can trade anywhere in India hassle-free.

#### **3: INCREASED INPUT CREDIT**

At present, input credit is not available for inter-state sales of goods. This would now be available under GST regime. Thus the next tax liability to businesses would come down.

#### **4: MORE EXPORT INCENTIVE**

An exporter presently gets the refund/drawback on mostly the central taxes. Now they shall be able to get the refund/drawback of State taxes as well. This will boost export.

#### **5: GST NETWORK**

Since all registration and return filing shall be done online, the scope of evasion shall be reduced considerably. This will boost the tax revenue and cause more development of the country.

#### **6: EASIER TAX COMPLIANCE**

Instead of having to deal with many different taxation laws and spending a lot of time in legal advice and compliance, businesses will now need to pay GST only. This is a big relief and it creates simplicity and predictability in business. The GST is being introduced to create a common market across states, not only to avoid enfeebled effect of indirect tax but also to improve tax compliance.

#### **7: SIMPLIFIED AND COST SAVING**

System as procedural cost reduces due to uniform accounting for all types of taxes. Only three accounts; CGST, SGST, IGST have to be maintained. GST is structured to simplify the current indirect system. It is a long term strategy leading to a higher output, more employment opportunities, and economic boom.

#### **8: MORE MONEY TO POOR STATES**

Present taxation system was origin based, so tax collection used to go to manufacturing heavy states (Tamil Nadu, Gujarat etc.) Now, the tax collection of poor states (Bihar, Madhya Pradesh etc) will also rise. This gives an opportunity for all the poor states to develop.

### **DISADVANTAGES / CONS OF GST**

- Tax rate for services is very high thus it will drive services cost to a new high which includes telecom, airlines and more just to say it will increase your monthly mobile bills. The proposed 18% is higher than many countries such as China, Singapore, Malaysia etc.
- Imported goods will become costly and will be taxed around 6%
- Many states mostly manufacturing states will lose a huge share of their revenue and monopoly on taxes of central government will increase.
- It could potentially drive up the costs of solar panels as the GST rate is set around 12% while coal GST rate is around 5% which is ironical because India wants to move towards more renewable energy while supporting coals.
- Most of the people involved in the marble industries of Rajasthan will be losing business as marble falls in the 28% slab.
- Some Economist say that GST in India would impact negatively on the real estate market. It would add up to 8 percent to the cost of new homes and reduce demand by about 12 percent.
- Some Economist says that CGST(Central GST), SGST(State GST) are nothing but new names for Central Excise/Service Tax, VAT and CST.

### **HERE ARE SOME STRIKING CHANGES THAT COULD BE SEEN IN THE COMING YEARS:**

#### **1. INCREASE IN FOREIGN DIRECT INVESTMENT**

Tax expenses and compliance hurdles have been one among the top reasons why global companies hesitate to invest in India. After the implementation of GST 2017, it is quite well known that double taxation will be eliminated and the hefty compliance requirement of different indirect taxes previously will be merged into one, resulting in simpler and easier tax compliance.

#### **2. PRICE DROP**

The GST structure reduces cascading of taxes and also provide tax credits for inputs. Hence manufacturing units could get inputs cheaper and this would inevitably reduce inflation. Consumers would find goods cheaper than it was before.

#### **3. EXPORT PROMOTION**

As inflation rates get slashed due to GST, the cost of exports also come down, implying that more exports could be shipped. In other words, our economy develops.

### **RECOMMENDATION ON GST**

- Govt should control the Service Tax.
- There should be special benefits to the Domestic production to reduce Imports or Reduction in the Tax rate on Imports.
- National seminars should be conducted in different states so that common people get acquaint knowledge of GST.
- On 1<sup>st</sup> july 2017 India has launched Dual GST Model but in future India should focus on launching One GST scheme all over the country.

### **CONCLUSION**

In terms of growth, price, current account and budget balance, the macroeconomic impact of a change to the introduction of the GST will be significant. With a burgeoning services sector and a high economic growth trajectory that India is in today, a shift in income based tax to consumption based tax is going to provide substantial fillip to source of revenue. Of course, there will be a short lived limited price impact on the larger economy with introduction of GST. However, a larger impact is expected on the administrative compliance cost of GST which is likely to increase tax revenue from the "parallel" or "black" economy. In an era where the administration is treading cautiously on fiscal deficit management, a complete failure to implement GST would result in surging deficit to around 4-4.2% during FY16-17 from 3.99% today.

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**CROPPING PATTERN AND CROP COMBINATION OF MYSORE DISTRICT**

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**INTRODUCTION**

To understand the cropping pattern in a particular region, a study of crop combinations is imperative. The crop combinations on the one hand give an idea about the agricultural typology, agricultural economics and agricultural income of a region. Crop combination also gives an insight in the cropping practices and rotation of crops, which are quite pertinent for the maintenance of soil fertility and their health (Husian Majid 1982). Indian farmers on the basis of their long experience as cultivators have adopted certain crops to be sown in the Kharif and Rabi seasons.

The growing demands for food to meet the requirement of increasing population and the expansion of arable land demand a careful and judicious utilization of land by selecting appropriate crop combinations to increase the production of the food crops and to save soil depletion. It is therefore, essential to identify and adopt the crop combinations for each agricultural set-up, which can give optimum agricultural returns. Many a time the agricultural regions are known after their dominant crops e.g. Jowar region, Cotton region, groundnut region, wheat region and so on. Such studies have confined themselves only to the dominant individual crops rather than the complex agricultural system. This results in overall generalization because the individual crops occur only in the rare circumstances of extreme mono-culture (Weaver-1954).

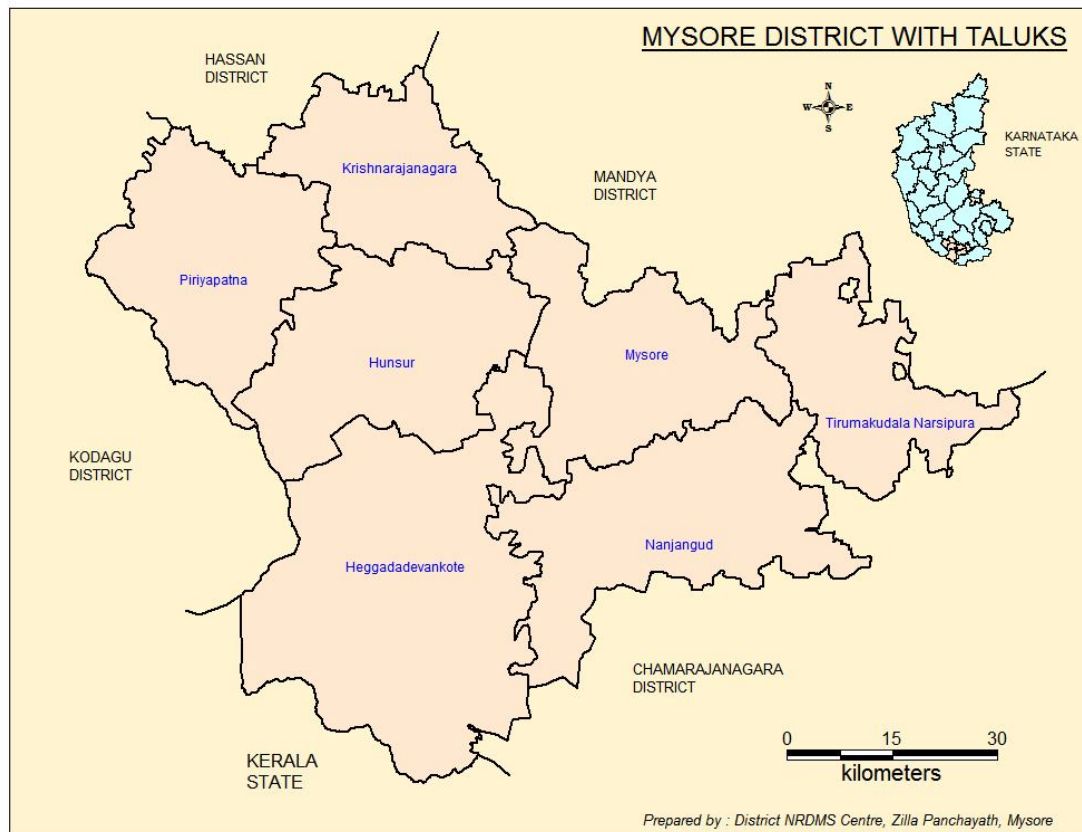
The delineation of crop combination regions constitutes a significant aspect of agricultural geography as it provides a sound basis for developmental planning in agriculture. The studies, which have confined themselves to description of dominant individual crops usually, suffer from over generalization because the individual crops except in relatively rare circumstances of extreme mono-culture are not grown alone, but characteristically they appear in combinations.

The concept of crop combination is a scientific device to study the existing spatial relationship of crops in association which each other in agricultural geography, "A crop is seldom grown in isolation though its proportion may be exceptionally high. Cultivated plants are generally grown in combination. Its delimitation is not an end in itself but only a tool towards a better understanding of agricultural situations" owing to its importance the problem has engaged the attention of geographers and agricultural land use planners in recent years.

Moreover, crop combination regions are used as a basis for planning and they have been accepted as suitable devices for improvements in under developed regions or countries. For identifying the group of significant crops of a region, it is essential to adopt a statistical base.

The general understanding of the particular combination of the crops and their relative importance of each crop in an area can be helpful in interpreting some aspects of social and economic geography of a region. Accordingly, a large number of experts have suggested a number of statistical tools to delineate crop combination regions. The following are worth mention here:

J.C. Weaver (1954) Minimum Deviation Method, Johnson (1958) The Quartile Method, Thomas (1963) Least Squared Deviation Method. H.J.Nelson (1955) Standard Deviation Method, S.M.Rafivallah (1965) Maximum Positive Deviation Method, L.L. Pownall (1953) Mean Positive Deviation Method, Kukukazi Doi (1959) Modified Minimum Deviation Method. A.G.Athawale (1969) Lower Limit Method, Kostrowiki (1972) Successive Quotients Method and N.P.Iyyar (1969) Maximum Distance Method.



## TECHNIQUES USED

Weaver adopted a more reliable and rational approach for the delineation of crop combinations in the Middle West. Weaver demarcated crop associations developed in terms of variable based on certain differences, which are relative and not absolute. This method, being based on statistical approach is more scientific and authentic. In his study he has taken into account the percentage of the harvested cropped land occupied by each crop that held as much as one percent of the total cultivated land in each of the 1081 countries covered in his work. Weaver calculated deviation of the real percentage of crops for all the possible combinations, in the component areas units against a theoretical standard. The theoretical curve for the standard measurement was calculated as follows:

1. Mono - culture = 100 percent of the G.C.A. of one crop.
2. Crop combination = 50% in each of two crops.
3. Crop combination = 33.33% in each of three crops.
4. Crop combination = 25% in each of four crops.
5. Crop combination = 20% in each of five crops and so on.

For the determination of the minimum deviation for each of the component area units the standard deviation method was as follows:

$$\delta = \sqrt{\frac{\sum d^2}{n}}$$

However, weaver has pointed out the relative rank and the amount of deviation among the several possible combinations as desired by him and not the actual magnitude of the deviation. The square root was extracted in accordance with the standard deviation formula.. The specially used variant procedure can, therefore, be expressed as follows:

$$\delta = \sqrt{\frac{\sum d^2}{n}}$$

Where 'd' is the difference between the actual crop percentages in a given areas unit and the appropriate percentage in the theoretical curve and 'n' is the number in a given combination.

Weaver's method has been admirably accepted and applied for the demarcation of crop combinations by geographers. The technique, however, gives most un-widely combinations for the areas units of high specialization.

### **CROP COMBINATION**

#### **MONO CROP**

The varied natural conditions of the study area as encouraged for the emergence of multiple cropping pattern rather than a single crop. This fact is substantial from the given map where, not even a single taluk either in the wet or in the dry posses mono crop in any of the three periods.

#### **TWO CROP COMBINATION**

The two crop combination in the study area can be seen in Periyapatna during 1971-72, and T.Narasipur taluk during 1983-84 respectively. During 1997-98 two crop combination systems is out of practice in the study area.

#### **THREE CROP COMBINATION**

The three crop combination which were in three taluks like H.D.Kote, K.R.Nagar and Mysore during 1971-72 has been come down to K.R.Nagar taluk only during 1983-84. Whereas there is no sign of three crop combination during 1997-98.

#### **FOUR CROP COMBINATION**

The failure of crops due to erotic rainfall has led to four-crop combination from 1983-84 onwards. Mysore taluk was the only taluk to experiment with four crop combination in 1983-84. The good results as encouraged the adjoining taluks like H.D.Kote, K.R.Nagar and Periyapatna for four crop combination system during 1997-98. Where as Mysore taluk as leaped forward to the five crop combination during 1997-98.

#### **FIVE CROP COMBINATION**

From the results obtained through J.C.Weaver's Minimum Deviation method, indicates that, five crop combination as not been successful in the study area in any of these periods. As an experimental basis five - crop combination has been shifted from one taluk to another taluk spatially as well temporally. This combination system was in existence at T.N.Pura, H.D.Kote and Mysore taluks during 1971-72, 1983-84 and 1997-98 respectively.

#### **SIX CROP COMBINATION**

The six crop combination is found in Nanjangud taluk in two consecutive periods 1983-84 and 1997-98 except Nanjangud taluk rest of the taluk have not experienced Six Crop Combination. During 1971-72 Nanjangud experienced twelve crop combination.

#### **OTHER CROP COMBINATION**

The crop combinations like seventh, Eighth and Ninth are not at all reported in any of the taluks and in any period.

Ten, Eleven and Twelve-crop combination have been reported at different periods. Periyapatna, Hunsur and Nanjangud taluks reported ten, eleven and twelve crop combination respectively during 1971-72.

During 1983-84 T.Narasipur reported ten-crop combination, where as Hunsur and Periyapatna reported twelve crop combination. A skeptical change of positive and negative can be visualized in T.Narasipur which was under ten crop combination, had a positive change of eleven crops during 1997-98. Whereas, Hunsur, which was under, twelve-crop combination had a negative change of eleven-crop combination during 1997-98.

### **INTENSITY OF CROPPING**

Intensity of cropping, extent of maturity and increasing of the yield from the existing cultivated area are problems of paramount importance in the agricultural economy of a region. These need a serious thought by the planners. Under-utilization of a land is no problem in a region, since most of the topographically accessible area for cultivation is already under plough, but the problems of the under -use of net area sown, under -productivity and the risk of crop failures are taxing the rural population. It would be a useful gain to overcome these problems in the foreseeable future. Hence it is desirable to investigate the degree of efficiency with which the net sown area is utilized.

Land use efficiency is defined as, "The extent to which the net area sown is re-sown to the total cropped area (gross area sown) as against to the percentage of the net area sown (net cropped area) gives a measure of land use efficiency, which really means the intensity of cropping. The intensity of cropping refers to the number of crops raised on a field during an agricultural year. For example, if one crop is grown on a field in one year the index of intensity of cropping is 100 percent. If two crops in a year are produced, the intensity index will be 200

percent. Therefore higher the index of intensity of cropping higher is the land use efficiency and lower the index the lower is the land use efficiency.

Intensity of cropping in Mysore district is complex. In this area, the impact of continued irrigation development and the state intervention in agriculture development have further accentuated it. The extension of irrigation from the canals and tube wells improved the use of agricultural land and increased the hectare yields adding to agricultural progress. The following formula is used to delineate the intensity of cropping in the district.

$$IC = \frac{\text{GROSS CROPPED AREA}}{\text{NET SOWN AREA}} \times 100$$

Where: I.C = Intensity of cropping, Gross cropped area = Net area sown plus area sown more than once in a year (double cropped area)

Net Sown Area = area sown only once in a year.

Intensity of cropping of Mysore district has been discussed here in two parts. Part A deals with cropping intensity of wet taluk and part B with dry taluks.

### THE CROPPING INTENSITY OF WET TALUKS

The cropping intensity of wet taluks like K.R.Nagar, T.N.Pur and Nanjangud exhibits varied intensity from one period to another. Nanjangud taluk, which experienced very low cropping intensity of less than 120.34 during 1971-72 and 1983-84 leap, forwarded to high cropping intensity of 138.92 during 1997-98.

T.Narasipura taluk has undergone typical pattern. During 1971-72 it had low cropping intensity of 132.54, incremented to 146.28 during 1983-84, whereas during 1997-98 it once again declined to 119.00.

Another wet taluk K.R.Nagar which is one of the oldest irrigated taluk in the district had experienced high intensity during 1971-72, medium during 1983-84 and low during 1997-98.

The gradual decline of crop intensity from one period to another clearly envisages that, the land efficiency of taluk has declined.

### CROPPING INTENSITY OF DRY TALUKS

Among the four dry taluks the intensity of cropping varied temporally as well as spatially. Except H.D.Kote and Hunsur taluk the remaining three taluks had positive growth in intensity of cropping. H. D. Kote which was under medium category during 1971-72 declined in its intensity into low intensity during 1983-84, and continued with same intensity during 1983-84 (113.18, 114.93 and 112.80) respectively. Hunsur taluk, which was under high cropping intensity of 118.07 during 1971-72, declined to medium category during 1983-84. The same trend continued during 1997-98.

Mysore taluk which was under low intensity during 1971- 72, jumped into high intensity in 1983-84 and it has been reverted back to low intensity during 1997-98. Periyapatna taluk which was under low crop intensity during 1971-72 and 1983-84 incremented its intensity to "High" during 1997-98 from low crop intensity during 1971-72 and 1983-84.

### CONCLUSION

#### WET CROPPING INTENSITY

The efficiency of land in wet taluks posses a different picture in comparison to the dry taluks of the district. The land under irrigation for a very long time since has gradually decline to produce more crops in the same land due to the deterioration of soil fertility. The best example can be sighted is K.R.Nagar, which was under high crop intensity during 1971-72 declined to medium in 1983-84 and low during 1997-98. T.Narasipur and Nanjangud taluk which where under irrigation for the past two decades is still in an experienced stage ranging between low to medium intensity.

#### DRY CROPPING INTENSITY

The overall crop intensity among the dry taluks of Mysore district envisages a greater fluctuation from one period to another. It has been stated earlier the uneven and untimely distribution of rain fall has brought down the efficiency of land, although the other factors are favorable for high cropping intensity in the region. It is the reason why? Not even a single taluk experienced very high intensity in any of these periods.

### CROP CONCENTRATION

#### AN APPLICATION OF LOCATION QUOTIENT METHOD

The spatial distribution of cropping pattern is a result of multi-dimensional interactions of its determinants. As this process is dynamic and varied in space, we observe concentration and dispersion of cropping pattern in

many taluks of Mysore district. The pattern of crop distribution reveals about the variations in the density of any crop grown in the district at a given point of time. Therefore, an attempt is made here to identify the crop concentration pattern at three points of time (i.e. 1971-72, 1983-84 & 1997;-98). Such studies help us in getting a clear picture of the complex agricultural landscape and encourage in making a scientific analysis of the agricultural system in Mysore district. In this analysis the distribution pattern is shown as (I) very low, (ii) low, (iii) medium, (iv) high and (v) very high concentration of major crops. In order to determine the concentration of cropping pattern in Mysore district. S.S.Bhatia has used the location quotient method in his study of crop concentration of Uttar Pradesh.

### METHODOLOGY

The general concentration of an enterprise can be quantified with the help of location quotient or coefficient of localization. This technique was primarily used to study industrial locations (1948) and was also used by the urban geographers like Powanali (1953), Webb (1959) etc, for determining functional characters of an area. Later on the agricultural geographers like Jasbir Singh (1972) used it in a modified way.

The techniques expressed here to measure crop concentration are useful tools in the analysis of crop patterns in any part of the world and appears to be of wider application in analyzing various other agricultural elements as well.

For concentration of crops S.S.Bhatia (1965) used the following location quotient method:

$$\text{Index For Determining Concentration of crops 'a'} = \frac{\text{Area of crop 'a' in the component Areal unit (Taluk)}}{\text{Area of all crops in the component Areal unit (taluk)}} \div \frac{\text{Area of crop 'a' in the entire (district)}}{\text{Area of all crops in the entire region (district)}}$$

Higher the index value of a crop concentration indicates that higher is the area under that crop. This would give us an idea about the level of concentration of crops.

The continuous high concentration of a particular crop in a taluk can also harm the soil structure and related ecology. Therefore, crop concentration studies must be used as better tools to analyze in measuring the different associated parameters of crop cultivation like rainfall, porosity of soil, demand of a particular crop etc.

### PADDY

One of the remarkable features of paddy concentration in the district is that it has not crossed high and very high concentration. Very low concentration of paddy is found in Periyapatna, Mysore and Nanjangud taluks during 1971-72 and 1983-84, whereas during 1997-98 very low concentration was found only in Mysore and Nanjangud taluks. Low concentration prevailed in H .D.Kote, Hunsur and T.Narasipur taluks during 1971-72 where as during 1983-84 K.R.Nagar taluk experienced low concentration along with H.D.Kote, Hunsur and T.Narasipur taluks. During 1997-98 one more taluk has been added into the list of low concentration (Periyapatna taluk).

Periyapatna which had very low concentration for the past two periods, changed into low concentration due to the execution of Harangi command area. Medium concentration of paddy was found only in K.R.Nagar taluk during 1971-72. In rest of the periods medium concentration is not all recorded (It is clear from the figure that paddy concentration is neither very high in the wet taluks nor very low in the wet taluks. Since Nanjangud which has demarcated as one of the wet taluks as experienced very low concentration in all the three periods. The K.R.Nagar taluk which is one of the oldest taluk as showed low concentration along with its dry counterparts).

### RAGI

The very high and high concentration of ragi is not at all found in either in dry taluks or in wet taluks. K.R.Nagar taluk which is the wet taluks has recorded medium concentration for two consecutive periods that as 1983-84, 1997-98. Nanjangud is the only taluk which has experienced very low concentration of ragi in all the three periods. T.Narasipur which is another wet taluk recorded very low concentration during 1983-84, 1997-98 has against low concentration during 1971-72.

Among the dry taluks Mysore recorded very low of concentration of ragi during 1971-72, 1997-98 where as it recorded low concentration during 1983-84. The remaining dry taluks like H.D.Kote, Hunsur, Periyapatna experienced low concentration in all the three periods.

**JOWAR**

During the first two periods Mysore and Nanjangud has recorded medium concentration of Jowar. During 1997-98 Mysore recorded high concentration where as Nanjangud concentration with medium concentration. T.Narasipura experienced low concentration during 1971-72 thereafter recorded very low concentration with the advent of irrigation. K.R.Nagar taluk maintained very low concentration in all the three periods. The remaining dry taluks like, H.D.Kote, Hunsur, Periyapatna maintained very low concentration in all three periods except H.D.Kote which had experienced low concentration during 1983-84.

**MAIZE**

Maize which is one of the important dry crop presents a different scenario in its concentration between wet and dry taluks. Periyapatna is the only dry taluk to record very high concentration in all the three periods. Whereas the other dry taluks like H.D.Kote, Hunsur and Mysore have recorded very low concentration in all the three periods. Because Nanjangud and K.R.Nagar which are wet taluks experienced low concentration during 1971-72, 1997-98.

During 1983-84 Nanjangud recorded medium concentration where as K.R.Nagar recorded very low concentration.

**MINOR MILLETS**

The concentration of minor millets found to be in decreasing trend, when we look into three time periods. During 1971-72 out of seven taluks five taluks have cultivated minor millets at a different order. Periyapatna, T.Narasipur with very low concentration. Nanjangud with low concentration. K.R.Nagar with medium and Mysore taluk with very high concentration. In Hunsur and H.D.Kote Minor millets has not at all sown.

During 1983-84 the 1971 —72 trend continued except some minor changes. H.D.Kote and Periyapatna experienced very low concentration. K.R.Nagar and T.Narasipur had medium concentration, where as Mysore with very high concentration. In case of Nanjangud and Hunsur minor millets was not cultivated.

Comparative to the two previous periods in the year 1997-98. The cultivation of minor millets was recorded only in T.Narasipur taluk with low concentration. Rest of the taluks has not sown minor millets in the field.

**BENGAL GRAM**

It is one of the important dry rabi crop both dry and wet taluks as recorded high to very low concentration in all the three different periods.

During 1971-72 high concentration was found in Periyapatna taluk followed by T.Narasipur by medium concentration. In H.D.Kote and Nanjangud there was low concentration. In Mysore and K.R.Nagar it was very low concentration. Similarly during 1983-84 medium concentration recorded at T.Narasipur & Periyapatna taluk low concentration in Hunsur & K.R.Nagar taluk and very low concentration in H.D.Kote, Mysore & Nanjangud.

During 1997-98 H.D.Kote has recorded with medium concentration where as Nanjangud, Periyapatna and K.R.Nagar with low concentration followed by Hunsur, Mysore & T.Narasipur with very low concentration.

**TUR**

The concentration of Tur cultivation in the district has been declined during the last three decades. Tur is one of the important dry crop in dry taluks, during 1971-72 except T.Narasipur taluk.

In T.Narasipur taluk there was very low concentration. But, during 1983-84 few taluks gained concentration and few more last concentration in this period. Mysore taluk had medium concentration and followed by low concentration in Nanjangud and Hunsur taluks and rest of the taluks with very low concentration.

During 1997-98 Nanjangud incremented its concentration from low to medium. H.D.Kote, Mysore and Periyapatna recorded low concentration followed by very low concentration in Hunsur, K.R.Nagar & T.Narasipur taluks.

**OTHER PULSES**

The dry patches of wet taluks and all dry taluks cultivate other pulses during rabi season. The concentration of other pulses varies between medium to very low. Medium concentration is found in K.R.Nagar taluk during 1971-72 followed by low concentration in Hunsur, H.D.Kote, Mysore and Nanjangud. Periyapatna and T.Narasipur taluks in this period has not sown other pulses.

During 1983-84 low concentration in other pulses has recorded in H.D.Kote, Hunsur, Mysore and Nanjangud, followed by very low concentration in Periyapatna, K.R.Nagar and T.Narasipur taluks.

During 1997-98 low concentration was recorded at Nanjangud, Mysore, Hunsur & K.R.Nagar taluks followed by very low concentration in H.D.Kote, Periyapatna & T.Narasipur taluks.

#### **GROUND NUT**

As it can be seen from the map ground nut concentration in the district has under gone change only during 1997-98, Whereas 1971-72 and 1983-84 periods experienced low concentration in H.D.Kote, Hunsur, Mysore, Nanjangud and T.Narasipur taluks followed with very low concentration in K.R.Nagar & Periyapatna taluks.

During 1997-98 Groundnut concentration has been incremented to medium in T.Narasipur, Mysore and Hunsur taluks. The low concentration was experienced in Nanjangud taluk followed by very low concentration in H.D.Kote, Periyapatna & K.R.Nagar taluks.

#### **SUGAR CANE**

Irrigated patches of dry taluks and wet taluks has established high concentration to low concentration. High concentration of sugar cane was noticed during 1971-72 in T.Narasipur taluk followed by medium concentration in Mysore there after by low concentration in Hunsur and very low concentration in H.D.Kote, Periyapatna, K.R.Nagar & Nanjangud taluks.

During 1983-84 high concentration was noticed in Mysore taluks Where as T.Narasipur experienced medium concentration followed by low concentration. K.R.Nagar and remaining taluks like, Periyapatna, Hunsur, H.D.Kote and Nanjangud experienced very low concentration.

Sugar Cane concentration during 1997-98 declined from high concentration to medium concentration in Mysore and T.Narasipur taluks followed by H.D.Kote with low concentration and very low concentration in Nanjangud, Hunsur, Periyapatana and K.R.Nagar taluk.

#### **COTTON**

Cotton concentration in the study area remains to be dry in all taluks other than Nanjangud in all three periods. The medium concentration of cotton can be noticed in Nanjangud and Periyapatna taluk during 1971-72. Low concentration in Hunsur taluk and very low concentration in H.D.Kote, K.R.Nagar and Mysore taluk. T.Narasipur has not recorded cotton sowing in all the three periods. During 1983-84 medium concentration of cotton can be noticed in H.D.Kote and Nanjangud taluk, followed by low concentration in Hunsur and very low concentration in Periyapatna, K.R.Nagar & Mysore taluk. Perhaps the same trend can be seen during 1997-98. Other than Hunsur which lost its position of low concentration to very low concentration.

One of the important characteristic feature reflected in Nanjangud taluk is, all though irrigated by canal from the past two decades, cotton cultivation could not be uprooted from medium concentration in this taluk.

#### **MULBERRY**

Mulberry which is another dry crop is also one of the substitute crop to rescue from the failure of other crops. The concentration of mulberry in the study area as gradually picked up in comparison to the first two periods. During 1971-72 medium concentration was noticed in T.Narasipur and Mysore taluk followed by low concentration in Nanjangud and Hunsur taluk and very low concentration in H.D.Kote taluk. Whereas Periyapatna and K.R.Nagar remained un-sown. During 1983-84 medium concentration was found in Mysore taluk followed by low concentration in Nanjangud, T.Narasipur and Hunsur taluks and very low concentration in H.D.Kote, Periyapatna and K.R.Nagar taluk.

The importance of mulberry cultivation in Mysore taluk as boosted to high concentration followed by low concentration in T.Narasipur and Nanjangud taluk. The rest of the taluks like H.D.Kote, Hunsur, Periyapatna and K.R.Nagar experienced very low concentration.

#### **CONCLUSION**

The Inferences made are as follows

1. The concentration of various crops has been recorded in the study area according to its importance without any differences between wet and dry taluks.
2. The dry crop like cotton, maize, minor millets has been recorded high to medium concentration during 1971-72, 1983-84 periods.
3. Whereas there is no remarkable concentration like either high or very high concentration with respect to any crop in any of the taluk.

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## ACADEMIC-INDUSTRY BASED COLLABORATIVE RESEARCH: RE-FOCUSING B-SCHOOL AGENDA

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### ABSTRACT

#### PURPOSE

*It is now the right time to recognise knowledge as an important tool that facilitating organisation to gain a competitive advantage. Higher Educational Institutes (HEI) are not far behind, they have also realised that knowledge is now a driving force for organisational change and innovation. Authorised body in Indian Higher Education like UGC, NAAC and AICTE are constantly promoting research as a collaborative platform for value enhancement in Indian education scenario as well as creating a win-win situation for sustainability of such Institutes in India.*

*The purpose of this study is to find an appropriate model for not only knowledge creations but also knowledge sharing between academic & practitioners through participation & interaction.*

#### DESIGN/METHODOLOGY / APPROACH

*The study in general exploratory in nature.*

#### FINDINGS

*The study suggests few initiatives from the either side, in order to effective implementation of such knowledge sharing platform between academic & practitioners.*

#### RESEARCH LIMITATIONS/IMPLICATIONS

*The study is based on secondary sources of information.*

#### PRACTICAL IMPLICATIONS

*The study provides an illustrative guidance to the policy makers regarding the dimension of such academic-industry interface.*

#### ORIGINALITY / VALUE

*The paper conceptually validates the necessity of academic-industry interface in Higher Educational Institutes in India.*

*Keywords: Research, Higher Educational Institutes (HEI), Knowledge Management, Practitioners, Academic-Practitioner gap*

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### 1. INTRODUCTION

It is now the right time to recognise research as an important tool that facilitating academic institution to gain a competitive advantage. Authorised bodies in Indian Higher Education like UGC, National Knowledge commission, NAAC and AICTE are constantly promoting research as a collaborative platform for value enhancement in Indian education scenario as well as creating a win-win situation for sustainability of such Institutes in India (Dutta, 2013). About seventy percent of the management schools in India need to improve substantially if they want to produce managers who can make a difference. In spite of having some excellent institutions like IIMs, NITs (Department of Management) and IITs (Department of Management) and so on, research output by and large, of even the more prestigious institutions has not been adequate (AICTE, 2003). But if we look deep into this matter, we can find that the number of Ph. D. scholars we churned out in management discipline is pathetically low when compared to the ever rising number of business schools we are talking about. The efforts to research and publish have been more on individual basis rather than as an institutionally supported activity (Dutta, 2013).

Porter and McKibbin (1988) accuse business Schools on the following ground:

1. Quantity has become more important than quality.
  2. The intended audience of most research is the academic community rather than the dual community of scholars and practitioners.
  3. As a result there has been a proliferation arcane, trivial and irrelevant research.
-

**Rynes and Trank (1999)** argued that the academicians might also include implications for management education in their articles by highlighting how their key findings may change or add the decision making process. So that we might tell students in a classroom or managers in a consulting situation.

**Hughes *et al.* (2011)** have recently argued that better integration of teaching and research would be beneficial to narrowing the academic–practitioner gap.

## 2. JUSTIFYING THE NEED FOR ACADEMIC-INDUSTRY INTERACTION

It has been acknowledged by a wider community that there exists an academic-practitioner gap in management education. **Starkey and Madan (2001)** pointed out that there are no clear models relating to how management research in developed and disseminated between academics and practitioners.

It is necessary that academic quality and practical relevance must be judged by the wide variety of professionals e.g. executives, consultants and Human resource executives to make it industry ready. Academicians often feel that their research often free from commercial agenda, however, in my mind that limits our future rethinking of academic issues from a wider spectrums. Sound and methodological research must taken into consideration the case based and relevant application oriented business issues. **Saari (2007)** recommends communicating quantitative data in ways that will enlighten rather than frighten practitioners who are not all, immersed in the culture and procedures of empirical research.

If business schools are not producing commercially usable knowledge, they stand to lose what makes them distinctive. **(Gray, 2001)**

**Bennis & O'Toole (2005)** pointed out that b-schools have adopted excellence in order to gain credibility within the university environment, measuring themselves by the rigor of their scientific research, thus becomes less relevant to practitioners.

So we need an appropriate model for not only knowledge creations but also knowledge sharing between academic & practitioners through participation & interaction. The absence of direct interaction between these communities means that there is a lack of dialogue for the development of the discipline (see.Fig-1).



Fig-1

A Dialogue model between academic and practitioners

Source: author

## 3. ROLE OF ACADEMICS TO NARROW THE GAP

1. Use application based research in order to improve actual organisational decisions.
2. Collaborate area specific research with practitioners.
3. Make an effective way of communicating with managers.
4. B-schools must include both scientific evidence based research and insights from corporate practices in text books.
5. Academics must write for practitioner journals.
6. Include practitioners as an editorial board member or reviewer of scholarly journals.
7. Re-accredited their research output to make it industry relevant.

8. Make more use of the web based disclosure of faculty research, working papers & cases (either open source or restricted via professional forum) to the community of practitioners.
9. Industry can participate in creating study materials which can be directly used by students.
10. Academics must incorporate the strategic & managerial implication of its research findings in a separate column.
11. Focus on knowledge dissemination.
12. Select institutional collaboration for developing content.
13. Books and articles written for the benefit of practitioners.

#### **4. ROLE OF PRACTITIONERS TO NARROW THE GAP**

1. Create a room for effective exchanges of knowledge for mutual understanding.
2. Dissemination of various practices adopted by the practitioners in the form of periodical and journal (like AIMA Journal named *Indian Management*; Smart Managers etc.) publication.
3. Books and article written for the benefit of academicians, researchers and students at large.
4. Case study made on the basis of their rich exposure must publish in research based academic journals.
5. Encourage investment in research and innovation.
6. Invite academicians in the specific industry in order to develop collaborative research lab.
7. Create an interface bodies for effective research work.
8. Provide an award to those academic institutions or academicians for their research that have great potential for advancing practice.

#### **5. CONCLUSION**

It is indeed a need of the hour that academic research must link to practice in order to reduce the gap. The role of All Indian Management Association, Association of Indian Management Scholars and MTC Global are noteworthy. Hence, we need a collaborative model so that both academicians and practitioners may participate in the creation, collaboration and sharing of information in such a way that it cannot be monopolised by any one group.

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## **USAGE OF E-RESOURCES IN ACADEMIC LIBRARIES**

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### **ABSTRACT**

*The rudimental aim of this article to show that in the present age of information age. Every human being would relish getting any piece of information as expeditiously as possible, for that we should acclimate with the latest technology & provide the information without wasting a time. Libraries and information centers are playing vital role in the field of academic and as well as in the field of research activities. The papers fixate on paramount of e-resources for libraries and information centers. Availability of e-resources & its uses in a libraries and information centers is mundane. The electronic resources (e-resources) available in a library play a prominent role in facilitating access to required information to the users in a facile and expeditious manner. The e-resources, like CD-ROM databases, DVD-ROM databases online journals, online books, OPACs, and the plenty of internet/ web resources, are gradually superseding the paramount and utilization of print media.*

*Key words: Electronic resources, E-journals, CD-ROM databases, Nano Technology , information source.*

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### **INTRODUCTION**

It is very difficult to managing information manually, due to tremendous growth and publication rate of literature produce now a day. Paramount of internet use in libraries and information centers. Availability of internet & its uses in an academic libraries and information centers is mundane. The Internet in a library plays a prominent role in facilitating access to required information to the users in a facile and expeditious manner. Due to use internet in academic libraries and information centers patron get information efficiently, deliver to the desktop, reach local & in the remote area, also enable to recourse sharing among the libraries. Through ICT application library staff can easily handle all e-resources. E-resources are very costly, we should very careful during the selection of it.

In the last few decades the tremendous magnification of e-resources has transmuted the scenario of academic libraries. Now a day's availability of digital information on different format like CDs, audio/video cassette, an early age users used to visit libraries and information centers for their information needs because they kenneed it was available in print form only. People were not able to purchase every book therefore; they would go to the libraries and information centers to get they're seeking information. Revolution of information and communication technology (ICT) and the proliferation of internet technology have opened incipient sources of acquiring cognizance.

### **WHAT ARE E-RESOURCES?**

E-resources (electronic resource) is that, "Information (usually a file) which can be stored in the form Electrical signal usually, but not necessary on a computer".

An electronic resource is any information source that the library provides access to an electronic format.

The library has purchased subscriptions to many electronic information resources in order to provide you with access to them free of charge. Our E-Resources include lots of things: full-text journals, newspapers, company information, e-books, dictionaries, encyclopedias, economic data, digital images, industry profiles, market research, career information, etc.

### **E-RESOURCES IN ICT ENVIRONMENT**

Academic libraries are providing following e-resources for their patron.

- ▶ E-Books
- ▶ E-Journals
- ▶ E-Newspapers
- ▶ CD-ROM
- ▶ E-Contents
- ▶ E-mail
- ▶ E-reports
- ▶ Online Database

## WHY WE NEED ELECTRONIC RESOURCES IN LIBRARY

The present age is an information age. Every human being would relish getting any piece of information as expeditiously as possible, for that we should acclimate with the latest technology & provide the information without wasting a time. Everybody would relish to getting concrete information on tips through e-resources anybody can access information be sitting in a one place. All the information available is in the form of digital like e-books-e-journals etc.

## PURPOSE OF E-RESOURCES

- To create awareness to use of e-resources.
- Maximum utilization of e-resources available in the academic libraries.
- Friendly relations among the users & library staff.
- They come to know how to access relevant information on the internet.

## FEATURES OF E-RESOURCES

- We get e-resources only in a form of electronic form
- We get or access concrete information from anywhere.
- Changes can be facilely & expeditiously available.
- Advance search can be possible.

## E-RESOURCES ACCESSIBILITY

### OPEN ACCESS JOURNALS / E-JOURNALS

• Directory of Open Access Journals -Provides access to over 1500 + learned journals covering all major disciplines.	<a href="http://www.doaj.org/">http://www.doaj.org/</a>
• Indian Academy of Sciences (IAS) – 11 free Indian online journals	<a href="http://www.ias.ac.in">http://www.ias.ac.in</a>
• NISCAIR Full Text Journals	<a href="http://nopr.niscair.res.in/">http://nopr.niscair.res.in/</a>
• Bentham 175 Open Access Journals	<a href="http://www.bentham.org/open/a-z.htm">http://www.bentham.org/open/a-z.htm</a>
• High Wire Press- Earths largest free-full science archives (journals) 320 journals	<a href="http://highwire.stanford.edu/">http://highwire.stanford.edu/</a>
• Institute of Physics electronic journals(IOP) 60 e-journals	<a href="http://iopscience.iop.org/journals">http://iopscience.iop.org/journals</a>
• Journal of the Indian Institute of Science	<a href="http://journal.library.iisc.ernet.in/">http://journal.library.iisc.ernet.in/</a>
• Down to Earth	<a href="http://www.downtoearth.org.in">http://www.downtoearth.org.in</a>
• Indian National Science Academy journals (INSA)	<a href="http://www.insa.nic.in/">http://www.insa.nic.in/</a>
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### CONCLUSION

This paper confirms that now s day's a large number of e-resources are made available; a majority of users use e-resources for their learning purpose. When all the e-resources materials are available in the libraries and information centers and users are generally satisfied with the materials, the existing e-resources can fulfill user's needs, libraries and information centers should subscribe more e-resources.

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**CHIEFTAINCY TUSSLES AND SOCIO-ECONOMIC IMPLICATIONS OF COMMUNITIES IN  
YAKURR LOCAL GOVERNMENT AREA OF CROSS RIVER STATE, NIGERIA**

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**ABSTRACT**

*The paper examines chieftaincy tussles and socio-economic implications of communities in Yakurr Local Government Area of Cross River State, Nigeria. Two research objectives / research questions were raised and translated into research hypotheses to guide the study. Relevant literatures were reviewed in line with the direction of the study. The research design used in conducting this study was the descriptive survey method. The population of the study consisted of traditional chiefs in the study area. Interview Schedule (IS) and Focus Group Discussions (FGD) were the main instruments used for data collection. The primary data were gathered from key informants including traditional chiefs and community opinion leaders. The sampling techniques employed included cluster, purposive and simple random sampling. Therefore, a total of 1294 respondents participated in the study. Charts for data analysis were drawn using the 2003 Microsoft Excel XP Version 10 package while the Simple Regression Analysis and Analysis of Variance (ANOVA) were used to test the null hypotheses. The findings of the study revealed that government, through its policies and programmes play critical roles in influencing chieftaincy tussles within the Yakurr communities. Also, the politicization of chiefs and the traditional chieftaincy institution contributed significantly to chieftaincy tussles which further generated increased rates of restiveness, impoverishment, insecurity and loss of lives and property. On the basis of these findings, it is recommended among others that government should desist from intruding in chieftaincy matters. Any person appointed, selected or elected as a chief in accordance with the traditional precepts and laws should be allowed to function as such. Besides, periodic workshops, seminars and conferences should be organized either by government or Non Governmental Organizations (NGOs) to educate, enlighten or create awareness on the need and importance of tolerance and peaceful negotiations in any contentious issues in the traditional chieftaincy institution.*

*Key words: Implications, Chieftaincy, Tussles, Socio-Economic, Communities.*

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**INTRODUCTION**

The traditional chieftaincy institution caters for the African traditional chieftaincy activities. It comprises traditional chieftains, traditional leaders, or rulers, kings and queens, given the powers and authority over their people and the mandate to enforce the rules, norms and values of a people. In the words of Dominic and Tanko (2015) the traditional chieftaincy institution represents the embodiment of a people's rich culture, as an agent of development, and catalyst of change. Nlerum and Sachs (2003) see the traditional chieftaincy institution as repositories of local socio-political authority. Traditional chiefs are not only the custodian of culture and traditions, but also serve as the political power-base of the people at the grassroots, mobilizing them for community development (Jalong, & Faji, 2011).

It is however unfortunate that this institution in most societies has been very much abused, disorganized, adulterated and undermined, resulting in diverse chieftaincy disputes. Ellward (2013) assert that chieftaincy tussles are not quite common in monarchical societies where a person assumes a chieftaincy position by inheritance or laid down traditional precepts handed down from their forebears; but are most commonly experienced in republican and democratic societies where might and privileges are used to get to such positions. But, as observed in recent times, no society or form of chieftaincy structure is spared of tussles in different and even greater dimensions. The rampant chieftaincy disputes in all form of societies attests to this fact.

These chieftaincy disputes are seen to hamper progress, such that many people feel the traditional chieftaincy institution has lost its value and therefore no longer relevant in this modern age. It is against this background that this study examines chieftaincy tussles and socio-economic implications of communities in Yakurr Local Government Area of Cross River State, Nigeria.

**OBJECTIVES OF THE STUDY**

The broad objective of the study was to examines chieftaincy tussles and socio-economic implications of communities in Yakurr Local Government Area of Cross River State, Nigeria. The specific objectives are to:

1. Determine the extent to which government involvement in chieftaincy matters influence chieftaincy tussles in Yakurr Local Government Area.
2. Determine the influence of chieftaincy tussles on socio-economic backwardness of communities in Yakurr

Local Government Area

### **RESEARCH QUESTIONS**

1. To what extent does government involvement in chieftaincy matters influence chieftaincy tussles in Yakurr Local Government Area?
2. How do chieftaincy tussles influence socio-economic backwardness of communities in Yakurr Local Government Area?

### **RESEARCH HYPOTHESES**

1. Government involvement in chieftaincy matters does not have any significant influence on chieftaincy tussles in Yakurr Local Government Area.
2. Chieftaincy tussles does not have any significant influence on socio-economic backwardness of communities in Yakurr Local Government Area.

### **LITERATURE REVIEW**

#### **CAUSES OF CHIEFTAINCY TUSSLES**

Faniran and Ojo (2010) attributed the cause of chieftaincy tussles to greed for power while Bassey (2009) traced it to the fact that people fail to construct the much needed platforms of inclusion, participation and tolerance. Some of these chieftaincy disputes have their roots in religious, ethnic, tribal or cultural differences of one form or the other. However, most of the chieftaincy tussles could be traced to problems associated with succession processes. E.g., in 1993, the vacant throne of Oluo of Okeoyi in Kwara State turned into a battle front, resulting to the loss of lives and properties as a result of conflicting interest among the kingmakers (Arinze & Mahmud, 2009).

In most societies, the chieftaincy stool is a perceived goldmine, and therefore many people want to acquire economic and political power by any means, including the use of force or violence to get into it. This is because some chiefs had used their positions to enrich themselves instead of improving the living conditions of their subjects (Jones & Michael, 2011).

Verna (2009) identified the cause of chieftaincy tussles to include abuse of power, human right violations in form of unrelenting brutality, arrests, extra-judicial killing, incarceration and despotism. The "sit down syndrome" of certain individuals in the society, where they continually refuse to relinquish power to any other person or party no matter what, causes chieftaincy tussle. Ozuliman (2012) also found out that chieftaincy tussle may occur when some individuals in power systematically and effectively marginalize and deprive others of their rights and privileges in the society.

Similarly, Udo (2013) reported that chieftaincy tussles in most cases are triggered by the failure of chiefdoms to address the problems of the people prompting many community elites to mobilize and sponsor thuggery and other unwholesome acts against the chiefdom. Gah and Hud (2011) carried out a cross sectional survey to determine the root cause of the chieftaincy tussle that had bedeviled the Tuo dynasty in Gambia. The result showed that capability failure by the dynasty was responsible. That is, the Tuo dynasty failed in its duty to heed to the needs and aspirations of the common man. This lack of capability brought about opposition against the dynasty, calling for a change of the traditional norms with its consequent problems of arson and thuggery. The corrupt and greedy nature of chiefs to exploit their subjects of goats, cows, hens and other resources as well as their inability to render the services which they were appointed or selected to do contributes to the increasing rate of chieftaincy tussles in some societies (Ledulim & Wusai, 2007).

#### **GOVERNMENT INTRUSION AND POLITICIZATION OF THE CHIEFTAINCY INSTITUTION**

In pre-colonial period, when once a person is elected, selected or appointed a traditional ruler, in accordance with customary law, such a person begins to wield authority and perform chieftaincy related functions derived from long rooted customs and traditions. Traditional rulers in pre-colonial Africa combined temporal and spiritual powers which whether in a monarchy, association or consular type was good, revered and effective as the authority of any king anywhere that had organized government system (Ierum & Sachs, 2003). Traditional chiefs then were "de facto" and "de jure" rulers of their subjects in their domains.

However, with the advent of colonial rule in Africa, the traditional chieftaincy institution began to experience some changes. Akpet and Bonny (2014) assert that colonialism destroyed the core traditional chieftaincy institution, particularly in Eastern Nigeria, where it dethroned traditional rulers and put in their place warrant chiefs who assumed powers and authority alien to the people. These warrant chiefs began to live in affluence, arrogance and became pompous to the dismay of the common man. Rather than serve the people, they were preoccupied in serving the interests of the colonial masters and themselves.

Basically, traditional chiefs became tools in the hands of British colonial masters for the implementation of policies such as the collection of taxes and levies. In the viewpoint of Isokon and Onyema(2015), the traditional chieftaincy institution suffered in the hands of the colonial masters, such that traditional rulers lost their legitimacy and ability to lead or influence their subjects.

Generally, colonialism limited the traditional chieftaincy institution to the maintenance of law and security as well as the mobilization of tax revenue from their subjects. So many traditional chiefs perceived to be recalcitrant or disobedient to the British authority were summarily dismissed or removed from office. Among the prominent kings removed include: John Aggrey of Cape Coast, who was arrested, deposed and deported to Sierra-Leone in 1865, King Prempeh 1 of Ashanti was dethroned in 1882, King Jaja of Opobo was arrested, removed from office, imprisoned in Calabar and finally deported to the West Indies where he died, MoghoNaba of the Mossi tribe in Ouagadougou, was removed from office for disagreeing with the colonial masters and Edward Mutesa II of the Baganda in Uganda was dethroned and exiled to England where he died (Egu-sam, 2006). All these were attempts to make them valueless, powerless and subservient to colonial authorities.

Traditional rulers under colonial rule were not only treated as tools in the hands of the British government, but also undermined the traditional meaning of leadership, such that the solidarity of communities was eroded, thus paving way for chieftaincy tussles (Nlerum and Sachs, 2003). The postcolonial administration further curtailed the powers and authority of the traditional chieftaincy institution. This was because they saw traditional chiefs as impediments to modernization and nation-building (Kyed, 2005). Traditional chiefs were treated as public servants, and used in some cases as political stooges. Asamoah (2012) opined that government through its agencies side – lined traditional rulers in their development programmes largely because they were considered not conforming to some of its policies, views and criteria for leading their people. The postcolonial administrators prefer traditional chiefs who accepted government policies and programmes without question, and therefore found justification in dethroning any chief found wanting in this regard.

Kwame (1982) opined that the overall powers and authority of chiefs experienced ebbs and flows depending on the preference of any regime, resulting in dynamic changes in the traditional chieftaincy institution. In Nigeria a number of traditional rulers were dethroned for one political reason or the other. Good examples were Olowo of Owo, OlateruOlagbegi; Sultan of Sokoto, Mohammed Maccido in 1988 and the 45<sup>th</sup>Deji of Akure, OludareAdesinaAdepoju to mention but a few (Ojo and Akeredolu, 2010). In all of these cases, the public outcry against government actions was great, leading to quantum destruction of lives and property.

Asamoah (2012) maintained that the government failed to involve traditional rulers in her policies and programmes, thereby making them incapable of satisfying the needs of their subjects, hence not able to attract development oriented projects in their areas of jurisdiction.

Ubanah (2016) also argued that chieftaincy crises arose in modern societies because the onus of who becomes a traditional ruler or chief no longer rest on the people, who in most cases are represented by a royal family, lineage or kingmakers, in accordance with the relevant customary law and usage but with the government. This implies that even if an individual is appointed, enstooled or selected by an appropriate family, hereditary or appropriate lineage, without government recognition or certification, such an individual cannot exercise power and authority over his or her people. This development had attracted diverse interest to the chieftaincy stool, especially that government now pay stipends to chiefs.

In line with this view, Dominic & Tanko (2015) claimed that government recognition or certification of chiefs paves way for chiefs to be paid monthly stipends or remunerations. Traditional chiefs on their part are expected to obey government instructions, carry out socio-economic responsibilities as directed by government and also maintain law and order in their respective communities. Igundipe and Olawale (2008) posited that most traditional chiefs had failed to meet with the expectations of the subjects who see them as people who enjoy government patronage and yet could not perform. This according to Igundipe and Olawale (2008) generates bitterness and gang ups against the chiefs.

### **SOCIO-ECONOMIC CONSEQUENCES OF TRADITIONAL CHIEFTAINCY TUSSLES**

In communities where chieftaincy disputes abound there is always a leadership vacuum and the subjects divided along the contending interests (Ogbona & Edwin, 2012). In such a situation, there is absolute division among the rank and file, affecting the corporate efforts and oneness of purpose needed for sustainable socio-economic community development. There are different socio-economic consequences of chieftaincy tussles as reported in various parts of the country, some of which results to loss of lives, jobs and wanton destruction of property, worth millions of naira (Egule & Bassey, 2010). This poses a problem as the energies of the people especially the rural dwellers could not be meaningfully harnessed for community development. Mahmud

(2008) stated that chieftaincy tussles had introduced the culture of violence and criminality in most societies. Due to persistent chieftaincy tussles, economic activities in the affected communities came to a standstill, rendering an increasing proportion of the people unemployed. Some chiefs and elites in the society, in their ambitious desire for power and to assume higher chieftaincy positions, use the youths to acquire such positions, and in the process, the energies of these youths are directed towards violent activities (Bamidele & Igunta, 2011). Indeed, the level of youths' involvement in chieftaincy disputes leads to the continuous agitation, militancy and obstruction of public peace and order in our society (Edwin & Mundi, 2013).

Oladesu (2009) posited that chieftaincy tussle takes the same form of methods and share similar socio-economic consequences all over the world. It is characterized by kidnapping and killing of opponents, arson, and destruction of properties, blackmail, insults, abuse, name calling and all forms of deceit and criminal activities. Supporting this view, Victor, Edima, & Oblong (2012) stated that in Nigeria, chieftaincy tussle is replete with thuggery occasioned by indifference or violent repression. Chieftaincy tussles sometimes dovetail to and produced casualties where many people have died, maimed or become refugees in other lands. Taiwo (2009) in conducting a study to determine the effect of chieftaincy tussle on the socio economic development of Egbaland in Oyo State, Nigeria, reported that the chieftaincy tussle which lasted for decades resulted in the plight and suffering of the masses and denied the common man his legitimate right to governance.

Obinna (2010) equally argued that chieftaincy disputes make it impossible for those in power and those in opposition to realize and protect human capabilities. Taslim and Usong (2010) stated that chieftaincy tussle is not only unjust but devilish because it thwarts development; and promotes illegitimacy of some traditional institutions whose mantle of legitimacy lies with the culture and tradition of a given people. Oloya and Scholar (2009) opined that some chieftains know how to manipulate ethnic rivalries amongst indigenous populations by employing a strategy of divide and rule. This strategy creates enmity and suspicion among the people. The divide and conquer method was also adopted to pitch camp against opponents, keeping them at bay (Oloya & Scholar, 2009).

Pamela (2012) observed that chieftaincy tussle leading to violence has been the primary cause of the economic backwardness of most rural communities. Watts (2009) stated that in recent times, chieftaincy tussles have eaten deep into the fabrics of our rural societies, causing the security situation to be tense and fragile. Ottorbor (2012) observed that chieftaincy tussles have caused impoverishment of people and brought untold woes to the affected people. It has been the source of vice and misery for many communities. According to Yom (2006) chieftaincy tussles like land disputes creates hatred among ethnic and family members, thus, if not handled correctly can result to permanent socio-economic and political backwardness of a society.

Rafael (2012) asserts that chieftaincy tussles exacerbate strains on the traditional chieftaincy institutions in particular and the society in general. Bowie and Doma (2010) in their study to determine the effect of chieftaincy tussles on economic growth, found out that chieftaincy tussles affect the rate of society's growth through uncoordinated administrative policies, lack of investment; and when prevalent reduce household resources available for savings and investments at different points.

## **RESEARCH METHODOLOGY**

The study area was Yakurr Local Governemnt Area of Cross River State, Nigeria. The research design used in conducting this study was the descriptive survey method. This design is used in this study because it allows for the drawing of inferences. The population of the study consist of 3678 traditional chiefs in Yakurr Local Government Area of Cross River State. Interview Schedule (IS) and Focus Group Discussion (FGD) were the main instruments used for data collection. The cluster, purposive and simple random sampling techniques were used to select the sample from the study population. First, from a list of all the communities that constitute the local government area, five communities were selected, using the simple random sampling technique. Next, a list of council wards for each of the selected community was constructed and one council ward from each community was selected using the simple random sampling technique. Altogether, six council wards formed the cluster from which the sample for the study was drawn.

To draw respondents, the purposive sampling method was adopted. This involves the process of selecting those members of the accessible population, who have the knowledge of the phenomena under study (Ndiyo, 2004). Here, the subjects (chiefs and community opinion leaders) used for the study were those who can give information on chieftaincy affairs in the study area. Therefore, a total of 1294 respondents participated in the study. The research hypotheses and the statistical procedure adopted for the analysis of data were the Simple Regression Analysis and Analysis of Variance (ANOVA). A breakdown of the sample distribution is shown in Table 1

TABLE 1: Sample distribution of respondents by communities and wards.

S/n	Community	Ward	Sample	Percentage
1	Ugep	Ikpakapit	237	23.47
2	Nko	Abanakpai	267	20.07
3	Ekor	Ntan	270	21.08
4	Mkpani	Mkpani/Agoi	264	19.05
5	AgoiEkpo	Mkpani/Agoi	256	16.33
	Total		1294	100

Source: Fieldwork, 2017

**TEST OF HYPOTHESES**

H<sub>0</sub>1: Government involvement in chieftaincy matters does not have any significant influence on chieftaincy tussles in Yakurr Local Government Area

To test this hypothesis, simple linear regression analysis was carried out with government involvement in chieftaincy matters as independent variable and chieftaincy tussles as dependent variable while F-ratio and t-test were used to test for significance. The results are summarized and presented as in Table 2.

TABLE 2: Regression of government involvement in chieftaincy matters on chieftaincy tussles (n=1294)

R = .561		adj R-squared = .313			
R-squared = .315		std. Error = 3.537			
Source of variation	Sum of squares	Df	Mean square	F – value	P - value
Regression	1679.436	1	1679.436	134.263*	.000
Residual	3652.509	1292	12.509		
Total	5331.945	1293			

\* Significant at .05 level.  $P < .05$ 

From Table 2, an r-value of .561 was obtained giving an r-squared value of .315. This means that about 31.5% of the total variation in chieftaincy tussles in Yakurr Local Government Area of Cross River State was accounted for by variation in government involvement in chieftaincy matters. The P-value (.000) associated with the computed F-value (134.263) is less than .05. As a result, the null hypothesis was rejected. This means that there is a significant influence of government involvement in chieftaincy matters on chieftaincy tussles in Yakurr Local Government Area of Cross River State

The results also showed that both the regression constant and government involvement in chieftaincy matters made significant contribution to the prediction of chieftaincy tussles in Yakurr Local Government Area, Cross River State ( $t = 13.366$  and  $11.587$ ,  $p = .000$ ).

**HYPOTHESIS 2**

Chieftaincy tussles does not have any significant effect on socio-economic backwardness in Yakurr Local Government Area In this hypothesis the independent variable is chieftaincy tussle which is a continuous variable. The dependent variable is socio-economic backwardness in Yakurr Local Government Area which is also continuous. To test the hypothesis of significant influence of chieftaincy tussles on socio-economic backwardness in Yakurr Local Government Area, using the One – Way Analysis of Variance (ANOVA), the statistics of chieftaincy tussle was determined and was classified into 3 levels (Mean  $\pm$  1SD), using:

Low:  $X_i = < \text{Mean} - 1\text{SD}$ ;

Moderate:  $X_i = \text{Mean} \pm 1\text{SD}$ , and

High:  $X_i = > \text{Mean} + 1\text{SD}$

The influence of chieftaincy tussles (low, moderate, high) on socio-economic backwardness in Yakurr Local Government Area was then tested using the One – Way ANOVA and the results are presented in Table 3.

TABLE 3: Summary data on One – Way ANOVA of significant influence of chieftaincy tussles on socio-economic backwardness (1294)

Family sizes	N	Mean	SD
Low	22	57.500	3.6871
Moderate	132	56.0829	5.0481
High	96	55.7708	5.2904

Total	1284	56.0866	5.0454		
<b>Source of variance</b>	<b>SS</b>	<b>Df</b>	<b>MS</b>	<b>F</b>	<b>Sig</b>
Between groups	258.367	2	129.367	3.782	.351
Within groups	8448.882	1291	34.206		
Total	8707.249	1293			
P>.05; critical $F_{2,247} = 3.02$					

In Table 3, since the calculated F- value of 3.782 is greater than the critical F-value of 3.02 at 0.05 level of significance and 2,1291 degrees of freedom for the two tailed test, it follows that there is significant effect of chieftaincy tussles on socio-economic backwardness in Yakurr Local Government Area. The null hypothesis of “no significant influence” is not rejected. The alternate hypothesis is rather rejected.

## DISCUSSION OF FINDINGS

### GOVERNMENT INVOLVEMENT IN CHIEFTAINCY MATTERS AND CHIEFTAINCY TUSSLES IN YAKURR LOCAL GOVERNMENT AREA

The first finding of this study revealed that government involvement in chieftaincy matters significantly influence chieftaincy tussles in Yakurr Local Government Area of Cross River State. This study agrees with Edr and Asuquo (2014) who reported that government intrusion in chieftaincy matters resulted to the imposition and dethronement of chiefs at the slightest excuse, which in most cases is politically motivated, leading to one form of chieftaincy crisis to another. In the study area, it was observed that the policy of government to appoint commissioners and special advisers to oversee traditional chieftaincy institutions became a fertile ground for chieftaincy tussles. By this policy, traditional rulers were made accountable not to their own people but to government. Cases abound where chiefs were abused, assaulted and harassed openly by some commissioners and special advisers or other government officials, leading to skirmishes, youth restiveness and open confrontations.

Chieftaincy tussles also occur in situations where government developed special interest on who succeeds or occupies a chieftaincy stool. Government intrusions in most cases resulted in some unpopular candidates being imposed on the people. Government intrusion to some extent undermines the traditional rites involved in selecting a chief. For example, in the study area, the suitability of a candidate to the Obol-lopon, is believed to be determined by the gods and goddesses of the land. It is through the consultation of the gods that a candidate to the stool is chosen. The gods were believed to have the capacity to evaluate the inward and outward characteristics of the individual such as personal valour, intelligence and the capability to lead the people in times of war. Even after the selection, the individual is made to undergo symbolic, spiritual rituals and religious practices, involving social taboos, and sacred observances. The aura of Yako traditional chieftaincy institution is therefore principally governed by myths, sacredness, worship, reverence and tradition. This is why each time government intervenes or intrudes in chieftaincy affairs, things go wrong and restive behavior becomes apparent. In some cases, the ability of a traditional ruler to nurture, adapt or support government projects or programmes of activity makes him or her occupy, keep or retain his or her chieftaincy stool. This study also supports Agbam (2013) who stated that traditional rulers who tend to be popular in government cycles are those who have actually lost the confidence of their subjects, especially for those of them who have failed to provide essential leadership and other basic local services or meet the needs and aspirations of their subjects. As observed in the study area, dethroned chiefs were tagged rebels while installed ones were seen as agents and stooges of government.

It was further observed that the grading of chiefs into different categories by government has been another challenge fueling chieftaincy tussles in the study area. For instance, paramount rulers were treated as first class chiefs, clan heads as second class chiefs while all other chiefs were termed third class chiefs. Paramount rulers and some clan heads were influential, commanding social prestige, affluence and wealth, which sometimes generate jealousy, envy and conflicts among themselves or even their subjects.

The current study further corroborates with Gabito and Varemo (2012) who reported that the traditional rulership in Nigeria generated considerable disputes due to partisan politicking of some traditional rulers. It further supports Ledulim and Wusai (2007) who reported that the politicization of the traditional chieftaincy institution brought to fore chiefs who played partisan politics or are open loyalist to one party or the other. In the study area, some traditional rulers combined their traditional roles with active politics. Some do not mind abdicating their thrones in order to seek for elective or appointed political offices. Some were major financiers of political parties and stand solidly behind certain politicians against others, irrespective of the constitutional provision of the 1999 constitution of Nigeria forbidding chiefs from participating in partisan politics. Indeed, this

constitutional provision doesn't seem to have any impact on chiefs as they continue with their politics and politicking with careless abandon. Chiefs perceived to sympathize with the opposition party were sidelined or marginalized, and this often leads to their dethronement.

This finding also agree with Kyed (2005) who affirmed that the traditional chieftaincy institution in Ghana has failed to be a key player not only in local administration but also as the custodian of the people's culture and tradition due to the role of traditional rulers in politics. It also supports Gabito and Varemo (2012) who opined that allegiance of a chief is to his people therefore indulging in partisan politics meant divided allegiance which impairs the trust and confidence of the people.

As also observed in the study area, contending political parties strive to win the chiefs to their own side, not minding that the chiefs were supposed to be politically anonymous. Consequently, most chiefs lost their respect, support, trust and confidence of their subjects that found themselves or belonged to the opposing political parties. Because of government involvement, many chiefs that opposed government policy or programme were hardly tolerated and therefore not given their due regard and respect by the government. Thus, the readiness of an individual to become a stooge of government is a condition for him or her to assume the position of a chief. So many chiefs had lost their stools on account of their political stance which is at par with government interest. This finding is also in support of Obimbah (2009) who reported that in Nigeria, the certification of traditional chiefs by government was geared towards checkmating the excesses of some traditional rulers.

As observed in the study area, persons who were appointed, selected or elected as traditional chiefs based on the traditional precepts must be recognized and certificated by the government before they can perform the role of traditional chiefs. In some communities, the whole issue was politicized. This resulted to some communities having two traditional chiefs on the same stool with contending factions behind them. In other words, while one was recognized by government the other remained as the people choice.

In Ugep community for example, the politicization of the chieftaincy institution led to the division of the royal family, kingmakers and the subjects. Government recognition and certification of Ikpi Pius as Obol Lapon of Ugep was seen by the opposing faction as an attempt by government to change and twist the laid down rules as handed over to them by their forebears. Those that stood by Enang Obeten fought to maintain the status quo. The situation was worsened by the vested political interests of prominent Ugep politicians of that era. Within a period of twenty years, Ugep experience leadership vacuum and also lacked the direction to embark on developmental projects as this was seriously undermined by the chieftaincy tussle. Nko community had its turn from 1986 to 1991. The chieftaincy institution was equally politicized, resulting in the chieftaincy tussle between Obol Enang Bassey and Obol Effiom Ayomobi who eventually was recognized and certificated by government. The chieftaincy institution in Ekor also suffered a setback when Obol Donatus Ibor Ofem was recognized and certificated by government as the Obol lapon of Ekor, as against the contention of many others that Obol Denis Onen Ofem was the rightful heir to the throne. Political intrigues played a prominent role in deepening the attendant crises, even as many people were said to have died in mysterious circumstances. It also witnessed serious security challenges and brutal killings in the area.

In Mkpani community, the tussle was between Obol Inyang Ofem Bassey and Obol Sunday Obono Okoi. Even when the government had recognized Obol Sunday Obono Okoi as the Obol lapon of Mkpani, the community was still divided as supporters of Obol Inyang Ofem Bassey refused to surrender. Agoi-Ekpo community experienced chieftaincy tussle when the stool became politicized, leading to the certification and enthronement of Ata Ikun Oyira Onong in 2012. His rival, Ata Michael Mbang and his supporters had refused to relinquish the stool.

The paramount ruler-ship in the study area was equally not spared of tussle. Atta Jeremiah of Agoi who was believed by his supporters to be the longest serving chief and Obol Ubi Ujong Inah of Ugep who was barely six years as the Obol Lapon of Ugep, battled it out against each other. Politics equally came into play as it took the government three years to resolve the issue in favour of Obol Ubi Ujong Inah. Since the demise of Obol Ubi Ujong Inah in 2015, the stool had been vacant, due to the disagreement among the chiefs and people as to who should occupy it.

#### **CHIEFTAINCY TUSSLES AND SOCIO-ECONOMIC BACKWARDNESS OF COMMUNITIES IN YAKURR LOCAL GOVERNMENT AREA**

The second finding of this study revealed that chieftaincy tussles significantly influence socio-economic backwardness of communities in Yakurr Local Government Area, Cross River State. This result agrees with Oladesu (2009) who reported that chieftaincy tussle is characterized by kidnapping and killing of opponents, arson, destruction of properties, blackmail, insults, abuse, name calling and all forms of deceit and criminal

activities. The current study also supports Taiwo (2009) who conducted a study to determine the effect of chieftaincy tussle on the socio economic development of Egbaland in Oyo State, Nigeria, and reported that the chieftaincy tussle which lasted for decades resulted in the plight and suffering of the masses and denied the common man their legitimate right to governance. It equally corroborates that of Verna (2009) who reported that chieftaincy tussle result in abuse of power, human right violations in form of unremitting brutality, arrests, extra-judicial killing, incarceration and despotism. It further agrees with Obimba (2009) who reported that chieftaincy tussle had thwarted the development of most communities, promoted illegitimacy of social and traditional institutions whose mantle of legitimacy lies with the culture and tradition of the people.

In Yakurr communities, it was observed that because of chieftaincy tussles, there exist enmity and suspicion among the people and this has been the primary cause of the socio-economic backwardness of the communities in Yakurr. Chieftaincy tussles in the area had caused the marginalization and deprivation of many individuals of their rights and privileges.

In some cases, the citizenries were compelled to split their support and to form factions, each with its strategy to either en-stool or de-stool as the case may be. For example, the chieftaincy tussle in Ugep community which lasted for a period of twenty years, created leadership vacuum and for this reason the people lacked the direction to embark on developmental projects as this was seriously undermined by the chieftaincy tussle. In Nko community, the chieftaincy tussles had a reverberating effect on the socio-cultural lives of the people such that for almost a decade, the much cherished cultural festivals of Leboku, Obasse, Obemoji and Etangala were not observed. The resultant effect was confusion, youth restiveness, lies, blackmail, kidnapping and killings of innocent people. In Ekor community, the chieftaincy tussle witnessed serious security challenges and brutal killings.

## **CONCLUSION**

This study has analyzed the chieftaincy tussles and socio-economic implications on communities in Yakurr Local Government Area of Cross River State. It was observed that government involvement in chieftaincy matters such as outright control of the institution, en- stooling and de- stooling chiefs had in no small way helped to increase the rate of chieftaincy tussles in the study area. It was also observed that positive developments have not taken place in the area as a result of chieftaincy tussles. The chieftaincy tussles further deprived the people, judicious use of their talents, resources and revenues to embark on sustainable community development such as provision of infrastructural facilities and social amenities.

Based on the result of the findings it was recommended that each community in Yakurr should properly define its procedures on succession to chieftaincy stools or thrones can and should be documented and enacted as a bye law that will be binding on the people. All the chiefs in the area should be empowered and/or paid their chieftaincy stipends or remunerations as a way of motivating them to discharge their duties. Chiefs should not only be seen as the custodian of the spiritual and tradition norms of the people, but also as people who can spearhead development programmes in their area of jurisdictions. More so, efforts should be made to reduce chieftaincy tussles to the barest minimum, through strategic sustainable development.

Also, what is needed to curb chieftaincy tussle in the country is for the traditional institutions to be restructured and redefined to meet with the peoples' aspirations and to be human capabilities sensitive. Such restructuring will serve as an effective way of protecting the citizenry from illegitimacy and abuses perpetuated by certain persons in the study area.

The government should desist from intruding in chieftaincy matters. Any person appointed, selected or elected as a chief in accordance with the traditional precepts and laws should be allowed to function as such. In other words, such a person does not need government recognition or certification before he or she can function as a chief. But if government recognition or certification is so expedient, then it should not be selective. The onus of who becomes a chief should lie with the people and not the government.

Chieftaincy tussles should be handled with caution, devoid of politicking so that they do not escalate to major conflicts. This is because the major factor that exacerbates chieftaincy tussles in the society is when it is politicized. Therefore, the chieftainship institution should not be politicized and chiefs should be barred from partisan politics.

Good governance and equity and justice as well as sound understanding of people are preconditions for managing chieftaincy tussles. These preconditions include efforts to ensure an ethical and more transparent leadership process, as well as decision-making practices sufficiently open to citizens. Traditional rulers should

therefore seek to satisfy economic, political and administrative demands of their subjects. They should be seen initiating and spearheading community development projects and programmes.

Periodic workshops, seminars and conferences should be organized either by government or Non Governmental Organizations (NGOs) to educate, enlighten or create awareness on the need and importance of tolerance and peaceful negotiations in any contentious issues in the traditional chieftaincy institution.

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**A STUDY OF CORPORATE GOVERNANCE PRACTICES WITH REFERENCE TO DIFFERENT  
SELECTED TELECOM COMPANIES IN INDIA**

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**INTRODUCTION**

Corporate Governance has made rapid development amount corporates and is gaining momentum in India and globally as well. It is basic tenet for societal institutions, Government and Companies as well. It is the affecting the way a corporation is directed, administered or controlled because Corporate Governance is the set of process, customs, policies, laws and institutions. Corporation is governed by the goals of the relation among many players of Corporate Governance. Management and Board of Directors, Shareholders are the principal players. There are other stake holders as well. They are customers, suppliers, employees, regulators, banks and other lenders and the environment and community at large. The key motivators for the for the heightened interest in Corporate Governance around the world including India was the driving factor for the collapse of corporates such as like Enron, WorldCom, Tyco etc. The credibility is built by creating and maintaining an effective channel of disclosure and structuring an organization helping in decision making process to make sure high degree of accountability to stakeholders by Corporate Governance. Its job is to make sure that is has transparency, trustworthiness, follow better compliance with laws and regulations, accountability, investor's protections by creating a value for stakeholders.

**OBJECTIVES**

The present study deals with the following objectives.

1. To study the existing corporate governance practices available in India and its adherence by companies in general and Telecom industries in particular.
2. To study the corporate governance scores in telecom industry with reference to selected companies
3. To identify the stakeholders' perception towards corporate governance practices in Telecom companies in India
4. To Study the suggestion and conclusion on corporate governance in telecom industry.

**RESEARCH METHODOLOGY**

The study proposes to analyse the present corporate governance practices in Telecom companies in India in five select companies, A questionnaire was prepared and administered to the respondents to elicit required information about their perception on corporate governance in those Telecom companies where they invested. The corporate governance as such is very wide, encompassing different key areas like Board of Directors, their appointment, separation of Chairmanship and CEO duties, Independent Directors and their role, tenure, remuneration, various committees of Board like Audit, Remuneration etc., their responsibilities, Auditors appointment and their duties, Secretarial Audit and Whistle Blowing mechanism etc., Since to evaluate the perception of all these things requires a high calibre and professional skills in stakeholders, the questionnaire is restricted with general questions which they can comprehend and understand and through which the study tried to conceive stakeholders perception.

**SAMPLE SIZE**

The present study intends to cover some of the top FIVE listed Telecommunication Companies.

1. Bharti Airtel Limited.
2. Idea Cellular Limited
3. Tata Teleservices Limited
4. Reliance communication
5. AIRCEL Communicatiuon

**SOURCES OF DATA**

The study basically depends on Primary data through questionnaire. The secondary data was collected from the relevant publications of Government of India, Ministry of Corporate Affairs, SEBI and other world organizations and Websites of the sample companies.

**PERIOD OF THE STUDY**

The present study has been carried out covering a period of 10 years commencing from 2006-07 to 2015-16. This period is felt to be quite satisfactory to evaluate the Corporate Governance and Disclosure Practices of select Listed Telecommunication Companies in India.

### **SCOPE AND LIMITATIONS OF THE STUDY**

The review proposes to dissect the present corporate administration hones in programming organizations in India in five select organizations, AIRTEL, IDEA, Aircel, Reliance and TATA. A survey was readied and managed to the respondents to evoke required data about their discernment on corporate administration in those product organizations where they contributed. The corporate administration all things considered is wide, enveloping diverse key territories like Board of Directors, their arrangement, division of Chairmanship and CEO obligations, Independent Directors and their part, residency, compensation, different advisory groups of Board like Audit, Remuneration and so on., their obligations, Auditors arrangement and their obligations, Secretarial Audit what's more, Whistle Blowing component and so forth., Since to assess the view of all these things requires a high bore and expert aptitudes in partners, the poll is confined with general inquiries which they can grasp furthermore, comprehend and through which the review attempted to consider partners recognition.

### **LIMITATIONS OF THE STUDY**

The representation of the total population is expected to be the interpretation for the interferences derived from the analysis for sample based study which is the case in this study. However the study is subject to following limitations:

1. Sample may have the restrictions pertaining to the area, tradition, custom and culture of the people in places like city of HYDERABAD, State of Telangana INDIA because the study is limited to these areas.
2. The data may symbolise only to the below mentioned companies namely AIRTEL, IDEA, AIRCEL, RELIANCE COMMUNICATION and Tata Teleservices Limited only because the respondents belong to this particular mentioned companies taken for study.
3. The variables which directly impact the investors were considered for study, the other variables which also was much important which required the attention for the study of Corporate Governance may not be included for their nature, want of time, awareness of the respondents, and other considerations. Due to this, the study will not reveal those variables / factors.
4. The changes that happens with sentiments of the people with stock market fluctuations will impact the investment in shares of companies which is an unpredictable subject. This may limit the study to the amount of the opinion of the responds also.

### **NEED OF THE STUDY**

1. Examine the advancement of corporate governance hones with regards to the Indian business environment;
2. Investigate the degree to which the organizations have embraced corporate governance hones;
3. To decide through a similar analysis the progressions in corporate governance hones between its presentation in 2010 and the season of the study in 2017;
4. Analyse the board structures of the recorded organizations;
5. Examine corporate revealing practices and the degree of corporate social announcing revelations among the recorded organizations;

### **TELECOM INDUSTRY**

In BSE 100 index, the following companies represent the telecom industry. In order to study the corporate governance trends in the Power industry, these companies were covered by the Researcher.

Table: Sample Companies in Telecom Sector

<b>Sr. No.</b>	<b>Company</b>	<b>Abbreviation</b>
1	Bharti Airtel Ltd.	BAL
2	Idea Cellular Ltd	ICL
3	AIRCEL COMMUNICATION	AIRCEL
4	Reliance Communications Ltd.	RCL
5	Tata Communications Ltd.	TCL

The calculation of the corporate governance score for the Telecom Industry is as under.

Table: Corporate Governance Score for Telecom Sector

No.	Criterion for Evaluation of Governance Standard for		Industry Average : 66, Aggregate Average : 67				
	Governance Parameters		Bhart	Idea	Aircel	Rel	Tata
1	Statement of Company's philosophy on code of governance	2	2	2	2	2	2
2	Structure and Strength of board	2	2	2	2	2	2
3	Chairman & CEO Duality	5	1	3	2	3	5
4	Disclosure of Tenure and Age limit of directors	2	2	2	0	2	2
5	Disclosure of Definition and selection criteria for Directors (Independent)	3	2	0	0	0	1
6	Post Board meeting follow up system and compliance of the board procedures	2	0	0	0	0	0
7	Appointment of lead independent director	2	2	0	0	0	0
8	Disclosure of other provision as to the boards and committees	1	2	2	2	2	2
9	Disclosure of : Remuneration Policy & Remuneration of Directors.	2	2	2	2	2	2
10	Code of Conduct	2	2	2	2	2	2
11	Board Committee	25	17	15	8	16	15
12	Disclosure and Transparency	25	20	18	14	22	18
13	General Body Meetings	3	3	3	3	3	3
14	Means of communication and General shareholder information	2	2	2	2	2	2
15	CEO / CFO Certification	2	2	2	2	2	2
16	Compliance of Corporate Governance and	10	10	10	5	10	10
17	Disclosure of Stakeholders' interests :	10	4	2	2	2	2
	<b>TOTAL</b>	<b>100</b>	<b>75</b>	<b>67</b>	<b>48</b>	<b>72</b>	<b>70</b>
	<b>RANK</b>		<b>1</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>3</b>

## DATA ANALYSIS

1) Disclosure of income and expenditure are Transparent with gender of the respondents

H0: There is no significance difference between Gender and income and expenditure are Transparent.

H1: There is a significance difference between gender and income and expenditure are Transparent

t-Test: Two-Sample Assuming Unequal Variances		
	Male	Female
Mean	80.8	25.2
Variance	1880.7	378.7
Observations	5	5
Hypothesized Mean Difference	0	
df	6	
t Stat	2.615551	

P(T<=t) one-tail	0.019911	
t Critical one-tail	1.94318	
P(T<=t) two-tail	0.039823	
t Critical two-tail	2.446912	

### INTERPRETATION

As the p value is less than 0.05 null hypothesis is rejected and alternative is accepted

H1: There is a significance difference between gender and income and expenditure are Transparent.

2. Disclosure of actual profitability of the company with Age

H0: There is no significance difference between disclosure of profitability of the company with age

H1: There is a significance difference between disclosure of profitability of the company with age

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
AGE	478.6	3	159.5333	0.608732	0.622025	3.490295
Scaling	4363.5	4	1090.875			
Error	3144.9	12	262.075			
Total	7987	19				

### INTERPRETATION

F value is for 0.608732 age source and can be used to determine for p value which is something around 0.622 which more than standard value of 0.05 so null hypothesis is accepted and alternative is rejected. So H0: There is no significance difference between disclosure of profitability of the company with age.

3. Grievance resolution process with qualification

H0: There is no significance difference between Grievance resolution process with qualification

H1: There is a significance difference between Grievance resolution process with qualification

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Qualification	2333.4	3	777.8	3.332714	0.056278	3.490295
Scaling	1555	4	388.75			
Error	2800.6	12	233.3833			
Total	6689	19				

### INTERPRETATION

The p value is more than 0.05 so null hypothesis is accepted and alternative is rejected which is H0: There is no significance difference between Grievance resolution process with qualification.

### SUGGESTIONS

Subsequent to dissecting the information utilizing different measurable apparatuses, the recommendations in light of the discoveries of the review are as per the following:

1. The review uncovers that the mindfulness about the corporate administration practices of IDEA, AIRCEL RELIANCE COMMUNICATION was direct and Tata Teleservices Limited was low. They can teach the partners by method for writing and through financial specialist gatherings, the different parts of corporate administration works on winning in their organizations.
2. The fulfillment of the partners towards different factors taken for study shows that AIRTEL needs to focus more on revelation of real benefit and real hazard, profit assertion prepare, monetary exchanges, straightforwardness of offer apportioning, interest for survey, piece of board, holding the offers because of content with execution of administrator, execution of board and initiative, content with profit statement and development.

3. The fulfillment factors in particular divulgence of wage and consumption, financial specialist relations, reward profit, money profit, property and paper profit, corporate correspondence on offer assignment, its issue and exchange, credit capital, examination of books of records/records, suing the officers of the organization, execution of administrator, corporate social obligation and fulfillment of current corporate administration laws are required to be given additional accentuation by IDEA.
4. When all is said in done both AIRCEL and RELIANCE COMMUNICATION were of the direct level in different fulfillment factors. They have to find a way to enhance the fulfillment of the partners in those factors.
5. The fulfillment of the majority of the factors in Tata Teleservices Limited were low and it requires the genuine consideration of the administration. They need to redo the entire corporate administration set up in the organization and spread suitable data to give a superior thought regarding the different practices followed in Tata Teleservices Limited.
6. As to get the general fulfillment in corporate administration, a model has been arrived, which demonstrates that the organizations need to give careful consideration to enhance the fulfillment factors talked about thus, will thusly build the general fulfillment of the partners.

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## A COMPARATIVE STUDY OF REAL ESTATE POTENTIAL IN SELECTED METROPOLITAN CITIES

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### ABSTRACT

*The Indian Real Estate Market of India is one of the fastest growing markets in the world. The Real Estate Sector has been transformed from being unorganized to dynamic and organized sector over the past decade. The Real estate Market is the second largest employer after Agriculture. The Sector Wise Variations in Real Estate Sector Development in New Delhi, Mumbai and Bangalore shows that Bangalore is the best city for investment and development in Real estate. The Spearman's Rank Correlation shows that Bangalore has strong positive correlation which reflects Bangalore city has the Development and investment opportunity for Real estate market as compare to Mumbai and New Delhi.*

*Keywords: Real Estate, Industrial, Residential, Retail, Commercial, Hospitality Sector*

**Jel Codes:** L85, D3, L9, R31

### INTRODUCTION

Real Estate consists of land and buildings, natural resources such as crops, mineral or water, the property which is immovable and interest is applicable in Real Property.

The Real Estate sector is one of the lucrative and fastest growing markets in the world<sup>1</sup>. It is being recognized as the infrastructure service which drives the economic growth engine of the industry. The Indian real estate market size is expected to touch US\$ 180billion by 2020.

The Housing Sector alone contributes 5-6% of the country's Gross Domestic Product (GDP) and on the other hand in the financial year 8-20 the market size of the factors is expected to increase at the Compound Annual Growth Rate of 11.2%. Retail, hospitality and commercial Real Estate are growing significantly provided the much needed infrastructure for India's growing needs<sup>2</sup>. Bangalore is considered as first best city for Investment and Development in Real Estate Sector in India. It is considered as India's main hub for the Business Process Outsourcing and the IT industries that have driven the huge demand for domestic and international companies.

Mumbai is considered as the second best city for Investment and development in Real Estate sector development in India. The commercial real estate performs well but because the market has wider base and is no longer dominated by financial sector players. New Delhi is always affected by major pain in the residential sector because it is generally characterized by oversupply and there are high prices of the leverage among the developers. The Real Estate Sector comprises of different segments<sup>3</sup>:

Residential Real Estate	It may contain either a single family structure that is available for occupation and non-business purposes.
Commercial Real Estate <sup>4</sup>	The property includes land and building which provides the rental gain and capital gain.
Retail Real Estate	Retail space refers to the last stop in manufacturing chain where the merchants sell the products to the consumers.
Hospitality Real Estate	This includes the broad categories which take into account lodging, theme parks and hotels.
SEZs	A Special economic Zone refers to the designated areas within the country with the special economic regulations that differs from the other areas in the same country

<sup>1</sup> LLP Associates and ASA (2015), "A Brief Report Real Estate Sector in India".

<sup>2</sup> CRISIL (2010), "The Indian Real Estate Overview", "CRISIL Research"

<sup>3</sup> CRISIL (2010), "The Indian Real Estate Overview", "CRISIL Research"

<sup>4</sup> Gyourko Joseph (2009), "Understanding Commercial Real Estate: How different is From Housing", "Journal of Portfolio Management", September 2009.

## REVIEW OF LITERATURE

ASA and Associates LLP (2015) have examined the study on Real Estate Sector in India. The report shows that Indian Real estate market is one of the most globally recognized sectors. The growth of Real Estate Sector is mainly due to the large population base, rising income level and rapid urbanization.

Joseph Gyourko (2009) has analyzed the difference between Commercial Real Estate and Housing. The correlation between commercial real estate annual rates and commercial Real Estate vs. owner occupied houses shows real price growth on income- producing properties is positively correlated with Real Estate House Price Appreciation.

CRISIL (2010) have analyzed the Indian Real Estate Overview. The Real Estate Industry overview provides consumer expectations of higher quality as the India's Integration is increasing with the global economy.

Gyorgy Cosmos (2013) studies the centers of the economy in the Asia-Pacific Region: Cities in the shadow of Tokyo and Beijing. The weights used show the position of the cities in the Asia-Pacific markets.

Davi.J Lynn, Tim Wang (2011) done a study on investing in emerging markets: China, India and Brazil. These markets exhibit characteristics such as accelerating market growth, industrial potential which shows the investment opportunity in these markets.

## OBJECTIVES OF THE STUDY

- To study the role and importance of Real Estate sector development in selected Metro-Politian Cities.
- To study the comparison and variations of sector wise Real Estate Sector Development in Selected Metro-Politian Cities.
- To find out the Correlation between selected Metro-Politian Cities Potential Rankings and provide recommendations for future Real Estate Developers. (2007-2017).

## RESEARCH METHODOLOGY

The research is descriptive<sup>5</sup> in nature. The data is collected from the research papers, reports (Asia Pacific survey Report, Crisil Report etc.). The data is based on the secondary sources.

## STATISTICAL TOOLS

The Spearman's Rank Correlation<sup>6</sup> is used to analyze the correlation between in selected Metro-Politian City Wise Rankings as per Investment Potential. (2007-2017).

Table - 1

Variations in Real Estate Sector Development in Selected Metro Politian Cities (For the year 2017 in %)

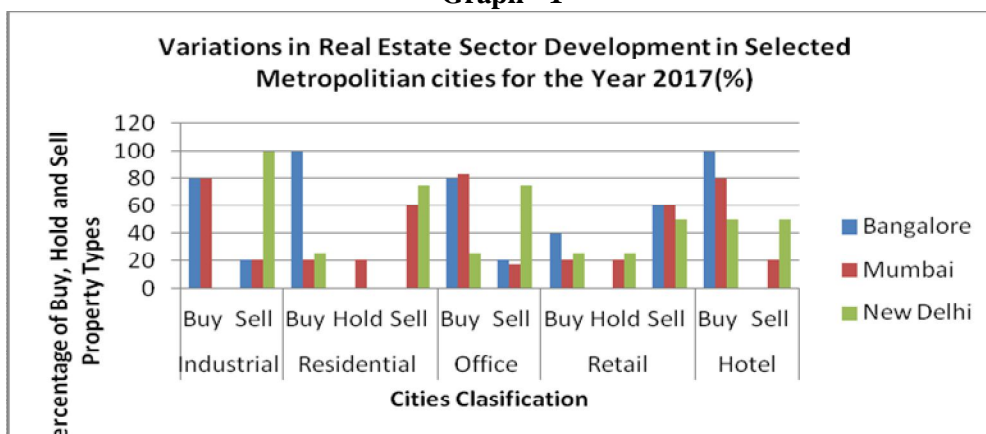
Place/Property Types	Industrial			Residential			Office			Retail			Hotel		
	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell
Bangalore	80	-	20	100	-	-	80	-	20	40	-	60	100	-	-
Mumbai	80	-	20	20	20	60	83.3	-	16.7	20	20	60	80	-	20
New Delhi	-	-	100	25	-	75	25	-	75	25	25	50	50	-	50

Source: Emerging Trends in Asia Pacific 2017 Surveys

<sup>5</sup> Descriptive research is used to describe characteristics of a population or phenomenon being studied

<sup>6</sup> The **Spearman correlation** between two variables is equal to the Pearson correlation between the rank values of those two variables; while Pearson's correlation assesses linear relationships, Spearman's correlation assesses monotonic relationships

Graph - 1



## INTERPRETATION

The India is considered as the undersupplied market where the logistics industry has recently taken off. The launch of Goods and Service Tax has that abolish old and oppressive tax structures. The new project of Delhi-Mumbai corridor is a cornerstone infrastructure project that aims to boost the manufacturing and logistics facilities in north-west of the country.

In the year 2017 the Bangalore's residential market (Buy Opportunity is 100%) is increasing as the demand by the end-users is generating and is becoming the top IT destinations for India. It is becoming the home for the largest outsourcing operators. The Bangalore's (Buy opportunity is 100%) hotel facility is seen significant with some 7000 rooms in pipeline for delivery over next five years. That is why the Bangalore is suitable for Industrial, Residential, Retail and Hotel Industry.

Mumbai is seen as the nation's main business center- the Shanghai of India. It's is a great opportunity to buy land this time and develop in next ten years. The Mumbai is considered suitable for Industrial (Buy opportunity is 80%), Office (Buy opportunity is 83.3%) and Hotel industry (Buy Opportunity is 80%).

In New Delhi the demand is more for residential activity as compare to supply. The increasing population is the main problem for this cause. The Hotel industry (Buy Opportunity is 50%) is considered suitable for New Delhi.

Table - 2

Sector Wise Variations in Real Estate Sector Development in Selected Metropolitan Cities (For the Year 2016 in %)

Place/Property Types	Industrial			Residential			Office			Retail			Hotel		
	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell
Bangalore	37.5	52.1	6.3	25.6	62.8	11.6	31.7	45	23.3	19.6	56.9	23.5	20.4	51.0	28.6
Mumbai	39.6	56.3	4.2	22.7	56.8	20.5	26.7	48.3	25	23.1	55.8	21.2	24.5	53.1	22.4
New Delhi	41.7	52.1	6.3	18.2	63.6	18.2	12.7	53.6	33.6	19.2	53.8	26.9	18.4	59.2	22.4

Source: Emerging Trends in Asia Pacific Surveys 2016

Graph - 2



## INTERPRETATION

In the Year 2016 the Bangalore is considered suitable for Industrial (Buy opportunity 37.5%), and Office sector (Buy Opportunity 31.5%) investment and development in Real estate Market.

The second best city is Mumbai which is suitable for industrial (Buy opportunity is 39.6%) and office sector (Buy Opportunity is 26.7%) investment and development for Real Estate sector Development.

In New Delhi the Opportunity is low for all the sectors as compare to Mumbai and Bangalore.

**Table - 3**

**Sector wise Variations in Real Estate Sector Development in Selected Metropolitan Cities (For the Year 2015 in %)**

Place/Property Types	Industrial			Residential			Office			Retail			Hotel		
	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell	Buy	Hold	Sell
Bangalore	23.7	52.7	23.7	20.2	53.9	25.8	25.7	52.4	21.9	15	57	28	13.2	67	19.8
Mumbai	24.7	58.1	17.2	21.1	55.6	23.3	23.1	56.5	23.4	16	56	28	16.7	70	13.3
New Delhi	23.7	57	19.4	22.2	55.6	22.2	23.1	55.8	21.2	14.1	60.6	25.3	9.9	73.6	16.5

Source: Emerging Trends in Asia Pacific Surveys 2015.

**Graph - 3**



## INTERPRETATION

The Mumbai is considered best for Industrial, Residential, Office, Retail and Hotel Industry as compared to the Bangalore and New Delhi in the Year 2015. This shows that Mumbai is the best city for the investment and development of Real Estate Market.

**Table - 4**

**City Wise Rankings as per Investment Potential:**

Place/Year	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Bangalore	1	12	17	20	19	9	10	14	4	12	10
Mumbai	2	13	11	22	20	15	3	8	7	10	17
New Delhi	13	16	14	21	21	12	5	10	9	13	14

Source: Emerging Trends in Asia-Pacific 2017 surveys.

**Graph: 4**



## INTERPRETATION

The above table and graph depicts city wise rankings as per investment potential in Bangalore, Mumbai and New Delhi (2007-2017) which shows the investment and development potential for Real Estate Sector in these Cities. The Bangalore is considered as the main hub for the Business process Outsourcing (BPO), IT industries which show huge demand for new space as domestic and international companies.

The Mumbai city has high prices for properties which leads to low transactions but has the wider base and is no longer dominated by financial sector players.

In New Delhi the residential sector is oversupplied and there is high level of leverage among the developers. The government will not be able to complete the projects on time which affects the Real Estate Sector development as a whole.

**Table - 5**  
**Spearman's Rank Correlation**

### Correlations

			Bangalore	Delhi	Mumbai
Spearman's Rank Correlation	Bangalore	Correlation Coefficient	1.000	.644*	.635*
		Sig. (2-tailed)	.	.033	.036
		N	11	11	11
	Delhi	Correlation Coefficient	.644*	1.000	.778**
		Sig. (2-tailed)	.033	.	.005
		N	11	11	11
	Mumbai	Correlation Coefficient	.635*	.778**	1.000
		Sig. (2-tailed)	.036	.005	.
		N	11	11	11

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

## INTERPRETATION

There is a strong positive correlation between Bangalore, Mumbai and New Delhi. The Bangalore city is preferred over Mumbai and New Delhi for Investment and Development in Real Estate Market. The Bangalore city is considered as the highest potential for investment in Real Estate as it is becoming the hub for many international companies which leads to increase in the residential, commercial real estate. The Mumbai is considered important for investment in commercial real estate for future potential. The New Delhi has so much population which is the main problem so potential for commercial, residential, office real estate development is important for this city.

## CONCLUSION

The correlation analysis shows that Bangalore is considered best for the development and investment of Real Estate Market. The Bangalore is considered as the important city for the development of BPO (Business Process Outsourcing), IT industry because they require larger space for the new companies for the development of the companies. The Mumbai is considered as the second best city for Real Estate market development for Residential and commercial because there is wider market span available. In case of New Delhi the demand is more for the Residential sector but the supply is less. The projects going on in Gurgaon is still not completed because of fewer initiatives by the government which reflects unwillingness to fulfill the demand of the end – users. The different factors should be studied affecting these cities for future Research.

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**INFLUENCE OF PERFORMANCE APPRAISAL ON EMPLOYEES**  
(With reference to DCI, Visakhapatnam)

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**1. INTRODUCTION**

Performance appraisal or Performance evaluation is a method of evaluating the behavior of employees in a work place, normally including both the quantitative and qualitative aspect of job performance. Performance here refers to the degree of accomplishment of the tasks that makeup an individual's job. It indicates how well an individual fulfilling the job demands. Performance is measured in terms of results. Thus, Performance appraisal is the process of assessing the performance or progress of an employee, or a group of employees on the given job, as well as his potential for future development. Thus, performance appraisal comprises all formal procedures used in organizations to evaluate contributions, personality, and potential of individual employees. In other words, performance appraisal includes the comparison of performance scales of different individuals holding similar areas of work responsibilities and relate to determination of worth of the scales for the achievement of organization objective. Performance management is a holistic process bringing together many of the elements which go to make up the successful practice of people management, including in particular learning and development. But for this very reason, it is complex and capable of being misunderstood (CIPD, 2008a). 'Performance management is not achievable unless there are effective processes of continuous development. This addresses the core competencies of the organisation and the capabilities of individuals and teams. 'Performance management' should really be called 'performance and development management.' (Armstrong and Baron, 1998) Performance appraisal is one element of performance management which involves different measurements throughout the organisation. Performance appraisal is the most important if the organisations are to take the advantage of their most important asset, employees, and gain human capital advantage.

**2. OBJECTIVES OF THE STUDY**

- To study an influence of performance appraisal systems on employees in DCI at Visakhapatnam.
- To analyze the perceptions of respondents regarding influencing of performance appraisal system in DCI.

**3. METHODOLOGY AND LIMITATION OF THE STUDY**

We have collected data from the selected employees of Dredging Corporation of India Limited and distributed structured questionnaire to them. We have used quota sampling for our research study.

**4. DATA INTERPRETATION**

4.1. Are you ever praised or recognized for your performance?

Sr. No.	Opinion	No. of Respondents	Percentage of Respondents
1.	Strongly Agree	70	28
2.	Agree	180	72
3.	Disagree	0	0
4.	Strongly Disagree	0	0
	Total	250	100

**28%** of the respondents **Strongly Agree** that they were praised or recognized for their performance in the organization, **72%** simply **Agree** and **0%Disagree**.

4.2. Are you aware of the recognition programs in your office?

Sr. No	Opinion	No. of Respondents	Percentage of Respondents
1	Well known	192	78
2	Known	58	32
3	Not Known	0	0
4	Not Heard of It	0	0
	Total	250	100

**78%** of the respondents are **Well known** about the recognition programs in the organization, **22%** simply **Know** them and **None** of them are **Not Known or Heard of it**.

4.3. Are you satisfied with your job?

Sr. No.	Opinion	No. of Respondents	Percentage of Respondents
1.	Strongly Agree	45	18
2.	Agree	205	82
3.	Disagree	0	0
4.	Strongly Disagree	0	0
	Total	250	100

**18%** of the respondents **Strongly Agree** that they were satisfied with their Job, **82%** simply **Agree** and **0%** disagree.

4.4. I am happy about the benefits provided

Sr. No.	Opinion	No. of the Respondents	Percentage of the Respondents
1.	Strongly Agree	77	31
2.	Agree	173	69
3.	Disagree	0	0
4.	Strongly Disagree	0	0
	Total	250	100

**31%** of the respondents **Strongly agree** that they were happy about the benefits provided, **69%** simply **Agree**, and **0% Disagree**

4.5. I get direct feedback regarding my performance

Sr. No.	Opinion	No. of the Respondents	Percentage of the Respondents
1.	Strongly Agree	33	13
2.	Agree	217	87
3.	Disagree	0	0
4.	Strongly Disagree	0	0
	Total	250	100

**13%** of the respondents **Strongly Agree** that they get direct feedback regarding their performance, **87%** simply **Agree** and **0% Disagree**.

4.6. Measures are taken to improve my performance, if not up to the mark

Sr. No.	Opinion	No. of Respondents	Percentage of Respondents
1.	Strongly Agree	40	16
2.	Agree	200	80
3.	Disagree	10	4
4.	Strongly Disagree	0	0
	Total	0	100

**16%** of the respondents **Strongly Agree** that measures are taken to improve their performance, if not up to the mark, **80%** simply **Agree**, **4% Disagree** and **0% Strongly disagree**.

4.7. The training measures are useful in increasing performance

Sr. No.	Opinion	No. of Respondents	Percentage of Respondents
1.	Strongly Agree	125	50
2.	Agree	125	50
3.	Disagree	0	0
4.	Strongly Disagree	0	0
	Total	250	100

**50%** of the respondents **Strongly Agree** that the training measures are useful in increasing their performance, **50%** simply **Agree** and **0%** **Disagree**

4.8. What is your overall satisfaction about the present performance appraisal system?

Sr. No..	Options	No. of Respondents	Percentage of Respondents
1.	Excellent	0	0
2.	Good	157	63
3.	Satisfied	93	37
4.	Not Satisfied	0	0
	Total	250	100

**63%** of the respondents feel **Good** about the present performance appraisal system, **37%** are simply **satisfied** and **0%** are **Dissatisfied**

4.9. If the performance is good the organization will give

Sr. No.	Options	No. of Respondents	Percentage of Respondents
1.	Recognition Awards	173	69
2.	Incentives	35	14
3.	Promotions	30	12
4.	Others	12	5
	Total	250	100

**69%** of the respondents feel that the organization will give **Recognition Awards** if the performance is good, **14%** feel that the organization will give **Incentives**, **12%** feel that the organization will give **Promotion** and **0%** feel that the organization will give **some other benefits**.

4.10. Performance appraisal makes a lot of impact on behavior of employs

Sr. No.	Opinion	No. of Respondents	Percentage of Respondents
1.	Strongly Agree	55	22
2.	Agree	195	78
3.	Disagree	0	0
4.	Strongly Disagree	0	0
	Total	250	100

**22%** of the respondents **Strongly Agree** that Performance Appraisal makes a lot of impact on behavior of employs, **78%** simply **Agree** and **0%** **Disagree**.

4.11. Performance appraisal is an instrument for

Sr. No.	Options	No. of Respondents	Percentage of Respondents
1.	Evaluation of Employees	57	23
2.	Career Growth	165	66
3.	Training	0	0
4.	Promotion of Employees	28	11
	Total	250	100

**23%** think that Performance appraisal is an instrument for **Evaluation of employs**, **66%** think that Performance appraisal is an instrument for **Career Growth**, **0%** think that Performance appraisal is an instrument for **Training** and **11%** think that Performance appraisal is an instrument for **Promotion of employs**.

4.12. Which of these should be given highest preference in performance appraisal

Sr. No.	Options	No of Respondents	Percentage of Respondents
1.	Performance At Work	93	37
2.	Hard Work	40	16
3.	Seniority	0	0
4.	All the Above	117	47
	Total	250	100

**37%** of the respondents think that **Performance at work** should be given highest preference in performance appraisal, **16%** think that **Hard work** should be given highest preference in performance appraisal, **0%** think that **Seniority** should be given highest preference in performance appraisal and **47%** think that **All the Above** should be given highest preference in performance appraisal

4.13. Performance appraisal system increases relation between superior and subordinate

Sr. No.	Opinion	No. of Respondents	Percentage of Respondents
1.	Strongly Agree	25	10
2.	Agree	175	70
3.	Disagree	45	18
4.	Strongly Disagree	5	2
	Total	250	100

**10%** of the respondents **Strongly Agree** that Performance appraisal system increases relation between superior and subordinate, **70%** simply **Agree**, **18%** **Disagree** and **2%** **Strongly Disagree**.

Performance appraisal leads to identification of hidden potential of employs

Sr. No.	Opinion	No. of Respondents	Percentage of Respondents
1.	Strongly Agree	100	40
2.	Agree	125	50
3.	Disagree	25	10
4.	Strongly Disagree	0	0
	Total	250	100

**40%** of the respondents **Strongly Agree** that Performance Appraisal leads to identification of hidden potential of the employs, **50%** simply **Agree** and **10%** **Disagree**.

## 4.14. What kind of training do you prefer to improve your performance

Sr. No.	Options	No. of Respondents	Percentage of Respondents
1.	Departmental Training	160	64
2.	Soft Skills Training	90	36
	Total	250	100

**64%** of the respondents prefer **departmental training** to improve their performance and **36%** prefer **Soft skills Training** to improve their performance.

**SUGGESTIONS**

1. The management has to look after the prefect appraisal system and they should make any corrections if needed in the existing appraisal system.
2. They have to spend more time with the employees to enhance their performance in work.
3. They have to look after the authority of employees which is given to them. If the authority is same for all the employees then there will be no difference between them.
4. The management has to take care of the infrastructure facilities and also the canteen facilities.
5. The management has to maintain good cooperation with all levels of employees, and then it will lead to organizational development.
6. Every employee must be aware of the performance appraisal system, its impact and the benefits of the performance.
7. They should give equal priority to all level of employees in the organization.
8. All the employees should work for their organization development in order to achieve their goals and targets.

**CONCLUSION**

To conclude, we can say that employees were satisfied with the performance appraisal system of the organization. Performance appraisal has many uses, such as allocating rewards, identifying areas where development efforts are needed. The study is done to know the satisfaction level of employee's performance on their present job. The basic purpose of performance appraisal is to know how well the employee is performing on the job, and to establish a plan for his improvement. This performance appraisal gives a clear idea about good relation between top management and employees. Rating should be made without any bias recognition. Finally, we can say that DCI will continue to reach their targets with efficient and development human skills and dynamic management. In this process, the performance appraisal system would obviously, occupy a prominent place in this organization.

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**IND AS CONVERGED BY MEANS OF IFRS**

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**ABSTRACT**

*The global harmonization of accounting standards came from lack of comparability of financial statements across the country. In recent years, International Financial Reporting Standards convergence has achieved momentum all over the world. As the capital markets become increasingly global in nature, more and more investors see the need for a common set of accounting standards. As India being one of the global players, transition to IFRS will enables Indian firms to have access to international capital markets. This paper explains the impact of applicability of IFRS, challenges that will come up and its adoption phases in India. It also discusses the problems faced by the regulators, Accountants, and Firms etc in the process of adoption of IFRS in India.*

*Keywords: Convergence; IFRS; Accounting Standard; Ind AS; Harmonization*

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**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 of public company financial statements. The goal of IFRS is to provide a global framework for how public companies prepare and disclose their financial statements. IFRS provides general guidance for the preparation of financial statements, rather than setting rules for industry specific reporting. Having an international standard is especially important for large companies that have subsidiaries in different countries. Adopting a single set of worldwide standards will simplify accounting procedures by allowing a company to use one reporting language throughout.

**ADOPTION OR CONVERGENCE**

Adoption means that the SEC sets a specific timetable when publicly listed companies would be required to use IFRS as issued by the IASB. In other words adoption means process of adopting IFRS as issued by IASB with or without modifications.

Convergences means harmonization of national GAAP with IFRS through design and maintenance of accounting standards in a way that financial statements prepared with national accounting standards are in compliance with IFRS.

**ACCOUNTING STANDARDS**

The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) was constituted on 21 April, 1977, to formulate Accounting Standards applicable to Indian enterprises. Initially, the Accounting Standards were recommendatory in nature and gradually the Accounting Standards were made mandatory. The legal recognition to the Accounting Standards was accorded for the companies in the Companies Act, 1956, by introduction of Section 211(3C) through the Companies (Amendment) Act, 1999, whereby it is required that the companies shall follow the Accounting Standards notified by the Central Government on a recommendation made by the National Advisory Committee on Accounting Standards (NACAS) constituted under section 210A of the said Act. The council of the Institute of Chartered Accountants of India has, so far, issued thirty two Accounting Standards. However, AS 8 on Accounting for Research and Development has withdrawn consequent to the issuance of AS 26 on Intangible Assets. Thus effectively there are 31 Accounting Standards at present.

**OBJECTIVES**

Following are objectives of my paper.

1. To understand the applicability of IFRS.
2. To know the adoption phases of IFRS in India.
3. To study the challenges faced by firm and various stakeholders.

**Global Status of IFRs**

More than 120 countries throughout the world, including the 27 European Union member states, Australia, New Zealand and Russia currently require or permit the use of International Financial Reporting Standards (IFRS) developed by the IASB.

**CONVERGENCE WITH IFRS**

The globalization has made it possible to accept the world as one market. For better understanding of the business reporting and consistency in accounting policies, there was an urgent need to one globally accepted language. Application of single set of accounting policy would increase the comparability of different business entities. India being one of the key players, migration to IFRS will enable Indian entities to have access to Global capital markets without having to go through complicated conversion and filling process. It will lower the cost of raising funds, reduce accountant's fees and enable faster to access all major capital markets.

**CONVERGED INDIAN ACCOUNTING STANDARDS (IND AS)**

International Financial Reporting Standards are now becoming universal reporting language. In tune with the global trend the Government of India decided to facilitate the convergence of the Indian Accounting Standards with IFRS by 1<sup>st</sup> April, 2011. In this direction all the existing Indian Accounting Standards are being revised and converged with corresponding to International Accounting Standards/ International Financial Reporting Standards. These converged Accounting Standards shall be known as IND AS. As a result of this there shall be two separate sets of Accounting Standards under Section 211 (3C) of the companies Act, 1956. The first set would comprise the Indian Accounting Standards, which are converged with IFRS and shall be applicable to the specified class of companies in a phased manner.

Ind AS (the converged IFRS standards) in India may significantly affect a company's day-to-day operations and may even impact the reported profitability of the business itself. Conversion brings a one-time opportunity to comprehensively reassess financial reporting. On 2 January 2015, the Press Information Bureau, Government of India, Ministry of Corporate Affairs (MCA) issued a note outlining the various phases in which Indian Accounting Standards converged with IFRS (Ind AS) is proposed to be implemented in India, for Companies other than Banking Companies, Insurance Companies and NBFCs.

The application of Ind AS is based on the listing status and net worth of a company. Ind AS will first apply to companies with a net worth equal to or exceeding 500 crore INR beginning 1 April 2016. Listed companies as well as others having a net worth equal to or exceeding 250 crore INR will follow 1 April 2017 onwards. From April 2015 companies impacted in the first phase will have to take a closer look at the details of the 39 new Ind AS currently notified. Ind AS will also apply to subsidiaries, joint ventures, associates as well as holding companies of the entities covered by the roadmap.

**ROADMAP**

**Voluntary Applicability-** Companies can voluntarily adopt Ind AS for accounting periods beginning on or after 1 April 2015 with comparatives for period ending 31 March 2015 or thereafter. However, once they have chosen this path, they cannot switch back.

Table 1: Mandatory applicability

Phase I :Ind AS will be mandatorily applicable to the following companies for periods beginning on or after 1 April 2016, with comparatives for the period ending 31 March 2016 or thereafter:	Phase II :Ind AS will be mandatorily applicable to the following companies for periods beginning on or after 1 April 2017, with comparatives for the period ending 31 March 2017 or thereafter:
For the accounting period beginning on or after 1 <sup>st</sup> April, 2016	For the accounting period beginning on or after 1 <sup>st</sup> April, 2017
<ul style="list-style-type: none"> <li>□ Companies whose equity and/or debt securities are listed or are in the process of listing on any stock exchange in India or outside India and having net worth of 500 crore INR or more.</li> <li>□ Companies having net worth of 500 crore INR or more other than those covered above.</li> <li>□ Holding, subsidiary, joint venture or associate companies of companies covered above.</li> </ul>	<ul style="list-style-type: none"> <li>□ Companies whose equity and/or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and having net worth of less than rupees 500 Crore.</li> <li>□ Unlisted companies other than those covered in Phase I and Phase II whose net worth are more than 250 crore INR but less than 500 crore INR.</li> <li>□ Holding, subsidiary, joint venture or associate companies of above companies.</li> </ul>



Chart 1: Voluntary /Mandatorily application of IndAS

Source: <https://www.pwc.in/services/ifrs/ifrs-in-india- roadmaps>

## FOREIGN OPERATIONS

An overseas subsidiary, associate or joint venture of an Indian company is not required to prepare its standalone financial statements as per the Ind AS, and instead, may continue with its jurisdictional requirements. However, these entities will still have to report their Ind AS adjusted numbers for their Indian parent company to prepare consolidated Ind AS accounts.

## INSURANCE, BANKING AND NON-BANKING FINANCIAL COMPANIES

Insurance, banking and non-banking financial companies shall not be required to apply Ind AS either voluntarily or mandatorily. However, it appears that if these entities are subsidiaries, joint venture or associates of a parent company covered by the roadmap, they will have to report Ind AS adjusted numbers for the parent company to prepare consolidated Ind AS accounts.

## BENEFITS OF CONVERGENCE WITH IFRS

**The Economy:** As we know that the markets expand globally, the convergence benefits the economy by increasing growth of its international business. It facilitates maintenance of efficient capital markets and also helps to increase the capital formation and thereby economic growth. It encourages international investing and thereby leads to more foreign capital flows to the country.

**Investors:** Investors want the information that is more relevant, reliable, timely and comparable across the jurisdictions. Financial statements prepared using a common set of accounting standards help investors better understand investment opportunities as opposed to financial statements prepared using a different set of national accounting standards. For better understanding of financial statements, global investors have to incur more cost in terms of the time and efforts to convert the financial statements so that they can confidently compare various opportunities. Investors' confidence would be strong if accounting standards used are globally accepted. Convergence with IFRS contributes to investors' understanding and confidence in high quality financial statements.

**The Industry:** The industry is able to raise capital from global markets at lower cost if it can create confidence in the minds of foreign investors that their financial statements comply with globally accepted accounting standards. With the diversity in accounting standards from country to country, firms which operate in different countries face a multiple of accounting requirements prevailing in different countries. The burden of financial reporting is lessened with convergence of accounting standards because it simplifies the process of preparing the individual and group financial statements and thereby reduces the costs of preparing the financial statements using different sets of accounting standards.

**Accounting Professionals:** The accounting professionals are able to sell their services as experts in different parts of the world. It offers them more opportunities in any part of the world if same accounting practices prevail throughout the world. Their mobility to work in different parts of the world increases as accounting professionals in industry as well as in practice..

**Indian Corporate:** If a company uses IFRS, the company could enjoy the benefit of raising capital from abroad. Comparison is made easier with a foreign competitor if a company presents its financial statement according to IFRS.

**Transparency:** IFRS will improve the comparability of financial information and financial performance with global peers and industry standards. This will result in more transparent financial reporting of a company's activities which will benefit investors, customers and other key stakeholders in India and overseas.

**Reduction in Cost:** Another potential benefit would be the reduced costs associated with multi-national corporations who must reconcile their accounting information for multiple accounting standards.

**Benefits to Stock Exchange:** Stock exchanges around the world could profit from harmonization of accounting standards, as more companies begin to adopt the international standards, they will become eligible for listing.

**Harmonization with Global Financial Market:** Some Indian companies are already listed on overseas stock exchanges and many more will list in the future. Internationally acceptable accounting standards will then become the language of communication for Indian companies. Better access to and reduction in the cost of capital raised from global capital markets since IFRS are now accepted as a financial reporting framework for companies seeking to raise funds from most capital markets across the globe.

### CHALLENGES IN CONVERGENCE WITH IFRS

**Challenge at micro level:** At a micro-level, an immediate challenge is the cost of convergence. Other challenges include deficiencies in corporate practices, systems and processes.

**Challenge at macro level:** At a macro-level, however, the structural challenges include lack of trained professionals, diversified sources of industry-specific accounting guidance, and cultural barrier to accepting foreign accounting principles.

**Amendments to the existing law:** A major issue for Indian regulators is the lack of IFRS knowledge and experience in the accounting and auditing profession here. There is a need to align the industry-specific accounting guidance issued by various regulators. For example, the Reserve Bank of India issues guidance for banking companies, the Insurance Regulatory and Development Authority issues guidance for insurance companies, the Central Electricity Regulatory Commission issues guidance for electricity companies, SEBI issues guidance for listed companies, and the Ministry of Corporate Affairs too issues certain guidance.

**Awareness about International Practices:** Adoption of IFRS means that the entire set of financial statements will be required to undergo a drastic change. There are a number of differences between the Indian GAAP and IFRS. This may cause the users of financial statements to look at them from a new perspective. It would be a challenge to bring about awareness of IFRS and its impact among the users of financial statements.

**Training:** Professional accountants are looked upon to ensure successful implementation of IFRS. The biggest hurdle for the professionals in implementing IFRS is the lack of training facilities and academic courses on IFRS in India.

**Taxation:** IFRS convergence would affect most of the items in the financial statements and consequently the tax liabilities would also undergo a change. Thus the taxation laws should address the treatment of tax liabilities arising on convergence from Indian GAAP to IFRS. It is extremely important that the taxation laws recognize IFRS compliant financial statements otherwise it would duplicate administrative work for the organizations.

**Fair value:** IFRS uses fair value as a measurement base for valuing most of the items of financial statements. The use of fair value accounting 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 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:** The terms and conditions relating to management compensation plans would also have to be changed. 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 which is also a big challenge.

**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.

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**CONCLUSION**

Convergence to IFRS is expected to improve the relevance, reliability and comparability of financial reports and thus benefit global investors. It is expected that the global financial reporting process will eventually be based on a single set of high-quality accounting standards as issued by the IASB. There is now presence of many multinational enterprises in the country with the rapid liberalization process adopted in India. Further, there is increase in investment in Global markets by Indian companies This has generated an interest in Indian GAAP by all concerned. Due to this context, the roles of Indian accounting standards, which are becoming closer to IFRS, have assumed a great significance from the point of view of global financial reporting. In spite of many issues and challenges in the way of harmonization of accounting standards, India has finally announced its convergence with IFRS by 2015. So adoption of IFRS requires commitment from various stakeholders such as accountant professional, academicians, company accountants and audit firm, finance directors of company and national regulators to overcome these challenges and promote international convergence of accounting standards.

**ABBREVIATION**

IFRS – International Financial Reporting Standards

IAS – International Accounting Standards

IASB – International Accounting Standards Board

MCA – Ministry of Corporate Affairs

SEC – Securities Exchange Commission

GAAP – Generally Accepted Accounting Principles

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## AN INVESTIGATION INTO PUT-CALL PARITY RELATIONS IN CORPORATE FINANCE

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### ABSTRACT

*This paper is an attempt to analyze and explore put-call parity relations in corporate finance using yield option prices. It is a principal used in financial mathematics that refers to relationship between the price of a European call and European put option of the same class. These both are same strike price and expiration date. If the price at expiry is higher than the strike price, the call will be exercised and if it is less than that, then the put will be exercised. Put-call parity is a static replication and it requires a minimal assumption called existence of a forward contract. There will a chance and in this chance a unit of the asset is purchased for the strike price as is found in the forward contract. This objective of the researcher is to dive deep in Put-call parity relations and bring forth some innovative dimensions in it.*

*Key-words: Call-parity relations, Derivations, Options, Financial-Mathematics, Assets, Dividends.*

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### INTRODUCTION

Put call parity is one kind of relationship between the price of a European call and European put option of the same class. One can generally infer that a long-stock/long-put position (red line) has the same risk/return profile as a long call (blue line) with the same expiration and strike price. There is slight difference between blue and red lines. The owner of the stock hereby stands for red line receives the additional amount, while the owner of the call hereby called blue line does not receive any. Nonetheless if one assumes that no dividend would be paid to stockholders during the holding period, then both lines would overlap. In this process, an option pricing model under short sales constraints in the discrete time is set up. The cost of short selling cannot be explained much and it can be enormously high. Efficiency is very important for all the functions and development of financial markets. It is commonly tested by means of the no-arbitrage relationships that must have many financial assets. The Put Call Parity (PCP) is no-arbitrage relationship that must have the account between the prices of a European call and a European put.

### STRUCTURE OF PAPER

The paper has been written in five sections. Section one is for general introduction for call parity relations. Section two tells about the literary review and methodology on it. Section three is about the data collection in paper. Fourth chapter deals with the major research findings and it focuses on the main research work done in this paper. It also paves a way for the next research on it. The last section of this paper contains the words of conclusion.

### LITERATURE AND RESEARCH METHODOLOGY

Though, a number of articles and essays deal with arbitrage using Put-call parity, still this paper is an attempt to add more some more particular in it. This section is for literary review and the methodology used in this paper. It also focuses on empirical literature testing the efficiency of index options markets. It also focuses on the empirical tests of efficiency. It also attracts the attention of the readers to the Put call Parity (PCP). It is the most famous condition of cross market efficiency between the underling and the option market. The methodology used in this paper has been exhaustively explained. It throws light on the choices made by the researcher in the undertaken work. In the paper it has also been tried to review the possible tests of the PCP. The paper cited also tests different types of arbitrage restriction in which lower boundary conditions and various types of arbitrage strategies are included. Among that one, the researcher tries to highlight Mitnik and Rieken (2000) who examined the German DAX index. Their conclusions about the German market have been analyzed in this paper. It is difficult to implement a successful arbitrage strategy. Puttonen holds the idea that restrictions on short selling definitely affect the efficiency of the Finnish option market negatively. The findings that Capelle-Blancard and Chaudhury (2001) found on the French option market indicate that it is very hard to make arbitrage profits, when regarding transaction costs and short sell restrictions. When France initiated the Euro as an official currency in 1999, there were no evidence of enhanced efficiency, but there was an increase in the number of contracts traded. Same outcomes were presented by Ackert & Tian (2001) regarding the US option market. A large number of violations were presented on the S&P 500 index, but when transaction costs and short sell constraints was taken into account, the number of violations went down in number. Two major reports came from Italy.

## **DATA COLLECTION**

The researcher's method in this paper is to describe put call parity with focus on the collection of data. The risk-free interest rate, Put Call Parity and its relation with the peripheral terms have been analyzed in this paper. Most possible data have been collected. The data are primary, secondary and tertiary also which have been given in works-cited section. Many illustrations can demonstrate a simple put-call parity relationship. Profit and loss are the main things for markets. For example if the market is not sufficient, then one entrepreneur can gain arbitrage profits by a long for a short strategy. Long strategy is called conversion and a short strategy is called reversion. It all banks upon the overvalued option whether it is a call or a put respectively.

## **EUROPEAN VS. AMERICAN OPTIONS**

There are two most important traded options in if one wants to research on Put Call Parity Relationships. These options are European and American type. The difference between the two is that a European option cannot be allowed to be exercised before the maturity-date while an American option can be exercised whenever one wants. (Tjeder 2006). The index options that we examine in this paper are of European type. This means that if you want out of your position, you have to trade your way out, since the option of premature exercise is not available.

## **PUT-CALL PARITY**

Put-call parity (PCP) concept was first introduced by Stoll in 1969. It is process by which one can determine the relationship between put and call options. It is possible to calculate the value of a European call by using a European put with the same exercise price and maturity. These calculations give proper result only if the option one calculates the corresponding value from is already correctly priced. Many modifications have been done on Stoll's original PCP-model. Hull's assumption has a different view on the time and interest rate. In the model, there are many criteria set for it. First we have got  $c$  which represents the call option. Then we have  $k$  which is strike price,  $r$  which is interest rate and  $t$  that stands for time. On the other side of the equation we find  $p$ , which is the put option. A few of them have been described herein. Looking at the below points we can find something important in context of ongoing research:

$c$  = It is call price

$p$  = It is put price

$r$  = It is risk- free interest rate

$T$  = It is time to expiration of the option;

There are other related terms:

$Ibid/ask$  =  $bid/ask$  index price;

$c/p ask$  =  $ask$  call/put price;

$c/p bid$  =  $bid$  call/put price;

$D$  = present value of the dividends paid on the index up to time  $T$ ;

$TCc$  = call transaction costs;

$TCp$  = put transaction costs;

$TCS$  = index transaction costs;

$g$  = percentage of short sales allowed. (Brunetti 6)

## **CONVERSION-REVERSION-ARBITRAGE STRATEGIES-DATA**

These are two conversion or reversion arbitrage strategies which are used in synchronous trading of the options and the index. PCP holds only for couples of put/call options with identical maturity and strike and traded in the same instant. For retaining reliable and informative data for the testing of PCP, one has to use some filtrations in it. The data set has the following four basic requirements:

### **i) Price Synchronicity**

One has to follow Mittnik and Rieken and Capelle-Blancard and Chaudhury by retaining only those put/call options that were traded consequently. This timeframe is only 60 seconds for it. After it one has to match each couple with the same minute Mib30 quotation<sup>10</sup>. Thus, all prices are in a given arbitrage condition in 60 seconds.

### **ii) Maturity and Strike Matching**

As for the maturity and strike matching is concerned, one has to remove all couples of options characterized by various strike and expiration date.

**iii) Index Adjustments for Dividends**

The Mib30 is not a performance-based index, one has to adjust it for dividends, implicitly assuming investors to know in advance future dividends.

**iv) Estimation of Transaction Costs**

In the Italian market, clearing fee is negligible. Taking transaction costs into account is fundamental when empirically investigating Put Call Parity. Estimation of transaction cost is very important to calculate.

**EFFICIENT MARKET AND ARBITRAGE**

Market has a prominent place in financial matters. A full bloom market is when it's all information is reflected in the prices of the commodities. If the market is not fully efficient, then it is certain that there will be birth of arbitrage opportunities. One can easily confirm by saying that there are three forms of EMH: weak, semi-strong and strong. Weak form of efficiency can be said in the position when no historical data can be used to gain extra profits. It is not possible to outperform the market with your information on the basis of historical data. Some forms of fundamental analysis can give you an advantage in this regard but its technical analysis is futile and useless. Semi-strong form of efficiency is when both technical and fundamental analysis is useless. Many kinds of definitions have been given of arbitrage. According to Vishny and Shleifer (1997) arbitrage is defined as "the simultaneous purchase and sale of the same, or essentially similar, security in two different markets for advantageously different prices" Another perspective might be; arbitrage is when you find two individuals that wish to trade and you make the trade for them. For the effort you make, you will be rewarded with a sum of money, the arbitrage profit. The cheaper you can buy a good, and sell it to a higher price in another market, the more your arbitrage profit will be. (Björnesjö & Olsson 12)

Björnesjö & Olsson further give a detailed analysis of it giving the information of risks involved in it. After that they give the reference of Vishny and Shleifer and state how their contribution in this field is remarkable, "There are some risks you need to consider when using arbitrage strategies during trading. First you need to have a great deal of knowledge about how to make the necessary trades, so you do not end up with a semi-complete arbitrage or with options of different maturities. In theory, arbitrage requires no capital and is absolute risk free, but in reality that is not true. Arbitrage do require a lot of capital, and is however risky sometimes according to Vishny and Shleifer (1997). Furthermore Vishny and Shleifer (1997) mention that such a thing as a capital-free arbitrage does not exist. An investor must always be prepared to reassess his position with new capital, and if the investor fails to provide capital, the position has to be closed out in advance, and therefore maybe result in a loss instead of the calculated arbitrage. Most arbitrages carried out on the bond and equity market is however risk-arbitrages" (Vishny and Shleifer 1997). (Quoted Björnesjö & Olsson 12)

**SUGGESTIONS TO FURTHER RESEARCH**

Although, Put-call parity relationship in corporate finance is a big topic to explore, yet I have tried to give new findings and my effort has been to add to new vistas and avenues in the field. Thus using put-call parity one can go to many points explored in this paper. It can also be added that a private investor cannot make new additional arbitrage profits as all of the profitable arbitrage opportunities have already been consumed and there is nothing left for the private investors and they fail to get any kind of profit. Brunetti and Torricelli (2003) contend that arbitrage is possible. Whenever you include transaction costs arbitrage opportunities tend to disappear. If one compares studies from around the year 2000 to later years, then one can easily find that the number of arbitrage opportunities seems to decrease. Björnesjö & Olsson contend, "A possible explanation for this phenomenon is that the market becomes more and more efficient as the trading becomes more computerized. Furthermore, when new computer software for forecasting and modeling becomes available the information about the market becomes more "perfect". Is it possible to conclude that the market is constantly evolving to a higher degree of efficiency? This question would be an interesting matter to investigate it in another research project also. Other interesting topics to deal with are transaction costs and cross-market examination." (Björnesjö & Olsson 12)

One can easily find out that transaction costs play a major role and these are difficult to estimate. The costs differentiate between investors and financial institutions. Cross-market examination can give some more informative points on this research and give interesting outcome. Thus, the present paper can pave a way for the further research and in this way a researcher can produce and add some interesting insights into this field.

**CONCLUSION**

From this above, one can conclude that call parity (PCP) is a way of determining the relationship between put and call options in corporate finance using yield option prices. It investigates when they are priced right. With put call parity it is possible to calculate the value of a European call and European put and the Mibo market.

However, in the very few cases where PCP is overruled, it is possible to implement profitable arbitrage strategies independently of the investor's type. The work performed in this project can be extended in many directions: First of all, the tests performed in this paper are ex-post tests and therefore cannot highlight the role of non synchronous trading in the arbitrage violations. Secondly, the Put-call parity is a cross market relationship and other strategies such as various types of spreads can be used to check the internal option market efficiency. These issues can be explored further on the basis of present research.

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## HUMAN RESOURCE MANAGEMENT- THE EMERGING TRENDS

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### ABSTRACT

*This is a conceptual paper. There are many challenges faced by human resource managers due to many changes in the business environment. Some of the very important ones are the diverse workforce, multi-generational workforce, and legislation affecting the workplace and high advances in technology. Human resource managers should be capable enough to face these challenges and get what is wanted for the success of the organization. This paper deals with the contemporary issues faced by Indian entrepreneurs and how do they face them and succeed.*

*Key words: Human resource, contemporary, issues.*

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### OPERATIONAL DEFINITIONS

Definition of Human resource management: In the words of Leon C. Megginson, the term human resources can be thought of as “the total knowledge, skills, creative abilities, talents and aptitudes of an organization’s workforce, as well as the value, attitudes and beliefs of the individuals involved.”

Michael J. Julius defined Personnel Management as “the field of management which has to do with planning, organizing, directing and controlling the functions of procuring, developing, maintaining and utilizing a labour force, such that the –

1. Objectives for which the company is established are attained economically and effectively,
2. Objectives of all levels of personnel are served to the highest possible degree, and
3. Objectives of society are duly considered and served.”

### REVIEW OF LITERATURE

Certain articles on the topic available were studied and the information on this topic was also collected from the industrialists as they tend to face the problems practically.

### OBJECTIVES

1. To understand the basic issues faced by human resource managers
2. To know the contemporary issues faced by HR managers
3. To know how HR managers face these challenges and tries to find success for the organization.

### INTRODUCTION

Human resource managers functions involve planning, organizing, directing and controlling the functions of employing, developing and compensating human resources, resulting in the creation and development of human relations with a view to contribute proportionately to the organization, individual and social goals.

### CONTEMPORARY ISSUES IN HRM

In the process of discharging the functions of HR department, there are many challenges faced by the corporate world in the current context. They are as follows:

1. **Getting the right candidature:** The candidate tends to put many skills in resume which are practically not found. In an attempt to get the job candidates mention many such skills which they don’t have. With this, HRM department will face difficulty in screening the right candidate suitable for the organization.
2. **Attitude:** Sometimes, HR departments should have candidates from larger or smaller organization with defined skill set. These candidates tend to show a similar behavior as with previous assignments. HR department has to monitor and guide them to suit their organization.
3. **Multi-generational workforce:** Due to advancement of technology and change in education pattern young generation tend to achieve the requirements of the job at a very early age and will fill in the gap of experienced persons due to their qualifications. This will create problems with hierarchy of the management. As these young qualified people tend to change their job very frequently to reach their goal will create setback in organization to create constant pressure on HR department to prepare and to screen the candidates repeatedly for the same post.

4. **Compensations:** HR department will always face problem in designing compensation for the employees. The challenge is to decide compensation between highly qualified manpower with less experience and an experienced candidate with average qualification. This is very important to keep the balance between these candidates in order to run the functions of the organization smoothly.

5. **Technology:** HR department will find it difficult in balancing a candidate with good technical background and one with practical exposure, as there could be difference of opinions between these two categories which may affect the organizational performance. Here, in this case, the young generations tend to catch up the advances in technology may show aggressive behavior in resolving the issues. While with the other with more experienced will show traditional approach to solve the same problem. HR should play an important role in creating a congenial working environment while placing the candidates in different hierarchy of the organization in order to improve the organizational efficiency.

6. **Monitoring:** HR department should keep constant monitoring on up gradation of skill set of the employees and arrange proper training, workshops to bring their capacity to the expected level of efficiency which is always required for positive organizational growth.

7. **Competence of HR Managers:-** The HR manager plays a keyhole in organization and will be responsible to appoint the right candidate to the right place. To make this happen, the HR manager should be very competent with right educational qualification, practical exposure and good knowledge on the present day requirements for the organization. In order to hire a competent person to handle HR department, management has to seek advice from various departments while screening the HR candidate, as it is very crucial for HR person to have knowledge on various domains, which he should see in the candidates through whom he will build a team to perform a very effectively in the organization.

8. **Leadership development:** It is told many times that this is the point which is often given less importance in an organization. HR manager should try and implement such certain kinds of programs and assign duties to the employees in such a way that there is development in the leadership qualities. Normally, he should select some employees who have a good past performance record and knowledge based expertise to impart them the leadership qualities. This can be achieved with the training that is given to them on the necessary "soft skills" which is very important for every person everywhere. That is why in university level also, even for undergraduate students, a subject called "soft skills for Business" is been introduced in the curriculum. Thanks to the university.

9. **Change Management:** The business environment in India is ever changing. LPG policy being introduced in 1991, there is vast change in the number of opportunities available to the business personnel because of the policy. But, at the same time they had to face lot of challenges because of the same changes in the concept. So, the HR department should be very capable enough to understand the changes in the business environment and be ready to face them successfully.

10. **Legislation Affecting Workplace:** The legislations which may affect the workplace keeps changing and the HR manger should be having clarity of the same and this is also one issue that is faced by HR department.

## **CONCLUSION**

As the role of HR managers is very critical in organizational performance, the HR team in any organization should be very sensible and have scientific approach in solving the problems related to existing manpower and while hiring the new people.

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## A STUDY ON QUALITY OF WORK LIFE IN MANAGEMENT INSTITUTIONS WITH REFERENCE TO LUCKNOW CITY(UTTAR PRADESH)

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### ABSTRACT

*This research paper aims to examine and establish the relationship between the variables of QWL and quality of work life. Researcher has identified relevant variables to assess the quality of work life among sampled faculty members working in various Management Institutes in Lucknow city. This study utilizes exploratory research design along with causal relationship among identified variables. Primary survey have been conducted on pre designed tested questionnaire. The primary data carried out through survey method with the help of self-developed structured, non-disguised questionnaires on 100 faculties working in various management institutions in Lucknow City. The collected data has been analysed through descriptive statistics. The findings shows that quality of work life have higher relation with its variables among the faculty members in Management Institutes and subsequently indicates the factors responsible for job Security.*

**Keywords :** *Quality Work Life, Job Security, working condition, compensation, work life balance, work complexity and workers control.*

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### I. INTRODUCTION

The term “**Quality of Work Life**” has appeared in 1970’s in the Research Journals and press in USA. **Louis Davis** coined the term quality of work life. In 1972, the first International QWL Conference was held in Toronto and in the same year, the International Council for Quality of Work Life was established. More than four decades have passed since the phrase “Quality of Work Life” was first introduced, but in India it is still a new concept to emerge. As bread, water is necessary to survive for life in same way Quality of work life becomes necessity for an organization to attract and to retain skilled and talented employees. QWL means the sum total of values, both materials and non-materials, attained by the worker throughout his life. Quality of work life can be said to be all the original inputs which aim at improving the employees’ satisfaction and enhancing organizational effectiveness. If employees are not satisfied then it may lead to absenteeism and excessive turnover (Chen et al., 2006). Attrition, employee’s commitment, productivity etc. depend upon the dimensions of Quality of work life. An organization provides a better QWL then it develops the healthy working environment as well as satisfied employee. High QWL can give a result in better organizational performance, effectiveness, innovativeness, etc.

### II. LITREATURE REVIEW

**Arif and Maryam Ilyas (2013)** focused on quality of work life of private universities in Lahore, Pakistan. They explored various dimensions of quality of work life which affect life and the attitude of teachers. This quantitative study took 360 members of university and analyzes their perception of QWL. This study also investigated the QWL effects on employee commitment, engagement, job involvement and reputation of the university. This research suggested that the perceived value of work, work climate, work-life balance and satisfaction are the main factors which shaped the work attitude and also improve employees work life.

**D. Kumar and J.M. Deo (2011)** did a study to measure the effect of stress on quality of work life of college teachers. They took 300 college teachers of universities of Bihar and Jharkhand and studied their various perception of quality of work life. Findings exposed that junior teachers had more stress than senior teachers. As well as female teachers were feeling more stress in their job in comparison to male teachers.

**Seyed Mohammad Mirkamali, Fatemeh Narenji Thani(2011)**, conducted a study to determine the Quality of Work Life (QWL) among faculty members of University of Tehran and Sharif University of Technology. From social cohesiveness point of view, the faculty members of SUT possess a higher position. In summary, the results of the present research show that: a) The faculty members of UT and SUT are on a fairly unfavorable level of QWL, b) There is no significant difference in QWL among the faculty members of UT and SUT universities.

**Rossmiller (1992)** did a study of secondary teachers and principals. He focused on great workplace and found that there is a positive influence between QWL and teacher’s participation, professional collaboration and interaction, use of skill & knowledge and teaching environment.

**B. Shahbaji, S. Shokrzadeh, H. Bejani, E. Malekinia and D. Ghoroneh (2011)** identified the relationship between the quality of work life and performance of Esfahan University and Esfahan medical University employees. According to this study, performance was directly related to adequate and fair compensation, safe and healthy work environment, development of human capacities, growth and security, social integration and work environment, constitutionalism (rule of law), work life space, and social relevance of work life. Out of these variables developments of human capacities, social integration, constitutionalism, and work and life space were more effectively related to performance. They concluded that level of quality of work life was various from university to university.

**Ayesha Tabassum (2012)** investigated QWL of employees in the private universities of Bangladesh. She designed a 5-point Likert- scale structured questionnaire and collected the data from the 72 fulltime faculty members among 11 private universities. She analyzed the dimensions of quality of work life and its relationship with job satisfaction. This study concluded that there is positive relationship between the dimensions of QWL and job satisfaction. This study suggested to the management of the institutions that the policies designed in such a way that QWL issues should be concerned. An improved QWL provides a higher level of job satisfaction which in turn reduce faculty member turnover rate.

### III. OBJECTIVES OF THE STUDY

- 1 To examine and establish the relationship between the variables and quality of work life.
2. To study the relationship between quality of work life of faculty members working in various management Institutions in Lucknow city with demographics factors .

### IV. RESERCH METHODOLOGY

This study utilizes exploratory research design along with causal relationship among identified variables. This study is gather primary. Primary data was collected by the conducting a survey. For this survey, a comprehensive questionnaire were prepared containing questions related to the research problem. The responses of the respondents were collected in questionnaire by seeking prior appointments from them & personal visits by researcher. Questionnaire was discussed with the respondents and responses were received on the questionnaire. The study carried out on a representative sample of 100 faculties working in various Management Institutions in Lucknow City. The research carried out through survey method with the help of self-developed structured non-disguised questionnaires. It was consist of some questions based on 5 point Likert Type Scale on which the respondents (Faculties) who were working in various management institutions based in Uttar Pradesh were asked to indicate the degree of agreement or disagreement.

**Statistical Tools** - Data analysis was done using statistical package for social science (SPSS) version 20.0 for the data gathered through structured questionnaire. Mean, standard deviation, T-test and one way ANOVA were used as statistical tools.

### V. DATA ANALYSIS AND RESULTS

**Sample Profile** - Demographic features of faculties of privately managed engineering colleges in the district of Lucknow, are exhibited with the help of table 1.1 below: In the present study a sample size of 100 faculties of various private engineering colleges in the district of Lucknow has been taken as respondents, which include 60 male and 40 female employees and they have been categorised on the basis of various demographic factors like age, marital status, designation, educational qualification and finally academic experience.

**Table 1.1: Sample Profile**

Demographi Variable	Categories	Counts	Percentage
<b>Gender</b>	Male	60	60 %
	Female	40	40 %
<b>Age</b>	25 to 35 years	56	56 %
	35 to 45 years	34	34 %
	Above 45 years	10	10 %
<b>Marital Status</b>	Married	47	47 %
	Unmarried	53	53 %
<b>Designation</b>	Assistant Professor	48	48 %
	Associate Professor	32	32 %
	Professor	20	20 %

<b>Academic Experience</b>	Less than 5 years	23	23 %
	5 to 10 years	25	25 %
	10 to 15 years	25	25 %
	Above 15 years	27	27 %

**Reliability Statistics:-** The reliability of scale indicates that the study is free from random error. Internal consistency is measured in this research using Cronbach's coefficient alpha, ( $\alpha$ ). The statistic provides an indication of the average correlation among all of the items that make up the scale. Values range from 0 to 1 with higher values indication greater reliability.

**Table -1.2 Reliability Statistics**

Cronbach's Alpha	N of Items
0.817	8

Table above indicates the result of analysis of the Cronbach's alpha scale for QWL is 0.817, where its value is more than 0.7, which shows a greater reliability in any kind of social research. This indicates that the survey instrument (questionnaire) can be liable tool to measure the construct consistently.

**Descriptive Statistics:-** Level of QWL among the faculties of various management institutions in relation to identified factors is shown in Table 3 which shows the mean values, standard deviation and variance for the variables. The mean score on overall QWL was found to be 2.27 on a three point Likert scale. This is above the neutral score of 1.5, which implies that respondents' overall QWL is favorable/positive. Based on a five point Likert type scale ranging from strongly disagree (1) to strongly agree (5), the survey conducted for knowing the response of faculties on various attributes relating to QWL. The mean scores with the Compensation 3.18, Career growth 3.29, Work Condition 3.05, Work life balance 3.40, Recognition and Appreciation 3.31, Work complexity 3.24, Workers Control 2.95 and Stress Level 3.27. all the mean scores of independent variables are above the neutral score 3, which implies for favourable or positive outcome. According to these results, faculties are more satisfied with Job security Conditions.

**Table-1.3 Descriptive Statistics**

Variables	N	Mean	Std. Deviation	Variance
Compensation	100	3.18	1.020	1.040
Career growth	100	3.29	.975	.951
Work Condition	100	3.05	1.044	1.090
Work life balance	100	3.40	1.065	1.133
Recognition and Appreciation	100	3.31	1.120	1.255
work complexity	100	3.24	1.186	1.406
workers control	100	2.95	1.113	1.238
Stress Level	100	3.27	1.209	1.461
Overall QWL	100	2.27	.651	.424
Valid N (listwise)	100			

**Relationship between overall QWL of faculties with demographics factors (age, gender):**

**Hypothesis-I : Relationship between QWL of faculty members with demographics factors (age).**

**H<sub>0</sub>:** There is no significant impact of age on QWL.

**H<sub>1</sub>:** There is significant impact of age on QWL.

**Table-1.4 One Way ANOVA**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	1.526	3	.509	1.213	.314
<b>Within Groups</b>	21.383	51	.419		
<b>Total</b>	22.909	54			

To analysis hypothesis that is there difference in overall QWL according to age, we use ANOVA one way. The results is  $F(3,51)=1.213$ ,  $p=0.314$ , where  $p>0.05$  so result is not significant at 5%. We have to accept the null hypothesis. That overall QWL do not vary in accordance with age.

### Hypothesis: Relationship between overall QWL of faculty members with demographics factors (Gender).

**H<sub>0</sub>:** There is no significant impact of Gender on QWL.

**H<sub>1</sub>:** There is significant impact of Gender on QWL.

The result shows  $t=1.094$ ,  $p=0.179$  where  $p>0.05$  so result is not significant at 5%. We have to accept the null hypothesis. That overall QWL do not vary according to gender. The table results indicate that. Male's faculty reported lower levels of QWL (mean 2.18, SD 0.670) comparing to female faculty (mean 2.37, SD 0.629).

**Analyzing that is there significant difference between male and female QWL we use mean, standard deviation, t-test.**

**Table 1.5t-Test**

	Gender	N	Mean	Std. Deviation	Std. Error Mean	t – Test	Sig.(2 tailed)
Overall	Female	60	2.17	.521	.120	1.094	.179
QWL	Male	40	2.28	.542	.122		

### Testing whether the identified factors are good predictor of QWL.

To analysis the relationship between overall QWL and the identified factors affecting QWL, we use linear regression model.

**Table-1.6 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.897 <sup>a</sup>	.805	.802	.22085

This summary table provides the value of  $r$ ,  $r^2$  and adjusted  $r^2$  for the model that has been derived. “ $r$ ” represents the value of the multiple correlation coefficients between the predictors and the outcome (Field, 2005). Here,  $r$  has a value 0.897, this value represents the simple correlation between variables of QWL.

The “ $r^2$ ” is a measure of how much of the variability in the outcome is accounted for by the predictors (Field, 2005). The value of  $r^2$  is 0.805 which tells us that these variables can account for 80.5% of the variation the QWL that leads to quality of work life and job security in Management Institutions. This means that 19.5% of the variation cannot be explained by these variables.

The adjusted “ $r^2$ ” gives an idea of how well the model generalizes and ideally its value is likely to be the same or very close to, the value of  $r^2$  (Field, 2005). Here, the difference between  $r^2$  and adjusted  $r^2$  is 0.3% ( $0.805 - 0.802 = 0.003$ ). This means that if the model were derived from the population rather than a sample it would account for approximately 0.3% less variance in its outcome.

**Table –1.7 ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	12.670	8	1.871	10.843	.000 <sup>b</sup>
Residual	6.6	46	.173		
Total	21.619	54			

### Hypothesis-II

**H<sub>0</sub>:** There is no significant relationship between overall QWL and the identified factors affecting QWL.

**H<sub>1</sub>:** There is significant relationship between overall QWL and the identified factors affecting QWL.

The F-ratio in the ANOVA table shows that the identified factors (Independent Variables) statistically significantly predict the overall QWL (Dependent Variable),  $F(7.47) = 10.843$ ,  $p < 0.0005$  so the result is significant.  $H_0$  is rejected. Hence the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable

**Table – 1.8 Coefficients**

Variable	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-.583	.340		-1.715	.093
Compensation	.114	.068	.179	1.686	.099

1	<b>Career Growth</b>	.037	.079	.055	.465	.644
	<b>Working Conditions</b>	.070	.073	.113	.963	.340
	<b>Work life balance</b>	.151	.086	.247	1.762	.085
	<b>Recognition and</b>					
	<b>Appreciation</b>	.234	.069	.403	3.402	.001
	<b>Work Complexity</b>	.121	.067	.220	1.792	.080
	<b>Workers Control</b>	.089	.072	.153	1.236	.223
	<b>Stress Level</b>	.055	.072	.121	.907	.369

#### **a. Dependent Variable: Overall QWL**

In the above coefficient table the unstandardized coefficients indicate how much the overall QWL (dependent variable) varies with the identified factors affecting QWL (independent variable) when all other independent variables are held constant.

All the identified factors affecting the QWL have a positive relation with the overall QWL. Opportunity for Growth and Security factor have highest impact on the overall QWL as its Beta value is 0.234 .Stress level factor have lowest impact on the overall QWL as its Beta value is 0.055 .Except recognition and growth factor all the identified independent factors affecting overall QWL are not statistically significant. A multiple regression was run to predict overall QWL from Compensation, career growth, Working Conditions, Work life balance, Recognition and Appreciation, Work Complexity, Workers Control and Stress level. These variables statistically significantly predicted Overall QWL.

#### **V. CONCLUSION**

In this present research a sincere attempt taken to understand how various independent factors like Compensation, career growth, Working Conditions, Work life balance, Recognition and Appreciation, Work Complexity, Workers Control and Stress level positively influences the dependent factor i.e., overall QWL experiences of faculty members working in various management institutions. Finding of the study further indicates that overall QWL experiences do not vary significantly due to age and gender. At last the present study concludes that, management institution should understand these factors which enrich the QWL of the faculty members because faculties are considered as the most important assets of any educational institutions and play an important in growth and success of any institution and Nation as well.

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## SIMULATION OF RUNOFF FROM SMALL AGRICULTURAL WATERSHED USING PHYSICALLY BASED MODEL

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### ABSTRACT

*This study was done to simulate agricultural runoff from a small watershed (Kapagari, West Midnapur, West Bengal) in India using physically based (AVSWAT-X) model. The calibration and validation were done using observed runoff data of 2012-13 and 2014-15, respectively. The performance criteria used for evaluating the observed and simulated runoff were root mean squared error (RMSE) and coefficient of efficiency (CE). The results indicated that the RMSE and CE were 3.44 and 0.87 during calibration and 1.94 and 0.73 during validation, respectively. The study was an aid in development of location specific strategy for sustainable natural resources management.*

*Keywords: Runoff, Watershed, AVSWAT, Physically based, Natural resources*

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### INTRODUCTION

Land and water are the most important natural resources. Conservation of these resources is of paramount importance to reverse the process of land degradation, to enhance agricultural production, and to ensure food security and sustainability. Intensive study of individual watershed is necessary for watershed development and planning and also for transforming the results of one watershed to another with similar characteristics (Mishra et al., 2007). The need for accurate measurement of parameters involved in hydrological and environmental processes has grown rapidly due to the acceleration in the watershed modelling for conservation, development and assessment of non-point source pollution pertaining to soil and water resources. Estimation of runoff is necessary for the design of soil conservation structures to prevent land degradation. The rainfall-runoff process is an extremely complex, non-linear, dynamic, and fragmented process that is affected by many physical factors. The involvement of many often-interrelated physiographic and climatic factors makes the rainfall-runoff process not only very complex to understand but also extremely difficult to model (Zhang and Govindaraju, 2003).

Large area water resources development and management require an understanding of basic hydrologic processes and simulation capabilities at river basin scales. This led to development of various watershed scale hydrologic simulation models that incorporate weather, soils, topographic and land use characteristics. In this category, Soil and Water Assessment Tool (SWAT) is a relatively newer physically based distributed parameter model which is an outgrowth of the SWRRB (Simulator for Water Resources in Rural Basins) and incorporates features from CREAMS (Chemicals, Runoff, Erosion from Agricultural Management Systems), EPIC (Erosion-Productivity Impact Calculator), and GLEAMS (Groundwater Loading Effects of Agricultural Management System). This model allows considerable flexibility in watershed configuration. It was developed to predict the effects of different agricultural management scenarios on water quality and quantity, sediment yields and pollutant loadings in rural watersheds. AVSWAT-X has several significant enhancements that include bacteria transport routine, urban routine, Green and Ampt infiltration equation, improved weather generator, ability to read daily solar radiation, relative humidity, wind speed and potential ET, Muskingum channel routing etc. Although the physically based distributed models can be considered the better choice in a rigorous theoretical sense but the significant data requirement of such models and their marginally superior results as compared to the others make them an unfavourable choice in operational hydrology.

Arnold et al. (1996) and Neitsch et al. (2001a) developed the soil and water assessment tool (SWAT) model in USDA Agricultural Research Service (ARS). SWAT was developed to predict the impact of land management practices on water, sediment yield and agricultural chemical yields in large complex watersheds with varying soils, land use and management conditions over a long period of time. The model was tested for three watersheds in Central Illinois. Water balance output of the SWAT model was compared with the measured and modelled results of Schicht and Walton (1961). The results showed that the model was able to simulate all components of the budget within acceptable limits on both an annual and monthly time step.

Spruill et al. (2000) evaluated the SWAT model and its parameter sensitivities were determined while modelling daily stream flows in a small central Kentucky watershed over a two year period. The study showed that the most sensitive parameter for the SWAT model for use in central Kentucky included saturated hydraulic conductivity, alpha base flow factor, recharge, drainage area, channel length and channel width. Bulk density,

available water capacity and hydraulic conductivity are the most sensitive parameters for hydrology and water quality (Lenhart et al., 2002). Sub-watershed scaling results indicated that variation in the total number of sub-watersheds has very little effect on the prediction of flow, sediment yield, and nutrient losses for four watersheds (Jha et al., 2004). Several studies have been validated using the data of watersheds in India. Tripathi et al. (2003) used the SWAT model for the Nagwan Watershed, India (92.46 km<sup>2</sup>) for identification and prioritization of critical sub-watersheds and to develop an effective management plan. Gunjal (2007) simulated the AVSWAT for Konar catchment of upper DVC to predict the surface runoff, sediment yield and reservoir inflow.

Chaplot (2005) used SWAT to determine the impact of the mesh size of the digital elevation model, DEM (from 20 to 500 m) and the soil map scale (1/25,000; 1/250,000 and; 1/500,000 scale) to simulate runoff, sediment, and NO<sub>3</sub>-N loads. Results showed that an upper limit of DEM mesh size of 50 m is required to simulate watershed loads. Zhang et al. (2007) applied SWAT 2000 model to Hei river watershed, Shaanxi Province in China. They evaluated impacts of land use and cover changes on surface runoff generation and river flow characteristics at monthly, seasonal, and annual scales through designed scenarios of different combinations of land use and cover and climate conditions using the SWAT model. They showed that climate change and human activities led to total water resources decrease by 10.6% in 2000 as compared to that in 1986 in the Hei River Watershed.

Fairly good quantum of work has been done on SWAT modelling in India and abroad. But these works are largely related to large watersheds of 100 km<sup>2</sup> and larger in size. It is essential to assess the model performance for small size agricultural watersheds which are quite common in India. Very little literature is available on comparison of two different modeling structures in hydrological process like runoff and sediment yield prediction. In Indian condition these kinds of studies for runoff and sediment yield prediction from small watersheds is not found. So it is essential to carry out this type of study in India under various climatic conditions for small size watersheds.

In India at small watershed level study of this kind will give idea about benefits and limitations of both the modelling structures, via Physical based model. The study was an aid in development of location specific strategy for sustainable natural resources management. In this context present study was done with the objective of calibration and validation of a physically based model (AVSWAT-X) for the simulation of runoff from a small agricultural watershed.

## STUDY AREA AND METHODOLOGY

### STUDY AREA

Kapagari watershed is located in Eastern India in West Midnapur district of West Bengal (Fig. 1). This is mainly agriculture watershed with unmanaged natural resources of area 973 ha. Runoff and soil erosion was unchecked and agriculture practices were carried out without any scientific concern about natural resources. Considering all data requirement and availability, Kapagari watershed has been selected. The geographical boundary of the watershed lies between 86°50"-86°55"E Longitude and 22°30"-22°35"N Latitude. Watershed is divided in three sub watersheds. The temperature of watershed varies between 7°C to 48°C with average annual rainfall of 1531 mm. The elevation of study area ranges from 60 m to 100 m from mean sea level (MSL). The soil of the watershed has been broadly grouped into four types.

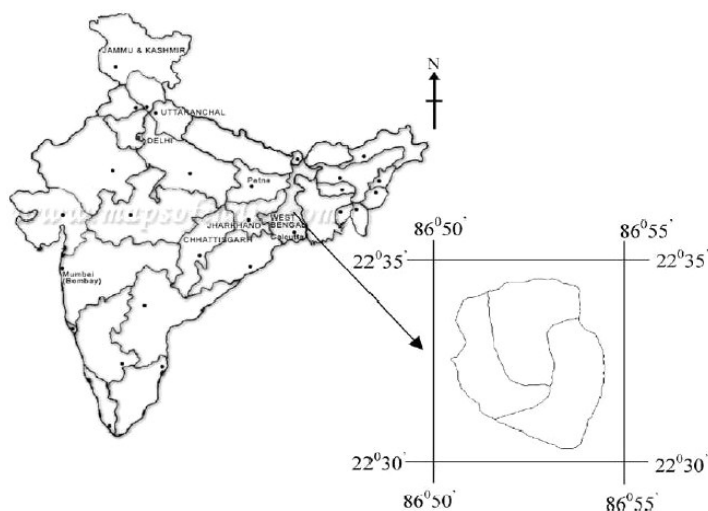


Fig. 1: Location of Kapagari watershed

## DATA ACQUISITION AND PROCESSING

The rainfall and runoff data for period 2012 to 2015 were collected from the Seva Bharati, Krishi Vidyan Kendra (KVK), Jhargram, West Bengal. The watershed map and boundary map of kapagarahi were also collected from KVK, Jhargram. Details of Land use and land cover data and soil information (texture) were collected from KVK, Jhargram.

## PERFORMANCE EVALUATION OF THE MODELS

The overall performance of model was judged with respect to criteria such as coefficient of efficiency (CE) and root mean squared error (RMSE) as given in Table 1.

**Table 1: Mathematical expressions of goodness of fit indices (GFI)**

Goodness of fit indices	Abbreviation	Mathematical expression
Coefficient of efficiency	<i>CE</i>	$1 - \frac{\sum_{i=1}^n (O_i - O'_i)^2}{\sum_{i=1}^n (O_i - \bar{O}_i)^2}$
Root mean squared error	<i>RMSE</i>	$\sqrt{\frac{1}{n} \sum_{i=1}^n (O_i - \bar{P}_i)^2}$

## AVSWAT-X MODEL

The watershed was delineated from the Survey of India toposheet on 1:50,000 scale using ERDAS Imagine digital image processing software (Leica Geosystems, USA). The toposheet was scanned; geometrically rectified and different maps such as contour map, drainage map, sub-watershed map, digital elevation model and slope map were generated. Soil texture map (Fig. 2) and hydrological soil group maps were generated using soil information collected from KrishiVigyan Kendra, Kapgari, West Bengal. Supervised land use classification method was used for generation of land use/land cover map from IRS-1D LISS-III satellite image. The identified land use classes were rice, generic crops, deciduous forest, mixed forest, hay, orchards, grass land, summer pasture, settlements and shallow water bodies. The weighted curve number for each sub-watershed was generated using land use/land cover map, soil texture map, hydrological soil group and standard curve numbers for the Indian conditions using ERDAS Imagine digital image processing software. Other input parameters of the delineated sub-watersheds such as overland and channel slope, channel length and average slope length were extracted through GIS using the various maps such as contour map, sub-watershed map, slope map and drainage map.

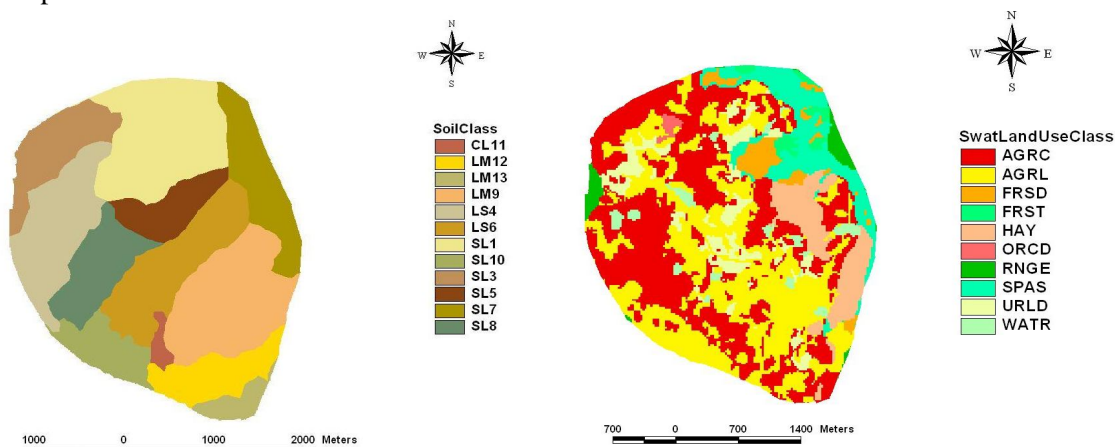


Fig. 2: Soil and land use/land cover map of Kapagari watershed

## MODEL SETUP

With all type of data acquisition and pre-processing, model set up was prepared. All pre-processed and rectified topographic map, soil map, digital elevation model of study area, and land cover were converted into Lambert Conformal Conic projection. The AVSWAT-X delineated 9.62 km<sup>2</sup> study area across manually judged area of 9.73 km<sup>2</sup> having error of 1.1%. The AVSWAT-X delineated 3 sub-basins across original 3 micro-watersheds. Model set up was finalized after having close watershed delineation.

The 'Set Up and Run SWAT model simulation' interface gives the option of selection of the time period for which the simulation is to be run, method of ET estimation, and other basin parameters like EPCO, ESCO, routing method etc. However, based on availability of climatological data in the study watershed, Hargreaves method was used for estimation of evapotranspiration in the present investigation.

### MODEL CALIBRATION

Calibration was done using the observed runoff for the year 2012 and 2013. During the calibration process, the model simulated runoff was compared with the corresponding observed values till a close agreement between the simulated and observed values are obtained. To assess the accuracy of the model prediction, the performance indices E and RMSE were used. The mathematical expressions of the above goodness-of-fit indices are presented in Table 1. The calibration was done manually by changing the model parameters. The parameters like that curve number, overland Manning's 'n', were changed in a trial and error basis to obtain a close matching of observed and simulated values. The observed runoff for the Kapagari watershed for monsoon seasons of 2012 and 2013 were used for the calibration of the model. The calibration tool in the simulation menu of AVSWAT-X allows performing global changes on input parameters that were commonly modified during the calibration process.

### MODEL VALIDATION

Proper validation of the calibrated model was essential to understand its performance without any change in the input files except the climatic parameters. The daily values of precipitation and the maximum and minimum temperature for the time period for which the model was validated was set as the input data for the model. The model was validated for the same parameters. Daily runoff was compared for the monsoon period of 2014 and 2015.

### RESULTS AND DISCUSSION

AVSWAT-X model setup was calibrated for the runoff from the watershed for year 2012 and 2013. The manual calibration procedure based on trial and error process of parameter adjustment was used, and several simulations were performed to get an adequately calibrated model. The performance of the model was evaluated using two performance criteria. Parameters obtained during calibration were kept constant and model was validated for the year 2014 and 2015. The results obtained during calibration and validation are given below.

Figs. 3a and 3b present the temporal variation of observed and simulated runoff from the watershed during calibration period. As evident, the simulated runoff matches reasonably well with observed runoff. Figs. 4a and 4b also show similar trend in temporal variation during validation period. In both the cases simulated runoff were slightly overestimated during peak flow time. To emphasize the above observation, the observed and simulated runoff are also plotted on 1:1 line (Fig. 5). These figures reveal that the observed and simulated values lie close to 1:1 line. Table 2 presents the values of performance criteria, i.e., Coefficient of Efficiency (CE) and Root Mean Square error (RMSE). This further shows that the simulated runoff matches well with the observed runoff.

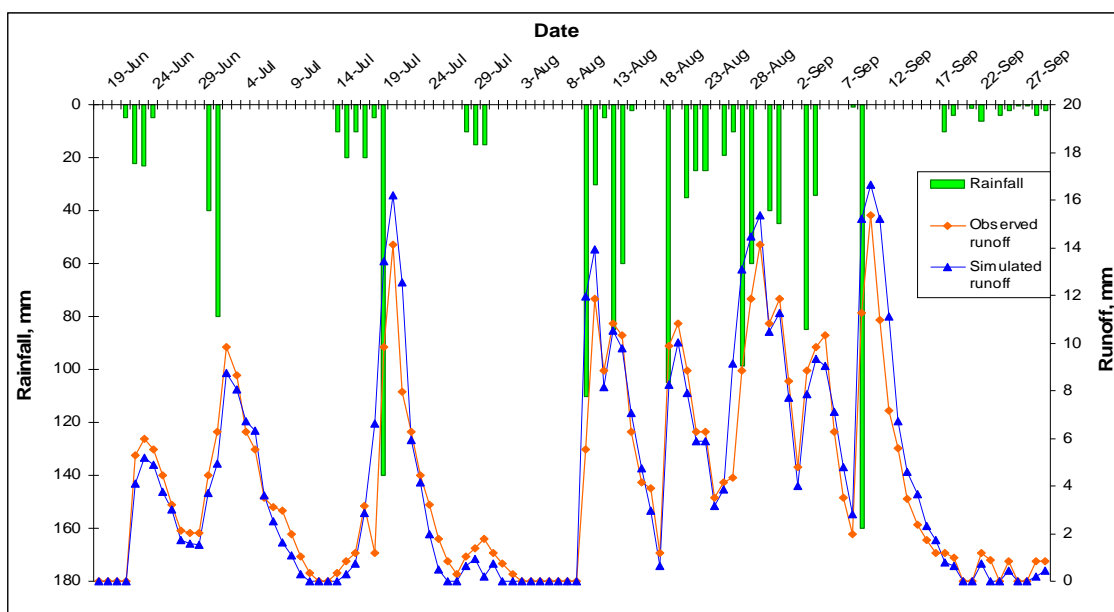


Fig. 3a: Calibration of runoff from the watershed for year 2012

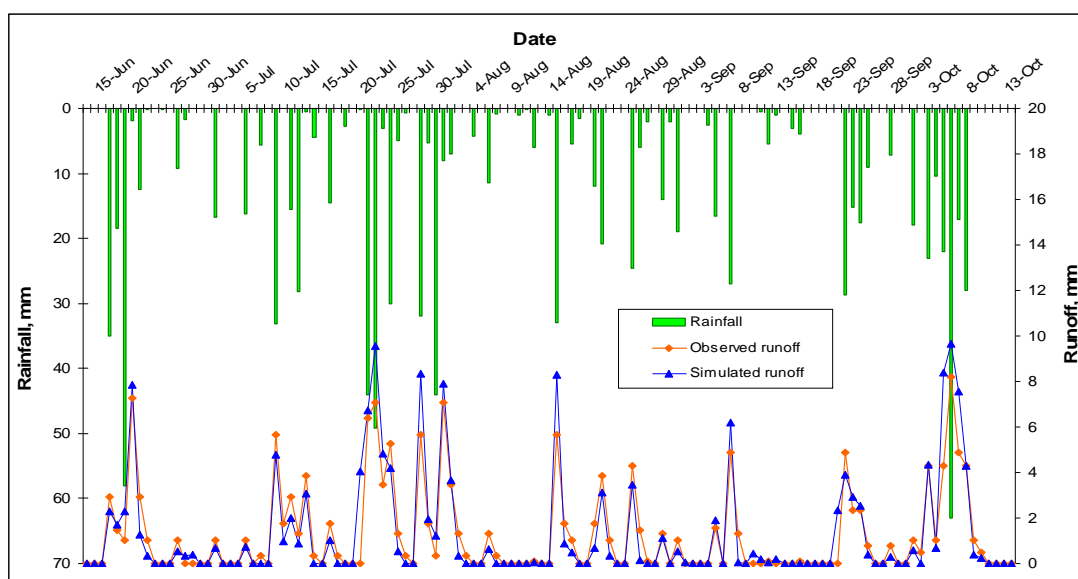


Fig. 3b: Calibration of runoff from the watershed for year 2013

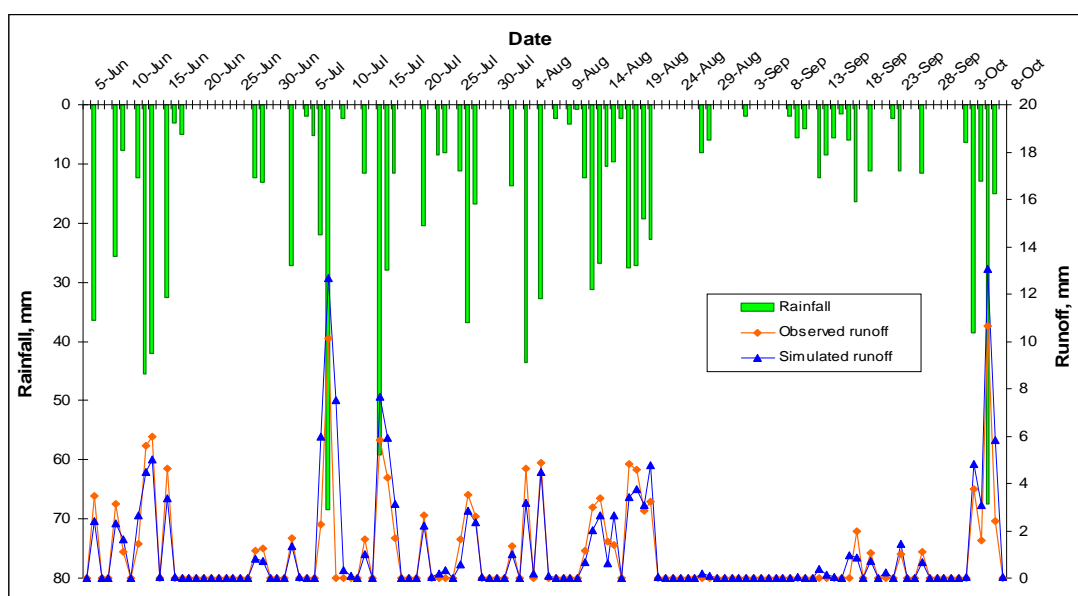


Fig. 4a: Validation of runoff from the watershed for year 2014

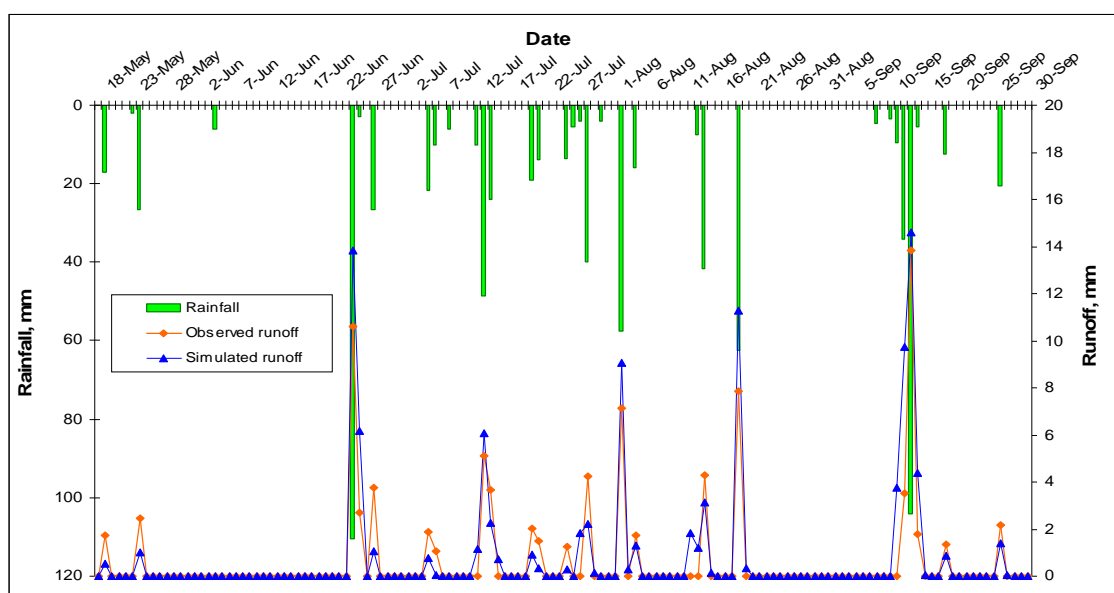


Fig. 4b: Validation of runoff from the watershed for year 2015

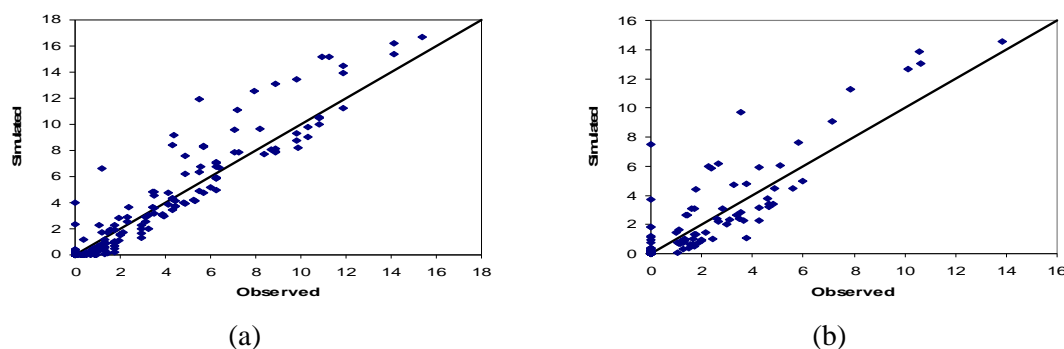


Fig. 5: Comparison between observed and simulated runoff during calibration (a) and validation (b)

Table 2: Performance criteria for runoff simulation during calibration and validation period

	Period	Coefficient of Efficiency	RMSE
Calibration	2012-2013	0.87	3.44
Validation	2014-2015	0.73	1.94

## CONCLUSIONS

Development of location specific strategy for sustainable natural resources management was done by simulating runoff from a small agricultural watershed (Kapagari, West Midnapur, West Bengal) in India using physically based (AVSWAT-X) model. The calibration and validation were done using observed runoff data of 2012-13 and 2014-15, respectively. The performance criteria used for evaluating the observed and simulated runoff were root mean squared error (RMSE) and coefficient of efficiency (CE). The results indicated that the RMSE and CE were 3.44 and 0.87 during calibration and 1.94 and 0.73 during validation, respectively. The study was an aid in.

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## UNDERSTANDING THE PERFORMANCE OF PUBLIC DISTRIBUTION SYSTEM: A RENEWED FRAMEWORK

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### ABSTRACT

*The Public Distribution System (PDS) has been an important component of ensuring the Food Security in the country. In September 2013, the legislature passed the National Food Security Act. The purpose of this act was to ensure food and nutritional security through the Public Distribution System, in a human life cycle approach. The system has evolved and undergone reforms, some of which have been state specific and some have been more uniform across states. Across literature, the studies on evaluation of social sector programmes has been mainly centered on factors specific or directly relevant to the programme. The paper intends to stray from the studies which work specifically within the framework of intentional PDS related efforts undertaken by states and Uses a renewed framework is used to understand the overall PDS performance. The paper focusses on the larger picture, related to the efficiency and implementation of developmental efforts and their related outcomes in the State, to get a sense of how social schemes maybe related in states. It is concluded that schemes, where delivery is important have a positive relation with PDS performance, thus showing that there might be some underlying effects, which may be ensuring efficiency in both PDS and some other social sector programs such as Health Missions.*

Keywords: Governance, Policy, Public distribution system, Reforms, Social sector

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### ORIGINS AND EVOLUTION OF THE PUBLIC DISTRIBUTION SYSTEM

The Public Distribution System (PDS) has been an important component of ensuring the Food Security in the country. It dates back to pre-independence times as a way to make sure that there was distribution of food grains in an equitable way. Correspondingly the Food Department was established in 1942 to contribute to the policy of food price stabilization. The Food Grains Policy Committee (1943) had introduced rationing in many urban centers, and further the Food Grains Policy Committee of 1957 recommended opening up of more fair price shops (FPS) and continuing the redistribution of food grains from surplus areas to deficit areas. Over time the PDS evolved further as the Essential Supplies Programme. The Essential Supplies Programme furthered into the Revamped PDS (RPDS) in 1992, the attention of which was on disadvantageous areas. i.e. in Poor areas, everyone was targeted. In 1997, the Targeted PDS was launched, the focus of which was on the Poor in all areas. The Below Poverty Line (BPL) families were to be targeted after identification and they could obtain a fixed entitlement of food grains, at special prices (half the economic cost). The Above Poverty Line category did not have any fixed entitlement but bore the economic cost. (Planning Commission, 2005)

In September 2013, the legislature passed the National Food Security Act. The purpose of this act was to ensure food and nutritional security in human life cycle approach. The Act intends to cover 75% of the population in rural areas and upto 50% of the population in urban areas for entitlement of subsidized food grains under the existing Targeted Public Distribution System (TPDS), ensuring coverage of about two-thirds of the population. The entitlement to eligible persons is 5 Kgs of food grains per person per month at subsidised prices of Rs. 3/2/1 per Kg for rice/wheat/coarse grains. However, the existing Antyodaya Anna Yojana (AAY) households (poorest of the poor), shall continue receiving 35 Kgs of foodgrains per household per month. Here, given the coverage of the TPDS, the responsibility of identification of eligible households lies with the State government. In addition the responsibility for grievance redressal is with the State and District level administration as per the Act.

### A RENEWED FRAMEWORK TO UNDERSTAND PDS PERFORMANCE

The Public Distribution system has been undergoing constant changes for a very long time. It has evolved and undergone reforms, some of which have been state specific and some have been more uniform across states. These changes have affected different states in different phases in terms of implementation and performance. Across literature, the studies on evaluation of social sector programmes has been mainly centered on factors specific or directly relevant to the programme. However, across the states, there are many forces which affect the overall policy implementation environment of the state. This means that there may be factors which need not just affect one programme but affect other programmes as well that are functioning in the state. This study focusses on the performance of the Public Distribution system, in a renewed framework, which also takes into account the performance of other social sector schemes.

The paper intends to stray from the studies which work specifically within the framework of intentional PDS related efforts undertaken by states to improve consumption. This study intends to focus on the larger picture, related to the efficiency and implementation of developmental efforts and their related outcomes in the State, to get a sense of how social schemes maybe related in states. The performance across States is not compared here, rather it tries to investigate if there is presence of a commonality in performance of PDS vis-a-vis other programs. For other programmes, the implementation and delivery based outcomes have been considered as indicators.

For this purpose, the hypothesis is to see whether the performance of PDS is seen to be related to the performance of other social welfare programmes, in terms of utilization of funds, percentage of targets achieved and delivery of the outcomes.

The analysis would help understand roughly, whether overall quality of governance in a state affects the PDS performance (as considered at the macro perspective) in any way. Here, the Governance levels of a State are being inferred from the States' performance on account of other social sector programmes. This performance of social sector programmes is being measured in terms of utilization and outcomes. There is a rationale of taking these indicators to get a sense of the governance of the states. The outcomes of certain Social sector schemes, although falling in the category of Centrally sponsored schemes, depends on how well the state utilizes the funds allocated and how well the state ensures the outcomes in terms of the targets achieved and the actually outreach of the programmes. And how well the states undertake these efforts, is closely associated with the overall quality of governance of the State. An association between performance of the PDS and other social sector programmes maybe indicative of the fact that there are some common factors in the states that affect most programmes. Governance and political will are examples of such factors.

#### **STATE LEVEL INTERVENTIONS IN THE PDS**

Over time, different State governments have been reforming the PDS norms as per their suitability and local demands. According to Rahman (2014 ), many state governments have taken a number of steps in response to the criticism on the way PDS functions. There has been an increase in the political will and commitment to improve viability of the PDS.

This has been done by them on different accounts, like Chhattisgarh had first privatized and then de-privatized the Fair Price Shops, introduced the decentralized Procurement system, instituted many transparency and auditing mechanisms, offered PDS food grains at lower than the central issue price and increased entitlements (Krishnamurthy, Pathania, & Tandon, 2014). Similarly, Orissa in the KBK region, made the PDS near-universal with BPL entitlements also being extended to APL Households, introduced doorstep delivery, along with computerization, and de-privatization of fair price shops (Drèze & Khera, 2015). Bihar even introduced a tracking coupons arrangement and prepared newer ration card lists. Moreover, here the political parties have been helping people to become aware of their rights and hence demand what is due. (Drèze & Khera, 2015)

#### **ON THE PERFORMANCE OF PDS**

A number of issues have come forth as far as gauging the performance of PDS is concerned. These are related to Access and dependency of masses on PDS, Leakages from the system and efficiency of the PDS reforms undertaken. There are many studies documenting the improvement in the PDS performance across States. According to Rahman(2014 ), an expanded coverage across all States is apparent since 2004-05. The improvements in coverage can be further judged by the fact that it has covered many who live at the margins and are vulnerable viz. the SCs and STs. In addition, they also point out how households belonging to lower income strata have increased access to PDS and their quantities of consumption from it has also risen.

Khera (2011a) find that there is improvement in many states sampled, which can be seen linked to the different steps that have been taken to make the PDS system work. They mention improvements in form of computerization of records, changes in FPS Management, changes in commission, etc. However, even they hold the new political will as a very important factor driving the revival of PDS.

With per capita PDS purchases and its trends as the basis, Khera (2011b), have divided States into: Functioning (Andhra Pradesh, Karnataka, Kerala , Tamil Nadu, Maharashtra, Jammu and Kashmir and Himachal Pradesh), Reviving ( Orissa, Chhattisgarh, Madhya Pradesh, Uttar Pradesh and Uttarakhand) and finally Languishing States( Haryana, Punjab, Rajasthan, Assam, Bihar, Jharkhand and West Bengal). The States which are Functioning PDS purchases are high vis-à-vis others and diversion of grain is not a major issue. Some of these states are those which have a good record of performing in other schemes of social welfare

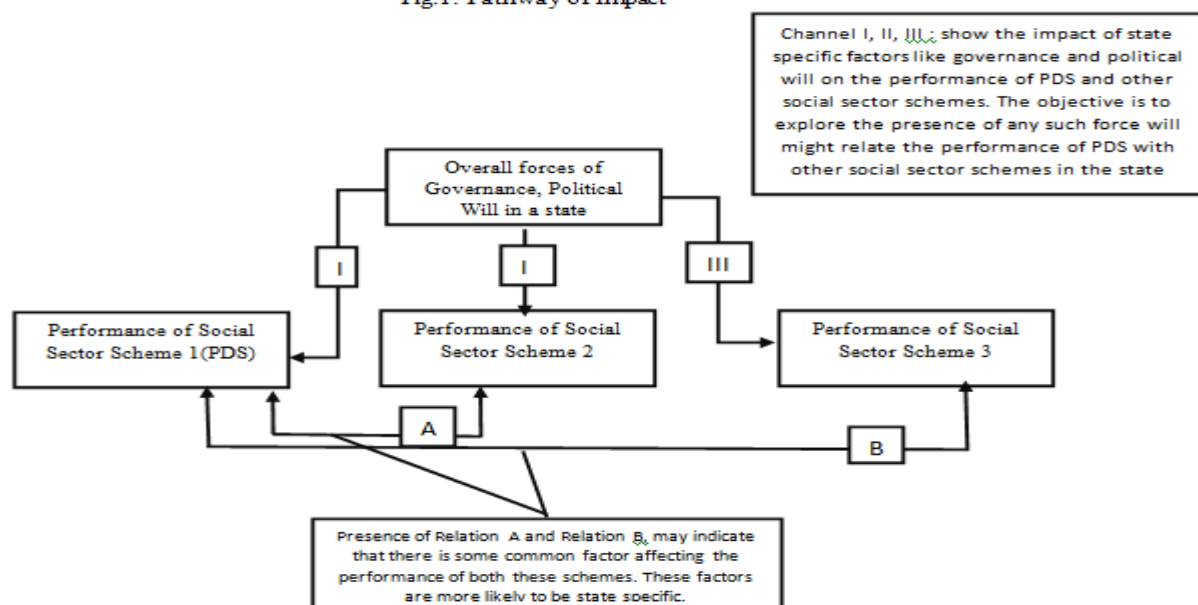
## THE ROLE OF GOVERNANCE AND THE STATE

However, the question arises whether the different directly observed efforts made by States are influenced by some underlying governance or ruling structure, which are specific to states. Through what mode does the government and polity exercise influence over the performance of different States in terms of their developmental efforts and outcomes?

Despite the different literature highlighting the performance of States in PDS, much gap still exists about what is it so specific about a state that it has been able to perform better in PDS. State undertaking reforms maybe a direct response to the question, however, what is it within a state or intrinsic to a State that helps it to undertake reforms and even execute them efficiently. Some literature has tried to attribute the presence of such positive improvements to the strong political will in the States (Khera, 2011a) (Rahman, 2014 ), (Drèze & Khera, 2015) and some states with good PDS performance also have a good record of performance in other schemes of social welfare (Khera, 2011b). In this regard, the study by Harriss(1999) may be mentioned about the impact of political regime on State performances. According to Harriss (1999), differences in the political systems may be expected to impact the policy formulation and states' performances. They discuss how due to difference across states in terms of which social group (caste/class based) of individuals are dominant in the political process and outcomes, two states within same income group (say two states within middle income group) may perform differently on account of other indicators. These differences in performances are indicated by different levels of poverty reductions, or differences in nature of growth (whether or not pro-poor). The study also indicates how decentralization as a process might have different impact in relation to poverty alleviation in certain states. Besides, it is also pointed out how states with well-institutionalized parties contesting for the available votes, are more likely to be more responsive to the poor and impactful towards poverty reduction.

Given, the importance of exogenous factors which affect the overall policy environment of the State, it may be worthwhile to explore whether the performance of one social program is related to utilization and outcome indicators of other programmes, which are implemented under the same political environment. There are not many indicators of overall governance of the State, but it may make sense to attempt to capture/understand this effect through its impact on implementation and outcome of other social sector programs. Figure 1, explains these pathways of impact.

Fig.1. Pathway of Impact



## METHODOLOGY AND DATA

Most social welfare programmes operating in a certain state are affected by many factors. When talking about the PDS itself, it is not only the direct reforms or efforts by states like improvement in targeting and management practices of FPSs, increasing entitlements, etc. which have played a role. For instance, how well the poor are targeted in a certain state may be largely affected by how well the targeting exercises are carried out by the state administration. As mentioned in the beginning of the study, the framework to gauge the PDS performance that has been employed in this study, uses the performance of the states on account of other social sector schemes. Certain programmes have been selected and their performance is being considered in terms of Percentage utilization of Funds, percentage of achievement vis-a-vis targets and percentage of outcomes delivered.

So to see if the performance of PDS is seen to be related to the performance of other social welfare programmes, in terms of utilization of funds, percentage of targets achieved and delivery of the outcomes the following relationship would be estimated :

$$OA_{jt} = a + bSSU_{jt} + cSSO_{jt} + dSSD_{jt} + \varepsilon_{jt}$$

$OA_{jt}$  : Offtake to Allocation ratio  $j^{th}$  State for time period  $t$

$SSU_{jt}$  : Percentage utilization of Social Sector programs (CSS): NREGA, IAY, PMGSY, SGSY, for  $j^{th}$  State for time period  $t$

$SSO_{jt}$  : % of target achieved for programs : IAY, NREGA for  $j^{th}$  State for time period  $t$

$SSD_{jt}$  : % of Immunization and % of Institutional Deliveries for  $j^{th}$  State for time period  $t$

$DI_{jt}$ : Devolution Index

$\varepsilon_{jt}$  is the error term

$a, b, c$  and  $d$  are parameters to be estimated

A Random Effects Panel data model is used to used on the sample of 27 States for the time period 2006-2012.

Explaining the Variables: Performance of other social sector schemes ( besides the PDS) is indicated by observing efficiency of Utilisation and achievement of Outcomes in these programmes. The indicators for this purpose are given in the following paragraph.

For NREGA: Utilisation of Funds and outcomes (%); For IAY: Utilisation of funds and outcomes (%); For SGSY: Utilisation of funds (%); For PMGSY: Utilisation funds (%); the Indicator for decentralization: the Panchayat Devolution Index. Certain programmes where delivery outcomes are vital (such as in health) , the indicators chosen are percentage of Immunization and percentage of Institutional deliveries. The Dependent Variable to measure PDS performance chosen is the ratio of PDS Offtake to allocation, for each state (Wheat and Rice Combined).

The time period being considered is from 2006-2012. A Sample of 27 States have been considered. The data for programmes under indicator 1, have been obtained from Ministry of Rural Development and Panchayati Raj ( Annual Reports, Website Data bank); For Indicator 2, various reports prepared under the Ministry of Rural Development and Panchayati Raj have been selected; For indicator 3, the source is Report on Family health and Welfare Statistics, Ministry of Health and Family Welfare

## EMPIRICAL RESULTS AND ANALYSIS

Taking the Ratio of PDS Offtake to allocation as the dependent variable, the Random Effects Panel data regression yields the results which are presented in table.1.

Table.1. Regression Results			
Independent	Coefficient	Standard Error	p-value
<b>SSU</b>			
NREGA	.4072558	.3946334	0.302
IAY5	.1929556	.2276907	0.397
PMGSY	-.0443382	.3423529	0.897
SGSY	-.7427473	.4465498	0.096**
<b>SSO</b>			
NREGA	-.6909325	.8119124	0.395
IAY	-.0160249	.2758077	0.954
<b>SSD</b>			
Immunization	1.335825	.5761148	0.020*
Institutional Deliveries	.7789316	.3148479	0.013*
<b>DI</b>	-.4366236	.2099323	0.038*

\*-significant at 5%, \*\*- significant at 10%

From the above panel data analysis, we observe the following things prima facie: the coefficient of implementation in case of NREGA, IAY, PMGSY is not significant. However, SGSY is significant at 10%. However, the sign (negative) is counter intuitive if we have a reason to believe that a state performing well in implementation of one program, might do so in the other programmes as well. Similarly, although Decentralization is seen to have a significant impact on PDS performance, but it shows negative relation. This again seems counter intuitive.

But, when one tries to understand the result in conjunction with the literature, the results may be interpreted slightly differently. Harriss (1999) has mentioned that even the impact of decentralization as a process might be different in relation to outcomes such as poverty alleviation or other social sector initiatives. Therefore, one may actually rely on this sign for the coefficient of decentralization. The understanding behind this is that the same process may have a different outcome in different states depending on the policy atmosphere in the state. Another way to interpret it is that if the performance of PDS is negatively related to the level of decentralization in the state, it indicates that factors that are important for PDS performance may not be supported much by decentralisation measures in the state.

Immunization and Institutional deliveries, which have been targeted by the Health missions in the country, are important services where delivery is exceptionally important. Their coefficients are significant and positive. This is quite expected. One might expect that a state government which can provide such outcomes may actually be performing better in general in other programmes. Outcome of PDS in terms of the ratio of offtake to the allocation of rice and wheat to the states, indicates the level leakage the state is preventing when translating its allocation from the central pool into actual consumption by the households in state, who demand from the fair price shops. A positive relation here would mean that larger the percentage outcome of programmes like vaccination and institutional deliveries, larger the offtake to allocation ratio (i.e. lower leakages of food grains from Centre to state). This would indicate an effectiveness of implementation of both the programmes in the state, which satisfy some basic needs like health and food availability. This positive relation maybe largely indicative of the presence of certain over all factors in the state which are facilitating implementation and performance of health and food distribution schemes.

## CONCLUSION

In general, the analysis from the state level data shows that the performance of PDS may or may not be related to implementation performance of other programmes. In cases of NREGA, IAY, and PMGSY, it does not show any relation to the PDS performance. But for cases of SGSY, it does show relation. Also, PDS performance is found to be significantly related to decentralization and outcomes of immunization and institutional delivery. However, one can interpret this in a number of ways. According to Drèze & Khera,(2015), in Bihar improvements have been possible because opposition parties are encouraging common people to demand their entitlements. This is creating an atmosphere in the state, where there is pressure on the administration to perform. They go ahead to say that improvements in PDS performance are possible even in the worst governed states. This being understood in conjunction with Harriss(1999), indicates how states with different composition of political regimes even with similar economic status might actually show outcomes of welfare programmes differently. That may indicate that the programmes, even when operating under the same governance structure, may be impacted differently as a lot maybe dependent on the ongoing political regime.

All this being mentioned, it may also be fine to conclude that programmes where delivery is important have a positive relation with PDS performance, thus showing that there might be some underlying effects, which may be ensuring efficiency in both PDS and some other social sector programs such as Health Missions.

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## AN IMPACT OF GOODS AND SERVICE TAX (GST) ON INDIAN ECONOMY

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### ABSTRACT

*GST also known as the Goods and Services Tax is defined as the giant indirect tax structure designed to support and enhance the economic growth of a country. More than 150 countries have implemented GST so far. However, the idea of GST in India was mooted by Vajpayee government in 2000 and the constitutional amendment for the same was passed by the Lok Sabha on 6th May 2015 but is yet to be ratified by the Rajyasabha. However, there is a huge hue and cry against its implementation. It would be interesting to understand why this proposed GST regime may hamper the growth and development of the country.*

*Keywords: Goods and service tax; Indian economy*

### INTRODUCTION

The Goods and Services Tax (GST) is a vast concept that simplifies the giant tax structure by supporting and enhancing the economic growth of a country. GST is a comprehensive tax levy on manufacturing, sale and consumption of goods and services at a national level [1]. The Goods and Services Tax Bill or GST Bill, also referred to as The Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014, initiates a Value added Tax to be implemented on a national level in India. GST will be an indirect tax at all the stages of production to bring about uniformity in the system.

On bringing GST into practice, there would be amalgamation of Central and State taxes into a single tax payment. It would also enhance the position of India in both, domestic as well as international market. At the consumer level, GST would reduce the overall tax burden, which is currently estimated at 25-30%.

Under this system, the consumer pays the final tax but an efficient input tax credit system ensures that there is no cascading of taxes- tax on tax paid on inputs that go into manufacture of goods [2].

In order to avoid the payment of multiple taxes such as excise duty and service tax at Central level and VAT at the State level, GST would unify these taxes and create a uniform market throughout the country. Integration of various taxes into a GST system will bring about an effective cross-utilization of credits. The current system taxes production, whereas the GST will aim to tax consumption.

Experts have enlisted the benefits of GST as under:

It would introduce two-tiered One-Country-One-Tax regime.

It would subsume all indirect taxes at the center and the state level.

It would enhance the ease of doing business in India.

### WHY NO TO GST?

However, the question is: is the picture as rosy as it is portrayed?

Wall Street firm Goldman Sachs, in a note 'India: Q and A on GST

Growth Impact Could Be Muted', has put out estimates that show that the Modi Government's model for the Goods and Services Tax (GST) will not raise growth, will push up consumer prices inflation and may not result in increased tax revenue collections [3].

There appears to be certain loopholes in the proposed GST tax regime which may be detrimental in delivering the desired results. They are:

India has adopted dual GST instead of national GST. It has made the entire structure of GST fairly complicated in India. The centre will have to coordinate with 29 states and 7 union territories to implement such tax regime. Such regime is likely to create economic as well as political issues. The states are likely to lose the say in determining rates once GST is implemented. The sharing of revenues between the states and the centre is still a matter of contention with no consensus arrived regarding revenue neutral rate.

Chief Economic Advisor Arvind Subramanian on 4 December 2015 suggested GST rates of 12% for concessional goods, 17-18% for standard goods and 40% for luxury goods which is much higher than the present maximum service tax rate of 14%. Such initiative is likely to push inflation.

The proposed GST structure is likely to succeed only if the country has a strong IT network. It is a well-known fact that India is still in the budding state as far as internet connectivity is concerned. Moreover, the proposed regime seems to ignore the emerging sector

It would not only widen the tax regime by covering goods and services but also make it transparent.

- It would free the manufacturing sector from cascading effect of taxes, thus by improve the cost-competitiveness of goods and services.
- It would bring down the prices of goods and services and thus by, increase consumption.
- It would create business-friendly environment, thus by increase tax-GDP ratio of e-commerce.

E-commerce does not leave signs of the transaction outside the internet and has anonymity associated with it. As a result, it becomes almost impossible to track the business transaction taking place through internet which can be business to business, business to customer or customer to customer. Again, there appears to be no clarity as to whether a product should be considered a service or a product under the concept of E-commerce. New techniques can be developed to track such transactions but until such technologies become readily accessible, generation of tax revenue from this sector would continue to be uncertain and much below the expectation. Again E-commerce has been insulated against taxation under custom duty moratorium on electronic transmissions by the WTO Bali Ministerial Conference held in 2014 [4].

Communication is considered to be necessity and one cannot do without communication. In modern times, communication has assumed the dimension of telecommunication.

#### **THE PROPOSED GST REGIME APPEARS TO BE UNFAVORABLE FOR TELECOMMUNICATION SECTOR AS WELL**

“One of the major drawbacks of the GST regime could be the direct spike in the service tax rate from 14% to 20-22%” (GST: Impact on the Telecommunications Sector in India). The proposed GST appears to be silent on whether telecommunication can be considered under the category of goods or services. The entire issue of telecommunication sector assumes a serious proportion when India’s rural teledensity is not even 50% [5].

#### **The proposed GST regime intends to keep petroleum products, electricity, real estate and liquor for human consumption out of the purview of GST**

It is a well-known fact that petroleum products have been a major contributor to inflation in India. Inflation in India depends on how the government intends to include petroleum products under GST in future.

Electricity is essential for the growth and development of India. If electricity is included under standard or luxury goods in future then it would badly affect the development of India. It is said that GST would impact negatively on the real estate market. It would add up to 8% to the cost of new homes and reduce demand by about 12%.

#### **The proposed GST regime “would be capable of being levied on sale of newspapers and advertisements therein”**

This would give the governments the access to substantial incremental revenues since this industry has historically been tax free in its entirety” [6]. It sounds ridiculous but the provision of GST is likely to make the supervision of operations by its Board/senior managers across the company’s offices in different parts of the country a taxable service by allowing each state to raise a GST demand on the company.

Again there appears to be lack of consensus over fixing the revenue rate as well as threshold limit. One thing is for sure, services in India are going to be steeply costly if GST is fixed above the present service tax rate of 14% which in turn will spiral up inflation in India. “Asian countries which implemented GST all had witnessed retail inflation in the year of implementation [6,7].

#### **CONCLUSION**

The proposed GST regime is a half-hearted attempt to rationalize indirect tax structure. More than 150 countries have implemented GST. The government of India should study the GST regime set up by various countries and also their fallouts before implementing it. At the same time, the government should make an attempt to insulate the vast poor population of India against the likely inflation due to implementation of GST. No doubt, GST will simplify existing indirect tax system and will help to remove inefficiencies created by the existing current heterogeneous taxation system only if there is a clear consensus over issues of threshold limit, revenue rate, and inclusion of petroleum products, electricity, liquor and real estate. Until the consensus is reached, the government should resist from implementing such regime.

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**A STUDY ON EMPLOYEE RETENTION AND DEDICATION**

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**ABSTRACT**

*Today employee Dedication and retention has become an important strategic aspect for the organisation. It is not only important to have the best and the most talented employees but it is equally necessary to be able to retain them for long term benefits to both the organisation and its people. The purpose of this paper is to review the findings of research papers of various authors to derive the factors that impact employee Dedication and retention in a work environment. This study examines the following factors: career development opportunities, effective talent management strategies, recruitment on boarding and orientation, investment in training and development, compensation and benefits, work life balance, culture of the organisation, leadership, communication, image of the company, autonomy and empowerment, Gallup audits, personal causes, role of HR head and supervisors, work related policies and flexi time, performance appraisals and career growth and development opportunities. There are no one fixed practices which show the importance and significance of the influence of all these above broad points because different organisations lay different emphasis on these pointers depending upon their suitability impacting retention. Based on our understanding of the papers reviewed by us, suggestions are drawn which give a holistic view on the various practices that organizations should adopt to keep the level of employee retention and Dedication high.*

*Keywords: Retention, factors, Dedication, motivation, benefits.*

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**I. INTRODUCTION**

In this review paper we study about the various HR practices that help employee retention and foster employee Dedication in the organization. Today employee retention is the top priority of organizations due to increasing competition. It is an efficient and productive advance towards the employee management who are considered to be 'greatest assets' to the company. To manage top talent it requires a constant balance between the human aspirations and the strategic and financial needs of the business. Employee retention is a technique adopted by businesses to maintain an effective workforce and at the same time meet operational requirements. People related issues for example-compensation and benefits, hiring, administration, organisation development, employee motivation, wellness, benefits, safety, communication, performance management, and training are dealt by it. HR practices in an organisation are used for talent acquisition i.e. recruitment, selection, training and development, reward management, performance appraisal etc. Human Resource Management handles people, work place environment and culture in a strategic manner.

Employee Dedication is also very important for maintaining a highly talented workforce. With best possible use and application of HR policies in the organisation, employee Dedication can be enhanced leading to better performance, improving employee attitude/ morale and reduced employees turnover, which is the aim of the human resource practices. HR experts and line managers play a major role on how these HR policies are implemented and to the utmost efficiency. Employee Dedication can have a major role in low turnover rates as it has positive developments on productivity, turnover and employees eagerness to help colleagues. In fact, increased employee Dedication has shown better team performance, low absenteeism and intention to leave. Therefore employee Dedication in a way helps employee retention and hence employee retention strategies must be kept in place. Well planned initiatives and processes must be in place so that employees will not think of quitting and remain with the company for a long time.

For managers, to have a happy enthusiastic workforce will help him in achieving individual and organizations performance. But manager's job is not only to hire best candidates but also retain them. Most certainly one cannot retain all the best employees but can definitely reduce loss. Reducing employee turnover is most important for organizations and to maintain an ideal staff takes a lot of efforts and resources of the organization and if that is lost it hampers organizations success. Therefore, every organization must treat their employees as ends and not means to ends because they add value to the organization.

**II. OBJECTIVE**

Objective of this review paper is to identify the best practices and methods adopted by various organizations across industries to help enhance Dedication and employee retention.

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### **III. REVIEW OF LITERATURE**

Best HR practices for employee retention and Dedication

During the course of our research several HR practices have been found to help employee retention and enhance employee Dedication in an organisation which is discussed in the following work.

#### **1. Career Development Opportunities**

The recent trend of high employee turnover is due to the various reasons such as employees not being happy with the kind of work they do, lack of investments in training and development, lack of career growth and development opportunities, unfair and misleading performance appraisals, etc. Strategic ways for retaining top talent in the organisation is by helping high potential employees have cross functional job for job and work related satisfaction, involvement in decision making, encouraging their ideas and helping them implement them, help in career development moves, skill building through effective and relevant training (Hay 2001).

The reasons for low turnover which employees have mentioned are work experience, career development, independence, etc. All these motives of employees help organizations to align HR practices accordingly and help them with employee retention (Brigitte Kroon and Charissa Freese 2013). Also employees must be able to see a clear career path in the organization, only then they will stay for long (Gaurav Bagga 2013).

Retention practices give more importance to factors affecting to cause employee turnover (career opportunities and financial rewards) than on those believed to affect employee retention (social atmosphere, job content, work-life balance). Career opportunities have the strongest impact on employee Dedication while the impact of financial rewards is less. Ways recommended for reducing employee attrition are career development, considered to be one of the most important factors. Providing great career development opportunities makes the employees to stay in the company for long and at the same time enhances their loyalty to the firm. Also creating a positive social work environment and adding content to the jobs and tasks to be done by the employees enhances employee satisfaction and Dedication (Meganck, 2007).

#### **2. Effective Talent Management Strategies**

Employee retention and talent management practices of successful companies are fundamental element to maintain their leadership and development in the marketplace. Employee engagement and retention lead to higher customer satisfaction and engagement, effective recruitment and retention of employees. This will create positive employer brand, employees will want to stay with the organization which will minimize turnover (Julia Christensen Hughes and Evelina Rog 2008).

#### **3. Recruitment**

Best practices for employee retention would be by recruiting the right person in the first place (Oracle white paper 2012). Organization's talent management, recruitment and retention policy and practices can significantly reduce attrition rates (Frankeiss 2008). It is important and difficult to retain talented employees under high unemployment levels. It is important to retain them because of high training and recruitment costs so organizations use rewards to retain employees (Simon North 2011). Ways and methods suggested to improve employee retention and Dedication include better recruitment and training & development practices to improve employee satisfaction with work (Deery 2008). A lot of employees in the BPO/ITES sector get new offers within three months of joining which leads to wastage of recruitment and training costs. Hence, it is very important to recruit the right candidate and keep him engaged so that he will not leave the organization (Jyotsna Bhavnagar 2008).

#### **4. On Boarding and Orientation**

It is mentioned that induction plays a major role in employee retention and increases loyalty towards the organization (Gaurav Bagga 2013). Also as mentioned in above point a lot of employees leave withing first three meonths of joining so it is clear that if proper induction of new joinees is not done they will tend to leave the organization. A well planned orientation program must be planned to help retain employees.

#### **5. Investment in Training & Development**

On the job training opportunities and better training and development practices improve employee retention and Dedication (Deery 2008). HR practices motivate and empower workers which lead to employee's devotion to the business. But HR practices for recruiting and training do not necessarily increase employee's loyalty to the organization. Such HR practices which try to bring skills in house or develop current employees actually increase turnover (Patrick M. Wright, Timothy M. Gardner and Lisa M. Moynihan 2011).

In order to keep attrition low, managers must provide sufficient training to employees to attain the necessary KSA to perform better, so that older employees in the organisation are at the same expertise level as compared

to their younger counterparts (Ian M. Taplin, Winston-Salem and Jonathan Winterton 2007). Well trained workers stay loyal to their employees (Sarah Leidner 2013).

Access to training, adjusting training practices as per older employees requirements and an age awareness training program is required for better older employee retention (Marjorie Armstrong-Stassen and Andrew Templer 2004). Lastly, it is important to retain employees otherwise it leads to wastage of training costs.

#### **6. Work Life Balance**

Employee retention is essential to have a competitive advantage in today's date. Providing emotional support and work life balance to employees helps organizations in low turnover (Osman M. Karatepe 2013).

The role of work life balance has a direct relation in employee's decision to stay or leave the organisation. Job attitudes such as job satisfaction and Dedication, personal reasons such as positive and negative feelings, the role of WLB in employee attrition and, finally, the strategies provided to lessen high turnover rates. The recommendations mentioned include the need for norms on working hours, role models at the workplace, flexi work hours and arrangements, effective talent acquisition and training practices. It has been observed that stress and its various components like emotional exhaustion and job burnout are the major causes of high employee turnover. Ways and methods suggested to improve employee retention and Dedication in the hospitality sector include better recruitment and training & development practices to improve employee satisfaction with work and also have WLB (Deery 2008).

#### **7. Culture of the Organization**

Employee engagement and retention lead to higher customer satisfaction and loyalty especially in the services sector. Reasons that lead to employee engagement which not only comprise of pay/compensation and benefits but also factors like good working conditions, flexible work timings, cooperative teams, good bosses, culture and values of the organisation (Devi 2009). Organizations with excellent name, way of life, values, good salary and benefits package for their employees can also help employee retention (David Pollitt 2007). Various reasons cited regarding employees decision to stay were organisational culture, support from peers and superiors, growth opportunities, issues related to compensation, employee engagement activities, training and development, positive work environment and good working conditions (Satyawadi, Joshi, & Shadman, 2011)

#### **8. Leadership**

(Devi, 2009) According to the author employee retention and talent management are fundamental parts to sustain their leadership and growth in the industry. High potential employees and great leadership attributes have positive correlation to the intention of the employee to stay with the company (Kyndt, Dochy, & Baert, 2010). Having a cooperative and supportive leadership style as a retention and Dedication strategy has been put forth (Sarah Leidner, 2013).

The most important and critical idea for staff retention and Dedication goes by the way of an effective leadership setup in the company. Leaders with their management games and ice breaking sessions along with an effective and well thought plan as to how to reveal and what kind of information to reveal is necessary to retain top talent within the organisation. Leaders help in keeping the culture and team building of the organisation intact. Thus it's very important to expose the right financial and operational information to them and informing the key indicators of future performance so that the workforce knows exactly what is it that is expected out of them and what are their deliverables (Cottrell, 2012)

#### **9. Image**

Training, employee empowerment and rewards leads to high performance work practices at workplace and help retain employees (Osman M. Karatepe 2013). Employee rewards, employee autonomy and image of the company play a major role in employee retention and Dedication in the organization (Gberevbie, 2010).

#### **10. Empowerment**

If it is recession or expansion, it doesn't matter how the economy is like, high quality employees are always on demand. When the team/ work environment is such that individuals feel they have the autonomy to give suggestions, take decisions, give feedback, in all feel that they are empowered then they feel truly engaged to the work, to the organisation which leads to greater Dedication and retention. Autonomy refers to the discretion with which employees can carry out their responsibility. Thus if employees feel that they can take more and more decisions without the obligation to take permission for each decision taken or each task done by him/her then they feel that they are contributing substantially to the organisational progress and would want to stay in the organisation. The point to which the job provides considerable freedom, autonomy to the individual in scheduling the work and in determining the procedures to be used in carrying it out is known as autonomy

(Hackman and Oldhem 1975). Job autonomy is important because it delves into the very dignity of the workers, having considerable autonomy to select work projects, to decide how a job gets accomplished and to set work schedules are important to a large number of employees today (Greenhaus and Callanan 1994). Increase in job autonomy has shown to be related to decrease in stress and absenteeism, empowerment and increase in overall productivity of the employee (Karasek, 1969, Spector 2986).

### **11. Work Redesigning**

Work redesign refers here to activities that involve the modification of specific jobs or systems of jobs for improving both efficiency and value of employee work experiences. Job characteristics model helps in adding job variety, talent variety, job identity, task significance, independence and feedback. The outcomes of redesigning work are multifold- enhances work motivation and satisfaction for the employees whose work gets enriched (Hackman and Oldhem 1975). Thus redesigning work also helps in enhancing Dedication among employees and keeping them glued to the organisation.

### **12. Employee Engagement Activities**

Employee engagement shows the loyalty and dedication that employees bring to work and indicates their contribution to the organisation. Engaged employees are more dynamic and loyal to an organisation. In hospitality industry there are various reasons which keep the employees in the same firm- training and development, employee engagement activities, positive work environment and good working conditions (Satyawadi, Joshi, & Shadman, 2011). Pertaining to the IT/ ITES sector there is seen a trend of rising attrition and employee engagement problems. The reasons for the same are employee satisfaction with the work, employee Dedication and employee involvement in company matters and decision making. Findings indicate that there is high level of employee engagement leading to retention for employees but only for a limited time period thus that spells for more rigorous employee engagement practices in the ITES sector (Bhatnagar, 2007). Activities can be anywhere from sound recruitment policies to work design to performance appraisals to the kind of training and development needs of the employees.

### **13. Gallup Workplace Surveys and Audits**

According to the Gallup workplace surveys conducted world's best organisations do things differently to systematically improve their employee engagement activities, using the right kind of metrics to enhance productivity, performance, a broad communication policy and development strategy for all the staff. With all the above metrics being measured accordingly would help understand the gravity of the situation in which an organisation is and heading into and thus necessary corrective actions can be taken. A right fit of employee workforce leads to engaged people leading to engaged customers getting back the profits and high productivity finally leading to engaged employees staying in the organisation for a long period of time (Gallup, 2010). It takes into consideration the material attributes, ecological, academic, emotional, professional and mental health of employees. Healthy encouragement doesn't just benefit the employee because a workplace filled with healthy and satisfied employees is a productive workplace that retains its employees.

### **14. Personal Reasons**

Employees decision whether to stay or leave the organisation depends on various organisation and personal/ family related matters. There is always high demand for talented employees across industries and when competition is cut throat then firms believe in getting the right and the bright even if they are from rival companies. How does this happen- simply by offering a better job/work profile, a fat pay check, better benefits, etc.? The reasons are many and employees consider them when they have a family to take care of, children's education. Also one of the recent trends seen in the workplaces is the culture at work, relations with superior, etc. It is a known fact that people leave their bosses but not their organisations. Thus the supervisor's/ manager's role becomes very important to keep their subordinates happy so that they don't leave them. Ways recommended for reducing employee attrition are career development, considered to be one of the most important factors. They further say that offering good career development opportunities prevents the employees to leave the company and enhances their loyalty to the firm. Also creating a positive social work environment and adding content to the jobs and tasks to be done by the employees enhances employee satisfaction and Dedication. Further it is suggested that HR managers should consider what employees' value in the organisation as that would lead to a better retention policy which can be accomplished through open communication process and negotiation (Meganck, 2007)

### **15. Role of Human Resource Head**

The HR head not only takes care of generalist roles of the organisation but also looks after the deep employee based issues. The role of HR is to introduce the new entrants to the working of the organisation- its people, culture and role, and his role do not get over there. He also has to make the people stay in the positions in which

they are and also see that they are engaged to the work they do and also towards the organisation. Thus the role of HR is also towards employee engagement activities.

According to the HR managers' survey retention practices pay more attention to the factors causing employee turnover (career opportunities and financial rewards) than the ones affecting employee retention (social atmosphere, job content, work-life balance). Further it is suggested that HR managers should take into account what employees' value in the organisation as that would lead to a better retention policy which can be accomplished through open communication process and negotiation. They should contribute as a strategic partner given that the attraction and retention of talented employees will be a reason of competitive advantage for organizations, both in times of economic downturn and upheaval (Meganck, 2007).

#### **16. Role of Supervisor**

In a survey done by Hay group (1998) out of fifty retention factors salary is the least important factor to half a million employees over three hundred companies. Managers, supervisors, team leaders who direct and interact honestly with employees have the greatest contact on employees' satisfaction levels with their jobs. Thus "problems with the boss" is the main reason as or team leader. Not giving importance to the employees, not listening to them, failing to recognize employees' accomplishments, not praising them, providing only negative feedback, taking credit for others ideas, blaming others for one's own mistakes, betraying trusts or confidences, favouritism, setting unrealistic goals and deadlines, and not helping good performers to grow in their careers lead to not being able to retain employees in the organisation.

#### **17. Perks and Flexi Time**

In BPO and IT sectors employees work in various shifts and this sector faces a very high attrition as well. For employees to stay in the organisation they have to be lured in to stay-through perks and benefit plans. A lot of employees in the BPO/ITES sector get new offers within three months of joining which leads to wastage of recruitment and training costs. If an employee is kept engaged well at all levels he develops a good rapport with his peers and co-workers, performs well and prefers to stay with the organization. There can be work-life balance initiatives, telecommuting flexi time, and better reward and performance management systems to encourage employee retention (Jyotsna Bhatnagar 2008). 75% of businesses offering flexi time and telecommuting say that their staff has significantly better work life balance, improved satisfaction and motivation leading to high performance and increased retention. By effectively employing such practices in the organisation the employers also build in trust among the team, the employees-they feel that the organisation cares about them and it's not just the work for which they are hired for. Flexi time practice is not just to cater to the needs of the employees but also is a strategic move-it actually about unlocking the true potential of your employees and it is one of the most significant things that business can do to survive in long run and not just think about short run time period.

#### **18. Work Policies**

Employees perform their best not only when he is fully motivated and committed to work but also when as Herzberg would say that he is satisfied with the work. According to the two factor theory most companies take care of the motivating factors without which being in place the employee would not be satisfied at all and would eventually leave the job, but also the factors which create dissatisfaction are among employees like working environment, facilities like washrooms, restrooms, flexible work hours, work from home policies, women safety and protection policies, committees for handling sexual harassment related cases, concepts of compressed work weeks, flexible leave provisions- 4\*10 hrs. per week, job sharing and job splitting, culture at the company, protecting and taking care of health and wellbeing of employees. Thus all of the above factors lead to the decision of the employee to leave or stay. In hospitality and tourism industry more emphasis on job attitudes like job satisfaction and organisational Dedication, the role of WLB in employee turnover and the policies to reduce high turnover rates. Recommendations include the need for rules on working hours, role models at the workplace, flexible work hours, sound talent acquisition and training opportunities (Deery, 2008).

#### **19. Performance Appraisals**

Performance reviews help the company as well as the employees. They help the employees get a feedback of their past performance, it helps them understand as to where in the organisation hierarchy they stand- their strengths and weakness which can be worked upon further for efficiency. In case of employees who possess very high potential a performance appraisal for them is more important than pay hike or increase in benefits as it helps in enhancing further motivation and Dedication. At the same time the immediate supervisor should make sure that how will they go about doing the appraisal-the way feedback has to be given plays a very important role in an employee's decision to stay. Thus not only monetary benefits but rewards and recognition, performance appraisals, effective leadership style, professional development practices, managerial support and

social activities-work ethics. Therefore the above few pointers determine the employee's intention to leave the organisation.

Companies like Ingersol Rand Limited have developed a 360 degree online performance appraisal tool to manage the evaluation and opinion process and also provide consultative advice on coaching and mentoring.

#### **20. Building Strategies by keeping the employee perspective in mind**

During recessions, bailouts, salary freezes, downturn is the time when your high potential, top employees matter the most so much so that their presence in the organisation at that point of time can take and sail the company during bad times, they help in motivating and enhancing efficiency in the workplace. They help in cut down of prices and cost to company to a great extent. Not only this; the authors cited that companies which follow a B2E (business to employee) policy do much better in delivering to the customers rather than those following a B2C policy. The authors further go and suggest that the way CRM (customer relationship management) is done there should a concept like ERM (employee relationship management) wherein efforts should be put in to enhance employee relationship. The ways suggested achieving an effective ERM are- Build and supporting cross functional HR teams, linking talent retention to business results, developing employee segmentation, etc. (Rick Ferguson and Bill Brohaugh, 2009).

#### **21. Career Growth and Development Path**

Employees the greatest organisational asset wants to know what kind of future do they have in the company. Thus it should be made sure that the supervisor's team leads meet the employees and discuss their professional goals. As a part of this exercise they should also make sure that they help the employees achieve those goals by providing them with the necessary inputs and the required training and development needs. Most organisations hire the best talent but are not able to retain them-that's because they go in for traditional methods of hierarchy development paths. But as a matter of fact what they should be doing is that identify and develop latent, potent and hidden skill sets among their workforce, build upon them so both organisational and employee efficiency. They should invest heavily on building effective competency frameworks with transferable skill sets that would unleash that hidden potential and take the organisations to never been dreamt of places. If companies want to retain more and more employees they need to focus on learning abilities and facilities of the employees. They showed that this can be done by letting people do more and more what they want to do and simultaneously provide such growth opportunities as well as appreciating the employees side by side.

#### **22. Role Models At Work**

Setting aside the intrinsic as well as extrinsic factors depending upon which employees decide to either stay or leave the organisation. Factors like job and work satisfaction, work culture, work life balance do affect the decision making but also at the same time employees get motivated to walk that extra mile when they see live examples doing not only well at work but also for the whole of the organisation. Here by role models-it can be anyone from your immediate senior, colleague, boss, manager, etc. But one thing to keep in mind is that all of these people can be effective managers but to be a role model it requires one to have exceptional leadership skills. Thus when employees see people working like that they get highly motivated to perform better and not only that they dream of becoming like them.

### **IV. ANALYSIS**

There are no fixed practices that show the relevance and significance as to how to retain employees and keep them committed towards the organization because employers lay different emphasis on different variables depending on what suits their organization best. Hiring employees is just the beginning to creating a strong committed work force. The real task is to retain them. Based on our research the following points are a list of suggestions we would recommend for employee retention and Dedication:

4. Organizations must conduct "stay" and "exit" interviews to understand as to why employees chose to leave the organisation. This information will help in understanding the reasons why employees leave the organization. Based on this organizations must strengthen their employee-retention strategies.
5. Employers must try and encourage and ask their managers to be more involved in the communication process. Managers should spend considerable time in training employees, motivate good performers move to new positions up the hierarchical ladder and motivate poor performers to work better.
6. Organizations can conduct contests to keep employees motivated. If done in proper manner such programs can keep employees determined and enthusiastic about their jobs.
7. Employers must do smart hiring. They must hire selectively from the beginning by keeping in mind things like diligence, attitude, integrity, academic qualification, skills and experience.

8. Organizations must encourage employees to be part of the company's corporate social responsibility initiatives so that they feel they are not only working for the organization but also they are doing something good for the society.
9. Employers must try and recognize the need for employee's personal time off. Giving employee the time to keep his/her personal life in place is also very important for employee retention.
10. Treating every employee equally and fairly in something employers must always keep in mind because for employees it is very important that their organization treats everyone the same way without any bias

## **V. CONCLUSION**

Through this research we saw various trends over the years and practices used across industries for improving employee retention and Dedication. For any organizations to survive in today's ever increasing competition where employee poaching is on the rise, it is very important to retain their best employees and keep them committed towards the organization.

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## SERVICE SECTOR FDI IN INDIA

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### ABSTRACT

*After two decades of economic reform, India has again liberalized its foreign policy by allowing foreign players into various sectors and also through increasing the limit of Foreign Direct Investment in the existing sector. Services sector in India today accounts for more than half of India's GDP. Since independence, there has been a marked acceleration in Services sector growth in India. In this paper researcher tried to study the Service Sector FDI. This paper covering two objectives first is to examine the role of inflows of foreign direct investment in service sector with total inflow of Foreign Direct Investment in India and second is to study the impact of various economic variable on foreign direct investment in service sector.*

*Key Words: FDI, Indian Economy, Service Sector.*

### INTRODUCTION

After two decades of economic reform, India has again liberalized its foreign policy by allowing foreign players into various sectors and also through increasing the limit of Foreign Direct Investment in the existing sector. Development of a vibrant and competitive Services sector is a key characteristic of modern economies. In the developed world, services frequently account for two-thirds or three-quarters of all economic activity. The Indian Services sector has witnessed a major boom and is one of the major contributors to both employment and national income in recent time. Services sector in India today accounts for more than half of India's GDP. Since independence, there has been a marked acceleration in Services sector growth in India.

The global economic and financial crisis had a dampening effect on overall FDI flows. FDI in services, which accounted for the bulk of the decline in FDI flows due to the crisis, continued on its downward path till 2010.

### OBJECTIVES OF THE STUDY

- To examine the role of inflows of foreign direct investment in service sector with total inflow of foreign direct investment in India during study period.
- To identify the economic variable their impact on foreign direct investment in service sector.

### HYPOTHESES OF THE STUDY

1.  $H_{01}$  : There is no significant impact of Foreign Direct Investment in service sector on total FDI inflows in India.  
 $H_{11}$  : There is a significant impact of Foreign Direct Investment in service sector on total FDI inflows in India.
2.  $H_{02}$  : There is no significant relationship of independent variables (*GDP, AGGDP, EX, TB, TO, INFL, EXR, FER and WPI*) with FDI Inflows in the Indian service sector.  
 $H_{12}$  : There is a significant relationship of independent variables (*GDP, AGGDP, EX, TB, TO, INFL, EXR, FER and WPI*) with FDI Inflows in the Indian service sector.

### RESEARCH METHODOLOGY

#### Variables Description and Model Specification

The macroeconomic indicators of an economy are considered as the major pull factor of FDI inflows to a country.

In order to choose the best variable, firstly, the flow major factors which influence the flow of Service sector FDI into country are independent. The proxy variables representing the factors are selected for the purpose of analysis and are shown in table.

**Table 1: Proxy Variables Representing Factors Affecting FDI Inflows**

Sr. No.	Factors	Proxy variable
1	Market Size	Gross Domestic Product (GDP) & Annual Growth Gross Domestic Product (AGGDP)
2	Financial liquidity	Foreign Reserve
3	Currency Risk	Exchange rate

4	Economy Stability	Inflation, WPI
5	Government policy	Trade openness, Trade balance, Export

### Dependents Variable

*Services sector Foreign Direct Investment (SFDI) Inflows*

### Independent Variables

*Gross Domestic Product (GDP), Annual Growth Rate of GDP (AGGDP), Export (EX), Trade Balance or Balance of Trade (TB), Trade openness (TO), Inflation (INFL), Exchange Rate (EXR), Foreign Reserves (FER) and Wholesale Price Index WPI (WPI)*

### MODEL BUILDING

$$SFDI_t = \alpha + \beta_1 GDP_t + \beta_2 AGGDP_t + \beta_3 EX_t + \beta_4 TB_t + \beta_5 TO_t - \beta_6 INFL_t + \beta_7 EXR_t + \beta_8 FER_t - \beta_9 WPI_t + \varepsilon_t$$

### TOOLS USED

T-test, regression and correlation have been used to support the results of the present study.

### TIME PERIOD OF STUDY

In order to analysis the trend of FDI in service sector and for the purpose of testing the hypothesis period of Fourteen Years has been taken (From 2000-01 to 2013-14).

### SOURCES OF DATA

The study has been carried out by exploiting the secondary sources of data. To serve the purpose of the study, the data has been collected from the various sources such as Periodicals and Magazines, Reports and publications of national and international institutions, SIA News Letters and websites of Department of Industrial Policy & Promotion

### ANALYSIS OF DATA

*Empirical analysis of relationship of Indian Service Sector FDI Inflows with total FDI in India*

**Table 2: Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	Df	Sig.
FDI	.235	14	.035	.830	14	.120
SFDI	.235	14	.065	.830	14	.052

a. Lilliefors Significance Correction

Source: Researcher own compilation

The above table 2 presents the test of normality of the sample taken for testing of hypothesis. Shapiro- Wilk test was applied as number of observations is less than 2000. It can be observed from the above table that significance p-values are more than critical p-value at 5 per cent level of significance in both cases hence it can be concluded that data of FDI and Service sector is normal for the study period.

**Table 3: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	1.000 <sup>a</sup>	1.000	1.000	1.44663

a. Predictors: (Constant), SFDI

Source: Researcher own compilation

The above table 3 FDI is taken as dependent variable and Service sector as independent variable. The value of correlation shows the perfect positive relationship between the dependent and independent variable and 100 percent change in Indian service sector FDI inflows is caused by total FDI inflows in India.

**Table 4: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3836091834.887	1	3836091834.887	1833055528.437
	Residual	25.113	12	2.093	
	Total	3836091860.000	13		

a. Dependent Variable: FDI

b. Predictors: (Constant), SFDI

Source: Researcher own compilation

In the above table 4, F value tells about the model fit. Degree of freedom Regression is equal to the number of predictors in the model denoted by k, as the model has 1 predictors. Degree of Freedom Residual is equal to N-K-1, where N is the total number of cases used in the regression, and K is the number of predictors. Degree of Freedom Total is equal to N-1 i.e.13. As the p-value is found to be 0.00 which is less than 0.05 at 5 per cent level of significance, it can be concluded that model is perfectly fit to predict the variable. Accordingly, the null hypothesis which states that there is no significant relationship of Indian service sector FDI inflows with total FDI inflows in India is rejected. In other words, significant relationship exists between the Indian service sector FDI inflows with total FDI.

**Table 5: Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.680	.678		-1.004	.335
	SFDI	5.513	.000	1.000	42814.198	.000
a. Dependent Variable: FDI						

Source: Researcher own compilation

The above table 5 examines the inferential statistics and hypothesis testing through bivariate regression technique. It determines the regression coefficient i.e. intercept and slope. The intercept value (-.680) can be interpreted as the value of dependent variable value (FDI) when independent value is zero. It is also called as constant value denoted by alpha ( $\alpha$ ). The slope coefficients show the value 5.513 for SFDI. It shows the rate of change in dependent variable (FDI) in respect of independent variable (SFDI). The service sector FDI was found to be significant variable to predict the FDI as the p-value is less than 0.05. The regression equation can be estimated as-

$$FDI = -0.680 + 5.513 SFDI$$

*Analyzing the relationship of independent variables (GDP, AGGDP, EX, TB, TO, INFL, EXR, WPI and FER) with FDI Inflows in the Indian service sector.*

**Table 6: Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
GDP	.130	14	.035	.830	14	.123
SFDI	.235	14	.065	.830	14	.052
AGGDP	.149	14	.200*	.938	14	.399
EX	.164	14	.200*	.885	14	.068
TB	.143	14	.200*	.897	14	.102
TRO	.120	14	.200*	.915	14	.184
INFL	.222	14	.061	.834	14	.135
EXR	.265	14	.009	.845	14	.191
WPI	.120	14	.200*	.956	14	.663
FER	.193	14	.165	.936	14	.367
*. This is a lower bound of the true significance.						
a. Lilliefors Significance Correction						

Source: Researcher own compilation

The above table 6 presents the test of normality of the sample taken for testing of hypothesis. Shapiro- Wilk test was applied as number of observations is less than 2000. It can be observed from the above table that significance p-values are more than critical p-value at 5 per cent level of significance in both cases. Hence it can be concluded that data of all the variables in the model has been normal during study period.

Table 7 Relationship among the Variables

		GDP	SFDI	AGGDP	EX	TB	TRO	INFL	EXR	WPI	FER
GDP	Pearson Correlation	1	1.000**	.653*	.824**	-.835**	.862**	.751**	.439	.481	.937**
	Sig. (2-tailed)		.000	.011	.000	.000	.000	.002	.117	.081	.000
SFDI	Pearson Correlation	1.000**	1	.653*	.824**	-.835**	.862**	.751**	.439	.481	.937**
	Sig. (2-tailed)	.000		.011	.000	.000	.000	.002	.117	.081	.000
AGGDP	Pearson Correlation	.653*	.653*	1	.356	-.418	.466	.259	-.229	.477	.589*
	Sig. (2-tailed)	.011	.011		.212	.137	.093	.371	.432	.084	.027
EX	Pearson Correlation	.824**	.824**	.356	1	-.963**	.985**	.854**	.808**	.492	.938**
	Sig. (2-tailed)	.000	.000	.212		.000	.000	.000	.000	.074	.000
TB	Pearson Correlation	-.835**	-.835**	-.418	-.963**	1	-.985**	-.851**	-.743**	-.512	-.937**
	Sig. (2-tailed)	.000	.000	.093	.000		.000	.000	.003	.056	.000
TRO	Pearson Correlation	.862**	.862**	.466	.985**	-.985**	1	.872**	.731**	.522	.968**
	Sig. (2-tailed)	.000	.000	.093	.000	.000		.000	.003	.056	.000
INFL	Pearson Correlation	.751**	.751**	.259	.854**	-.851**	.872**	1	.740**	.454	.837**
	Sig. (2-tailed)	.002	.002	.371	.000	.000	.000		.002	.103	.000
EXR	Pearson Correlation	.439	.439	-.229	.808**	-.743**	.731**	.740**	1	.259	.598*
	Sig. (2-tailed)	.117	.117	.432	.000	.002	.003	.002		.370	.024
WPI	Pearson Correlation	.481	.481	.477	.492	-.512	.522	.454	.259	1	.457
	Sig. (2-tailed)	.081	.081	.084	.074	.061	.056	.103	.370		.101
FER	Pearson Correlation	.937**	.937**	.589*	.938**	-.937**	.968**	.837**	.598*	.457	1
	Sig. (2-tailed)	.000	.000	.027	.000	.000	.000	.000	.024	.101	

Source: Researcher own compilation

With the help of the above table 7 the of correlation between the variable and their significant level can be analyzed. No correlation exist between the variables taken as a null hypothesis and the correlation exist between the variables taken as alternative hypothesis. The values of Pearson correlation lies between 0.01 to 0.25 is signified as low correlation, 0.25 to 0.75 moderate correlation, 0.75 to 0.90 high correlation and 0.90 to 0.99 as very high correlation. There is no correlation when value is zero and there is perfect correlation if the value is 1. In terms of significance value, if the p-value is less than 0.05, null hypothesis is accepted and it can be concluded that there is no significant correlation exist between the variable. In the contrary part if the p-value is more than 0.05, alternate hypothesis is accepted and it can be concluded that there is a significant correlation exist between the variables.

Table 8

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.994 <sup>a</sup>	.987	.959	16763.86144
a. Predictors: (Constant), FER, WPI, EXR, INFL, AGGDP, TB, EX, GDP, TRO				

Source: Researcher own compilation

The above table 8 shows the model summary depicts the relationship between the dependent variable (FDIS) and independent variable (FER, WPI, EXR, INFL, AGGDP, TB, EX, GDP, TRO). The R value (.994) represents the multiple correlations between the dependent variable and independent variable which is found to be very high and positive correlation. The R square (.987) is also called as coefficient of multiple determination showed 98.7 per cent variations in the dependent variable (FDIS) and is explained by independent variables (FER, WPI, EXR, INFL, AGGDP, TB, EX, GDP, TRO). The rest of the 1.3 per cent changes are caused by variables other than independent variables also called coefficient of non- determination ( $1 - R^2$ ). The regression equation appears to be very useful for making predictions of service sector FDI since the value of  $R^2$  are closed to 1.

Table 9: ANOVA

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	88330640362.070	9	9814515595.786	34.924	.002 <sup>b</sup>
	Residual	1124108201.659	4	281027050.415		
	Total	89454748563.729	13			
a. Dependent Variable: FDIS						
b. Predictors: (Constant), FER, WPI, EXR, INFL, AGGDP, TB, EX, GDP, TRO						

Source: Researcher own compilation

The above table 9 shows the regression sum of squares which highlights the variability accounted for by the regression model, which is fitting of the least-squares line. The residual sum of squares shows the variability unaccounted for by the regression model. At the  $\alpha = 0.05$  level of significance, there exists enough evidence to

conclude that the predictors are useful for predicting FDI in service sector (FDIS) therefore the model is useful. Beside this the p-value is .002 which is less than 0.05 hence our null hypothesis which states that there is no significant relationship of independent variables (*GDP, AGGDP, EX, TB, TO, INFL, EXR, WPI and FER*) with FDI Inflows in the Indian service sector is rejected. In other words, there is presence of significant relationship of independent variables (*GDP, AGGDP, EX, TB, TO, INFL, EXR, WPI and FER*) with FDI Inflows in the Indian service sector.

**Table 10: Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	467.439	399276.698		-1.169	.307
	GDP	.267	.095	3.784	2.802	.049
	AGGDP	191.038	7880.435	-.045	-.138	.897
	EX	0.097	.270	-.652	-.358	.039
	TB	-.066	.241	-.272	-.276	.007
	TRO	-129.836	770338.821	-3.437	-1.687	.167
	INFL	25.766	8106.677	.791	3.168	.034
	EXR	836.086	4975.190	-.057	-.168	.005
	WPI	74.063	4741.226	.161	1.418	.029
	FER	191.036	.094	.233	.385	.020
a. Dependent Variable: FDIS						

Source: Researcher own compilation

The above table 10 examines the inferential statistics and hypothesis testing through multiple regression technique. It determines the regression coefficient i.e. intercept and slope. The intercept value (467.39) can be interpreted as the value of dependent variable value (FDIS) when independent value is zero. It is also called as constant value denoted by alpha ( $\alpha$ ). The slope coefficients show the value .267 for GDP, 191.03 for AGGDP, 0.097 for Export, -.006 for trade balance, -129.83 for trade openness, 25.766 for inflation, 836.06 for exchange rate, 74.063 for Wholesale price index and 191.036 for Foreign exchange reserve. It shows the rate of change in dependent variable (AUM) in respect of independent variables. In the model AGGDP and Trade Openness were the insignificant variables to predict the service sector FDI as the p-value was more than 0.05 at 5 per cent level of significance and rest of the variable were found to be significant as the p-value is less than 0.05. The regression equation can be estimated as-

$$SFDI = 467.39 + .267 GDP + 0.097EX - .006TO + 25.766 INFL + 836.06EXR + 74.063 WPI + 191.036 FER$$

**Table 11: Comparison of Expected and Actual Relationship between Variable**

Variables	Expected Relation	Actual Relationship
<b>Gross Domestic Product</b>	<b>Positive</b>	<b>Positive*</b>
Annual Growth Rate of GDP	Positive	Positive
<b>Export</b>	<b>Positive</b>	<b>Positive*</b>
Trade Balance	Positive	Negative*
Trade openness	Positive	Negative
Inflation	Negative	Positive*
Exchange rate	Negative	Positive*
<b>Foreign Reserve</b>	<b>Positive</b>	<b>Positive*</b>
Wholesale Price Index WPI	Negative	Positive*

Source: Researcher own compilation

In the table 11, it can be clearly observed that in the model Inflation, Exchange Rate and WPI has negative relationship with FDI in service sector and other variable has the positive relationship with FDI in service sector. After the analysis the actual relationships are found to be similar and significant only in the case of GDP, Export and Foreign Exchange Reserve. It shows that these three variables are most important factor to

predict the service sector FDI. The results of this model are confirmatory with other earlier studies also. Verma & Baidhanathan (2014) also found the similar kind of relationship between foreign direct investment and its specific determinants.

### Summary of Hypotheses Testing

S.No.	Hypotheses	Research Technique	Inferences	
			P value	Result
1	H <sub>0</sub> : There is no significant impact of Foreign Direct Investment in service sector on total FDI inflows in India.	Simple Linear Regression	SFDI : 0.000	Significant
	H <sub>1</sub> : There is a significant impact of Foreign Direct Investment in service sector on total FDI inflows in India			
2	H <sub>0</sub> : There is no significant relationship of independent variables ( <i>GDP, AGGDP, EX, TB, TO, INFL, EXR, WPI and FER</i> ) with FDI Inflows in the Indian service sector.  H <sub>1</sub> : There is a significant relationship of independent variables ( <i>GDP, AGGDP, EX, TB, TO, INFL, EXR, WPI and FER</i> ) with FDI Inflows in the Indian service sector.	Multiple Regression	GDP: 0.049	Significant
			AGGDP: 0.897	Insignificant
			EX: 0.039	Significant
			TB: 0.007	Significant
			TO: 0.167	Insignificant
			INFL: 0.034	Significant
			EXE: 0.005	Significant
			WPI: 0.29	Significant
			FER: 0.020	Significant

### CONCLUSION

It is found that FDI inflows in the Indian service sector have significant impact on the foreign investment across other sector. Service sector has received increased NRI's deposits and commercial borrowings in the previous two five year plans largely because of its rate of economic growth and stability in the political environment of the country. An analysis of trends in FDI inflows in service sector shows that initially the inflows were low but there is a sharp rise in investment flows from 1999 onwards.

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## ABOUT THE JOURNAL

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

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1. Manuscripts should be submitted preferably through email and the research article / paper should preferably not exceed 8 – 10 pages in all.
2. Book review must contain the name of the author and the book reviewed, the place of publication and publisher, date of publication, number of pages and price.
3. Manuscripts should be typed in 12 font-size, Times New Roman, single spaced with 1” margin on a standard A4 size paper. Manuscripts should be organized in the following order: title, name(s) of author(s) and his/her (their) complete affiliation(s) including zip code(s), Abstract (not exceeding 350 words), Introduction, Main body of paper, Conclusion and References.
4. The title of the paper should be in capital letters, bold, size 16” and centered at the top of the first page. The author(s) and affiliations(s) should be centered, bold, size 14” and single-spaced, beginning from the second line below the title.

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5. The abstract should summarize the context, content and conclusions of the paper in less than 350 words in 12 points italic Times New Roman. The abstract should have about five key words in alphabetical order separated by comma of 12 points italic Times New Roman.

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