

## INTERNATIONAL CONFERENCE EDITION

A Compilation of Research Papers presented at the BCUD, Savitribai Phule Pune University Sponsored International Conference on the theme "VISION INDIA 2030: Strategizing through Alignment of Corporate Values towards Sustainable Development" on 18th & 19th January 2019 organized by Department of Commerce, M.C.E.Society's Abeda Inamdar Senior College of Arts, Science and Commerce.

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Dear Readers,

This issue of Cosmos is a compilation of the research papers presented at the BCUD, Savitribai Phule Pune University (SPPU) Sponsored International Conference on the theme “VISION INDIA 2030: Strategizing through Alignment of Corporate Values towards Sustainable Development”. The Conference was scheduled on 18th & 19th January 2019. The conference witnessed four technical sessions. The first technical session dealt with research papers on the sub theme 'Integration of Business Processes' and the second technical session covered topics on the sub theme 'Inclusive Business Policies and Regulations'. Research papers based on the theme of Alignment of Business Practices and Emerging Challenges for Sustainability were presented in the third and fourth technical sessions respectively are included in this volume.

Cosmos, a biannual publication of the M.C.E Society's Abeda Inamdar Senior College of Arts, Science and Commerce has come up with the tenth volume of its publication. It is one of the premier refereed scholarly Interdisciplinary journals of Commerce, Management and Economics discipline. Since its inception, Cosmos has played a significant role in the dissemination of knowledge grounded in scholarly research, as well as in shaping the content and boundaries of the discipline.

The conference received an overwhelming response from the Academia and Industry. Representing the Academicians we had Deans, Professors, Associate Professors and Assistant Professors from India as well as abroad and delegates from Industry from all over India.

Our journal is truly global source journal, which is reflected in the varied national and cultural origins of the contributors, as well as the topics and case studies covered. The main objective of Cosmos is to provide an intellectual platform for the National and International scholars. Cosmos aims to promote interdisciplinary research in all Commerce, Management Studies and economics and become the leading journal in inter disciplinary sciences in the world.

**Dr. Aftab Alam**

Managing Editor

Head, Dept. of Business Economics

# A Study on Sustainability in Readymade Garment Manufacturing Industry

**Ms. Ruksar Faizal Sharif**

Research Scholar

Assistant Professor

Abeda Inamdar Senior College, Pune

**Dr. Aftab Anwar Shaikh**

Research Guide

Principal

Poona College of Arts, Science & Commerce, Pune

## Abstract

*The research paper discusses the concept of sustainability in the readymade garment industry, and how the sustainability can be achieved in this sector and how to produce eco-friendly products. Research problems can be summarized in 3 questions; what are the concepts of sustainability in the readymade garment industry? How to produce eco-friendly products? And how the sustainability can be achieved in this sector? At the present phase of industrialization, manufacturing environment friendly products in a sustainable way is the most important and emerging issue. The main focus comprises not only to the products quality sustainability but also it focuses on the manufacture processes including raw material resources from cradle to grave. Now a days, many companies and organizations focus on the environment friendly way of production. Sustainability of the garments industry is also a burning issue, needed to adopt cleaner and improved technology and management for better environment.*

**Keywords:** Sustainability, Fashion Trends, Readymade Garment, Denim, Organic Cotton, Bamboo Clothing, Zero waste Manufacturing.

## Introduction

The concept of a sustainable society has been around for decades. In 1981, Lester Brown, founder of the World watch Institute, defined it as “one that is able to satisfy its needs without diminishing the chance of future generations.” Over the years, this concept has evolved to encompass a broad range of social and environmental issues. Many activists picture a sustainable society as a Venn diagram of three overlapping concerns:

- Environment
- Social
- Economic

In a sustainable world, each dimension works in harmony with the other. Today’s citizens are given every opportunity to grow and thrive; tomorrow’s resources are preserved and protected <http://www.sustainabilitydegrees.com> **Sustainable design** (also called environmental design, environmentally sustainable design, environmentally conscious design, etc.) is the philosophy of designing physical objects, the built environment, and services to comply with the principles of social, economic, and ecological sustainability.

The garment industry has become the backbone of the economy of the most countries. It is essential to promote sustainability in this large industrial sector. When the world garment market and companies are focusing on environment friendly products it is high time to adopt special strategies and an approach towards

sustainability. This research work emphasis to make the life cycle approach of manufactured products for environmental indicators to achievesustainability.

### Statement of the Problem

1. What is the concept of sustainability in the readymade garment industry?
2. How to produce eco-friendly products?
3. How the sustainability can be achieved in this sector?

### Objectives

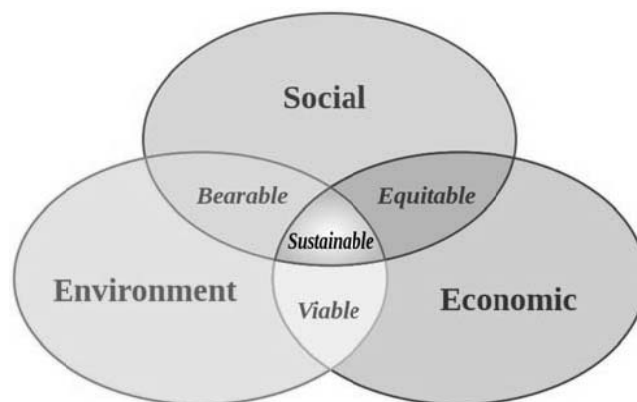
- To help in spreading the culture of sustainable clothing in the fashion Industry.
- To promote sustainability in the Garment sector.
- To understand the importance of preserving the environment by using eco-friendly textile fiber during the Manufacturing of Clothing.
- To highlight the right of future generations in Environment free from Pollutants.
- To help in making the life cycle approach of manufactured products for environmental indicators to achieve sustainability

### Research methodology

The specific types of information and / or data needed to conduct a secondary analysis will depend on the focus of study. For this research purpose, secondary data analysis is usually conducted to gain in-depth understanding of the study. Secondary data review and analysis involves collecting information, statistics, and other relevant data at various levels of aggregation in order to conduct a requirement analysis of the subject and mostly the paper is based on the information retrieved from the internet via journals, research papers and expert opinions on the same subject matter

### Sustainability in Fashion

At the present phase of industrialization, manufacturing environment friendly products in a sustainable way is the most important and emerging issue. The main focus comprises not only to the products quality sustainability but also it focuses on the manufacture processes including raw material resources from cradle to grave. Now a days, many companies and organizations focus on the environment friendly way of production. Sustainability of the garments industry is also a burning issue, needed to adopt cleaner and improved technology and management for better environment. Fashion companies should strongly consider the product development process and extend stewardship across the multiple life - cycles of products.



**Figure 1.** The "Three Pillars" of sustainability bounded by the environment (earth, life) [Source: Wikipedia-Sustainable Fashion].

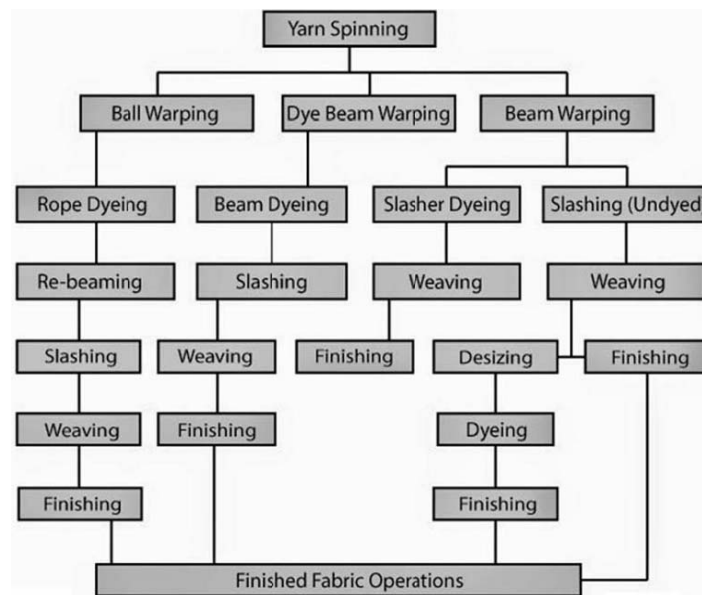
## Conceptual Model Regarding Denim Products

The spread of denim culture, all over the world brought with it a trend of fast changing fashions. One after another, several washes were introduced such as stone wash, acid wash, moon wash, monkey wash, frosted wash, white wash, mud wash, distressed wash etc. Over the last 6-8 years, India has probably seen the most dramatic and exciting changes in the washing of denim garments.

Although the denim manufacturing industry has long been known to be resource intensive, a full picture wasn't known publicly until Levi Strauss and Co. shared results of its life cycle assessment on what went into making one pair of its iconic Levi's 501s style. Examining the 2006 production year for jeans headed to the U.S. market, Levi's found that making one pair of jeans required almost 920 gallons of water, 400 megajoules of energy and expelled 32 kilograms of carbon dioxide. Levi's said this was equivalent to running a garden hose for 106 minutes, driving 78 miles and powering a computer for 556 hours. There are huge ecological and ethical concerns as this business is an enormous affair. To give an example, more than 520 million pairs of jeans are sold in USA alone each year. The majority of which have been colored with dyes, acid bathed, sandblasted and chemically doused to give the aged, worn in look we all so desire. The life cycle of denim starts with the cotton ball, amid the vast cotton crops recorded as covering 2.4% of the world's farm land. If not organically grown the valuable crops will be drenched in toxic pesticides to protect them from insects and weeds. Organophosphates are used which are poisonous and ultimately pass into the soil and wreak havoc with wildlife. Cotton fibers are spun into yarn and the denim yarn is "sized" using starch to give it strength and "mercerized" in caustic soda. Starch is biodegradable but if released into the rivers the microbes that devour it also consume the oxygen. This in turn kills off the aquatic life in the water as does the toxic caustic soda. Other shocking facts are that it takes 1,500 gallons of water to produce 1.5 lbs of cotton needed to make one pair of jeans. To achieve the correct blue shade, the denim is doused in vats of synthetic indigo. Environmental regulations are not upheld in many developing countries. Apart from the initial dyeing the stone washing or distressing of the denim is achieved by repeated washing and rinsing and bleaching, chemical blasting with such toxic substances such silica, dye stripped or bleached with potassium permanganate.



**Figure 2.** Impact of wastes on environment due to denim processing.



**Figure 3.** Conceptual model related to denim manufacturing

### Environmental Concern and Ethical Issues

Many growing factors considered which are distinguished ethical from traditional fashion including use of sweatshop-free labor, energy-efficient processes, alternative energy and low impact dyes in manufacturing. Nevertheless, fashion consumers now-a-days are trying to choose an ethical wardrobe to pick up eco-friendly garment or fabrics. There are three criteria for selecting eco-friendly fabrics as

- i. The use of fewer toxic chemicals.
- ii. The use of less land and water.
- iii. The reduction of green house gases.

In fact, some of the fabrics may perform better than others based on the above criteria. It may in more cases, one fabric is more preferable according to one of the criteria but less preferable according to another, making for complicating choice in fabric qualities, cost, labor conditions or carbon footprint of product transportation. Now, many cotton firms or industries have a vibrant campaign promoting their products as sustainable pointing that due to new technologies and farming methods. The industry has greatly reduced its use of energy, water and toxic chemicals. But very few farming has the significant success of reducing soil erosion, improved irrigation methods to reduce water use, improve methods of pest management, have reduced pesticides and most significantly, the use of genetically modified (GMO) cotton has reduced the use of land and toxic chemicals. A general statistics has shown that, growing enough cotton to make a single cotton T-shirt a third of a pound of toxic chemical (including pesticides, fertilizer and defoliation chemicals).

### *Dyeing Effluent and Environmental Effects*

Dyeing of textiles is the ancient art going back to the Bronze Age. Gradually, it became a sophisticated technique with using plants and fruits. Later on with the advance of science the age of chemical dyeing was introduced and various synthetic compounds were used for dyeing especially for commercial purposes. At present, several methods are applied in the textile dyeing process. Among them continuous, semi-continuous and batch dyeing are commonly used. The type of dyeing method depends on the type of yarn, fiber, fabric and quality of garment. However, the dyeing industries are considered one of the most pollution creators. There are many dyeing industries which grew up in Bangladesh and including different functional groups. Amine, carboxylic and azo functional groups are common among them. Azo dyes are the mostly used dyes for textile. Azo dye produces aromatic amines and other degradation products that are highly carcinogenic. Thus these dyes pose serious environmental impact and affect easily on aquatic ecosystem.

## 1. Eco-friendly Textile Fibers

As cotton production consumes highly water intensive resources although it is difficult to measure the amount of water usage. The production of cotton fibers also needs a huge amount of pesticide usage. At about 55% of whole pesticide usage in India goes to cotton crop production. The interesting fact is cotton production of India represents only 5% of whole agriculture land use. An investigation revealed that, cotton being a most water and pest intensive crop consumes approximately 11% of the whole world's total pesticide. Therefore, the cultivation of cotton and production should consider an environment friendly way

### 1.1 Organic Cotton

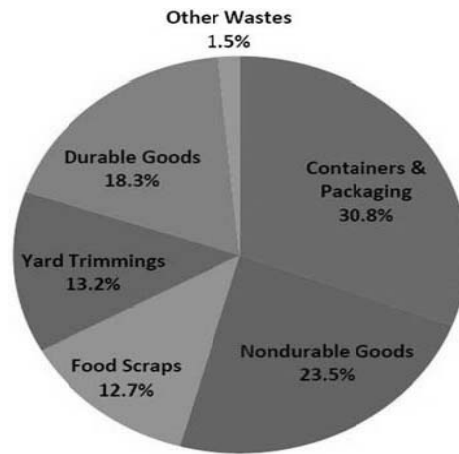
Organic cotton is grown without the use of any genetically modification to the crops, without the use of any fertilizers, pesticides, and other synthetic agro-chemicals harmful to the land. Consequently a new type of organic cotton has been developed which is soft to the touch and at the same time, grown without chemicals. Organic cotton tends to be more expensive, but its impact on the environment is kept to a minimum. All cotton marketed as organic in the United States is required to fulfill strict federal regulations regarding how the cotton is grown.



**Figure 4.**Organic Clothing

### 1.2 Recycled Clothing

In addition to promoting a sounder environment by producing newer clothing made with sustainable, innovative materials, clothing can also be donated to charities, sold into consignment shops or recycled into other materials. These methods reduce the amount of landfill space occupied by discarded clothes. According to the United States Environmental Protection Agency's 2008 report on Municipal Solid Waste (MSW), generation, recycling and disposal in the United States defines clothing as non- durable – generally lasts less than three years – textiles. In 2008, approximately 8.78 millions of tons of textiles were generated; 1.45 millions of tons were recovered and saved from landfills resulting in a rate of almost 17%. The EPA report also states that the amount of MSW being “discarded” is 54%, “recovered” is 33% and “combusted with energy recovery” is 13% [31]. Approximately two-thirds of clothing materials are sent to landfills, making it the fastest growing component of waste in the household waste stream. Within the last five years, textiles disposed of in landfill sites have raised from 7% to 30%.



**Figure 5.**Total MSW (Generation by category), 2008, 250 million tons (before recycling).

### 1.3 Bamboo Fibers and Sustainable

Bamboo is a highly sustainable plant and Bamboo fabric is 100% biodegradable, becoming an increasingly popular alternative as Bamboo only needs rain water to grow. An additional feature is that the Bamboo Cultivation is cut not uprooted, so it's good for the Environment

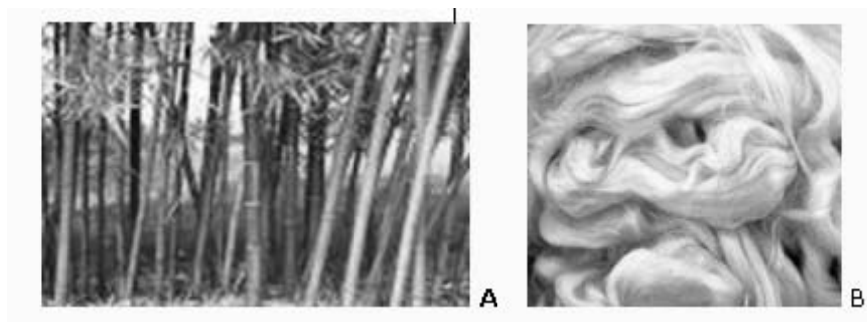


Figure 6. A – Bamboo Plant: B – Bamboo Fibre

### 1.4 Silk

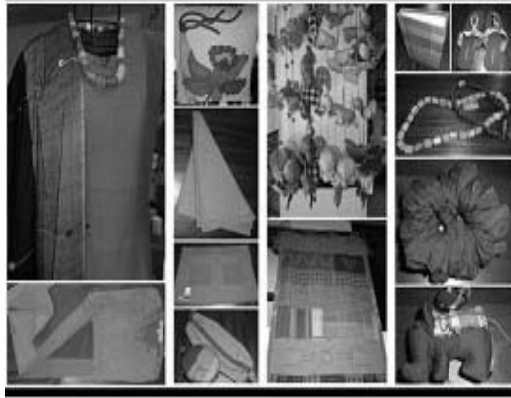
Silk is produced by moths, and conventional methods destroy the moth and cocoon in the process. Sustainable products, such as Ahimsa silk, use methods that don't kill the moth pupa. Eco- friendly silk is produced primarily in India, North Asia and Africa. Like organic cotton, "green" silk is often softer because it lacks the harsh dyes that are common in conventional silk production. There are a variety of types of sustainable silk, each with their own unique colors and characteristics. The most common is produced by a creamy white-colored silk worm that is found on the mulberry tree in India. The Ethical Silk Company, based out of Ireland, specializes in products made from this delicate weave. Tussur silk, also from India and Mopani silk, from Africa, are darker, rich-colored silks. <http://www.cool-organic-clothing.com/organic-silk.html>

### 1.5 Zero-waste Manufacturing

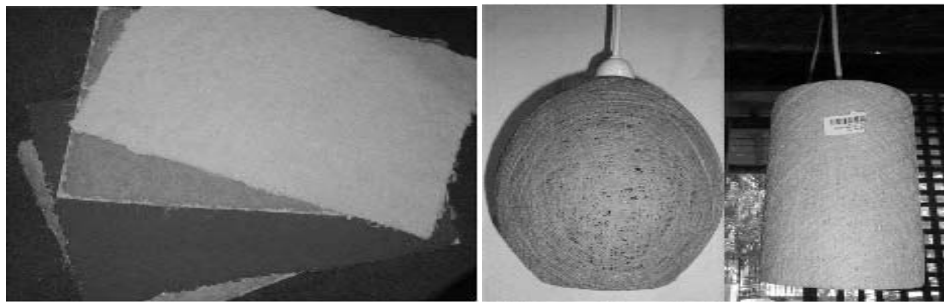
Zero-waste design isn't a new technology or material. Instead, it's a new way of thinking — a philosophy that forces you to challenge existing techniques and become a smarter designer. Technique-wise, it involves fitting all the flat pieces of your clothing pattern like a jigsaw puzzle so no fabric is wasted. Considering that roughly 15 percent of the fabric is discarded when a typical garment is made, the cumulative effect of



leaving behind no waste has far-reaching environmental consequences. More than that, however, zero waste about working within those constraints to invent beautiful new forms of fashion



**Figure 7. Product range: achieving product diversity through zero material waste approach**



**Fig 8. Craft sheets created from waste fabrics**

**Fig 9. Lamp shades created from waste**

threads

### **1.6 Natural dyes and sustainability**

Natural dyes are dyes primarily obtained from sources found in nature. that a great source for natural dyes can be found right in your own backyard It's not surprising—roots, nuts and flowers are just a few common ways to get many colors like yellow, orange, blue, red, green, brown and grey.



**Figure 10. Eco dyes**

## Conclusion

It is needless to say that, there is a competition among all fashion related people, celebrities, the brands; those are working with the fashion related organizations. The term “Sustainability” is not merely for the consideration for apparel manufacturing industry but also its continuation and further development of the new concept amongst all the people for the sustainability of the environment to check global warming, ecological balance, reduce natural calamities, conservation of vegetation, conservation of wildlife, etc. Most of the world famous brands have already become famous for the sustainability of fashion by its environmental and ecological conservation policy. Fashion concern consumers are searching sweat free labor, energy efficient process in the fashion in a sustainable, ethical ground whereas, all the brands are very much conscious for the same in the western world.

The government along with factory owners should authenticate the workers personal benefit, health and safety issues. The government, private organizations and the factory owners must have to take responsible initiatives and to work for the better working atmosphere in order to enrich a satisfactory position in terms of sustainability.

## Recommendations for Sustainable Environment

- The conventional cotton production requires a huge amount of pesticides. Therefore, organic cotton production should be encouraged and use of natural pesticides. Focus should go to recycles cotton, reprocessing and reuse.
- In preference to using synthetic compounds or chemicals, natural dyes can be utilized. In that case, toxic mordents should be avoided such as chromium based mordents.
- Introducing cleaner production can promote pollutant reduction as well as re-circulation of treated water in the system process.
- Waste minimization is the grand policy and can provide a significant decrease of pollution amount as well as production costs and treatment operation costs.
- The workers who are involved with dyeing process need extra high pre-caution and should have regular check up of health by the company employed doctor.
- Industries should take necessary steps regarding construction of ETPs and operate them regularly to treat effluent.
- If the set up cost of ETP is high, adjacent small factories at the same industrial area can establish common ETPs to treat their effluents. Small scale factories will provide employment opportunities for adjacent people in that region.
- Building structure specifically for apparel manufacturing industry should be legal and have a permit from the local authority. The structure should meet the standard construction.
- Regular checking of Electrical equipment, outlets, wires and dust free clean electrical outlets.
- Prepare a concrete garment policy for sustainability
- Government inspection team should continue regular monitoring to the factories for each day one or more companies for a team and provide certification for a certain period of time until next inspection.
- Set up a special zone for garment industries and not to allow establishment of a factory in residential or commercial areas.
- The penalties imposed on garment factories that do not comply with the conditions of preserving the environment
- Focus on successful experiences in sustainable readymade garments
- To choose the appropriate treatment technology for the effluent according to the pollutant properties
- The government must Prepare a concrete Garment policy for sustainability

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# Effect of Monetary Policy on Economic Growth of India

**Merin K. Varghese**

Christ College-Pune

merinvarghese222@gmail.com

## Abstract

*The Reserve Bank of India, to achieve certain objectives frames the Monetary Policies. It mainly deals with the money supply, which includes money in circulation and credit creation by banks. The main objective of Monetary Policy is to achieve price stability and economic growth. The money supply should be controlled in such a manner that it enhances growth but does not lead to high inflation. Thus Monetary Policy plays a very important role in stabilizing the economy and achieving appropriate balance between the demand for money and the output of the economy. I have found that Monetary Policy is indeed the backbone of an economy and these policies are essential for sustainable economic growth.*

**Keywords:** Monetary Policy, Money Supply, Inflation, Price Stability, Economic Growth

## Introduction

Understanding the effects of Monetary Policy is important in studying macroeconomics and the policy framework in India. Monetary Policy in any developing country aims at economic growth and stable price level in the economy. To achieve this objective first and foremost the money supply should be in line with the demand for money. Inflation is an important indicator to analyze the Indian economy, other key indicators being Gross Domestic Product (GDP), Money Supply, Credit Availability, Interest Rates, etc. There is a major conflict between stabilizing prices and enhancing economic growth. Aiming for a stable price level can reduce economic growth as there is an inverse relationship between inflation and unemployment rate. That is higher the inflation rate, lower will be the unemployment rate, which is also known as the Phillips Curve. Therefore to increase the employment rate there should be an increase in the inflation rate, which causes a rise in the price level of the economy. So a gradual inflation in the economy is good as it increases the employment rate and hence the output also increases.

## Objective of the Study

This paper seeks to study the relationship between Monetary Policy and Economic Growth. This paper also tries to understand the dynamics between monetary policy and money supply and how it affects the interest rate, savings rate and investment.

## Literature review

According to Jhingan (2007) Monetary Policy by influencing the cost and availability of credit and also controls inflation and maintain equilibrium in the balance of payments. It plays a very important role in the economic growth of an underdeveloped country. It aims at controlling the credit for controlling inflation and stabilizing the price level, stabilize the exchange rate, achieve balance of payment equilibrium and promote economic development.

Sikdar(2007) says that the ultimate target of the monetary authority is to control the major macroeconomic variables like unemployment, inflation and growth of real GDP. The RBI chooses to control the intermediate targets which are the monetary aggregates (M1, M2, M3) where

$$M1= CU+D$$

$$M2=M1 + \text{savings deposits with post office savings bank}$$

$$M3 = M1 + \text{net time deposits of banks (interbank deposits are netted out)}$$

Here CU is the total currency held by the public in the form of coins and notes, D is the demand deposits of the public in banks (interbank deposits are not included) or the interest rate. Regulating the money supply helps in regulating the rate of inflation and changing the structure of interest rates affects growth by altering the incentives for investment in financial assets and physical capital.

According to Ahuja (2007) Monetary Policy deals with the distribution of credit between uses and users and also with the interest rate for both lending and borrowing. It regulates the money supply, the cost and availability of credit in the economy. It plays a major role in promoting economic growth in developing countries. Monetary Policy needs to ensure price stability along with encouraging economic growth, as excessive inflation will have an adverse distribution effect and hinders economic development also.

According to Chaturvedi (2005) Monetary Policy refers to the policy measures pursued by the Reserve Bank of India to control, administer and regulate the money supply, foreign exchange rates, the cost and availability of credit in the country. Through Monetary Policy the central bank can alter the money supply and the rate of interest so that the monetary system is fully benefitted. Monetary Policy can provide sufficient financial resources for economic development as well as help the developing countries to expand their output levels, employment and income.

### **Research methodology**

The data collected on the various aspects of Monetary Policy are mostly in textual form. Sections have been made to give a clear understanding of the work done.

### **Instruments of monetary policy**

- (a) Bank Rate: It is the rate at which the Central Bank lends short term loans to the Commercial banks against securities. When the interest rate is low, the borrowing power of the commercial banks increases, which encourages them to borrow reserves and with which they can advance loans. This improves the credit creation of the commercial banks. Whereas when the interest rate is high it discourages borrowing and is followed by rise in the rate that the commercial banks charge on their loans. This decreases the demand for credit by household and firms.
- (b) Cash Reserve Ratio: It is the percentage of money that the commercial bank has to deposit with the Reserve Bank of India. When there is an increase in CRR the loan able funds available with the commercial banks reduces and the money supply contracts. The banks might also have to recall the loans to meet the higher reserve requirements. The opposite happens when CRR is reduced. The ability of the banks to create deposit money increases. CRR variation is not very frequently used, as it will destabilize the system.
- (c) Open Market Operations: It deals with the purchase and sale of securities in the open market. An open market sale contracts the money supply and a purchase increases the money supply in the economy.

## Targets of monetary policy

- (a) High and Stable Employment: One of the major goals of all governments is to reduce the unemployment rate and bring it down to a tolerable level as it causes economic imbalances and sufferings, along with loss of potential output.
- (b) Economic Growth: Another important goal of Monetary Policy is to achieve a stable economic growth, which means there should be a steady rise in the National Income, which is essential for improving the standard of living of a country. For new investments and infrastructural development adequate credit should be available along with proper management of monetary and credit policies to assist in the process of growth and development of the economy.
- (c) Price Stability: Inflation has an adverse effect on the social welfare of a country. As the price level of the economy rises it hits hard on the people especially the poorer sections of the society. Therefore price stability is a major goal of all economic policies.
- (d) Financial Stability: It is very important that the funds from the savers reach the business firms with profitable investment opportunities. Financial crisis can cause major disturbances in the economy leading to low economic welfare. A stable financial system is required to absorb economic shocks, which is an important goal of the Central Bank.
- (e) Stability in the foreign Exchange Market: Another important goal of the RBI is to maintain a stable foreign exchange rate, i.e., to avoid sharp fluctuations in the value of rupee. Appreciation and Depreciation of a currency makes it difficult for traders to plan and trade in the foreign exchange market.

## Impact of monetary policy on gdp

Gross Domestic Product (GDP) is defined as the value of all the goods and services produced in an economy in a given time period, such as a year.

$$GDP = C + I + G + (NX)$$

C- Consumption

I - Investment

G - Government Expenditure

(NX)- Net Exports

- Consumption means spending by households on goods and services. Goods include durable goods like automobiles, appliances and nondurable goods like food and clothing. Services like medical care and haircuts are intangible items.

- Investment is purchasing goods that can be used in future to produce more goods and services. It includes purchases of capital equipment and inventories.

- Government Expenditure is spending by the local, state and central governments on goods and services. It also includes the wages of government workers and spending on public works. Transfer payments which is a Social Security Benefit is not included in the calculation of GDP as the payment is not made in exchange for a currently produced good or service.

- Net Exports is equal to exports, that is, purchases of domestically produced goods by foreigners minus the imports, that is, purchases of foreign goods. The term net refers to the fact that imports are subtracted from exports.

There are two types of GDP:

- (a) Nominal GDP: It measures the value of the goods of a given time period with the prices of the same time period.
- (b) Real GDP: It measures the changes in the physical output in the economy of different time periods by valuing all the goods produced in the year at constant prices. By calculating real GDP, i.e., by multiplying today's physical output by prices of 2000 (for example) is the worth of today's goods if it was sold at the prices of 2000.

By calculating Nominal GDP we get to know the value of the goods produced in 2018 at the market price that prevailed in 2018. Nominal GDP changes with the changes in output and prices, therefore it cannot give a correct measure of the growth of the economy. Hence Real GDP is preferred to Nominal GDP to compare the output and growth of the economy in different years.

According to the Survey of Professional Forecasters on Macroeconomic Indicators (2018) - The GDP is likely to grow at 7.4 per cent in 2018-19 from 6.7 per cent in 2017-18 and it might further increase by 20 basis points (bps) in 2019-20 by the support from private consumption and investment.

The Real Gross Value added is expected to grow by 7.4 per cent in 2019-20 with the support of industry and service sectors.

### **Monetary policy and money supply**

Money supply is defined as the total stock of money along with other liquid instruments circulating in an economy at a particular point of time. It consists of paper currency, coins, demand deposits, cheques and demand drafts. Analysis of the money supply in an economy is important to frame policies and control the interest rates, which leads to increasing or decreasing the amount of money circulating in the economy. An increase in the money supply lowers the rate of interest, which induces investment and more money is available with the consumers, thus increasing the consumer demand which ultimately results in economic growth. Increase in spending leads to increase in demand for goods and services therefore increasing the production, that is, the supply in the economy increases resulting in increased economic activity.

The opposite is the case when there is decrease in the supply of money. The interest rates increase resulting in decline in investment and less money in the hands of the public. This reduces the consumer spending and the demand for goods and services falls reducing the production in the economy and the economic activity declines.

The monetary authority controls the money supply in the economy through tools of Monetary Policy. Monetary Policy can be expansionary or contractionary. Expansionary Monetary Policy means that there is increase in money supply with reduced rate of interest. Contractionary Monetary Policy means decrease in the money supply with high rate of interest.

### **Role of monetary policy in economic growth**

Economic growth is the expansion in production and capital stock in the economy with increase in the real national output or income. Accelerating the rate of savings and investment in the economy can fasten the process of economic growth.

- (a) **Monetary Policy and Savings:** Certain policies can be undertaken to raise the aggregate rate of saving. For instance, a high real interest rate (nominal rate of interest minus rate of inflation) policy induces savings so that capital accumulation is speeded up. This argument is based on the assumption that savings are positively elastic or sensitive to interest rates. Therefore in a developing country like India to induce more savings a relatively higher interest rate policy should be adopted so that large sources are made available for investment in fixed capital stock. To promote economic growth in a developing country the Monetary Policy should aim at raising the rate of saving and it should ensure a suitable real rate of interest to provide incentives for saving.
- (b) **Monetary Policy and Investment:** Monetary Policy plays a very important role in increasing the level of investment by making the available savings and resources mobilized by banks for purposes of investment and production. The bank fulfills this duty by offering bank credit for investment in business. When the money supply in the economy increases the interest rate falls, which induces investment. Early economists believed that the effect of money supply and rate of interest on investment is not very vigorous. The investment on fixed capital is interest inelastic. But according to credit-availability effect on investment, an increase in the supply of money enlarges the availability of bank credit for investment purposes, raising the level of investment in the economy.

#### **Limitations of monetary policy**

We have established that Monetary Policy is an important tool in the growth of an economy, especially in a developing country like India. The policies are flexible and can easily be applied according to the changing market conditions. These policies can easily be altered, adopted or reversed in a short period of time and is free from political pressures. However there are few limitations or challenges of the Monetary Policy due to the following factors:

- (a) **Underdeveloped Capital Market:** A systematic and an organized money and capital market is required to effectively implement the various credit control measures.
- (b) **Unorganized Sector:** The central Bank fails to influence the market rate of interest by changing the bank rate as a huge part of the financial resources come from the unorganized sector.
- (c) **Banking habits of the People:** In developing countries, most of the people are unaware of the importance of the banking system due to illiteracy, social causes, etc. People use money for most of the transactions and therefore bank fails to achieve the desired effects of business activities through credit control measures.
- (d) **Lack of Cooperation by Banks:** Commercial banks play an important role in achieving the goals of Monetary Policy. In the developing countries, the commercial banks do not provide the required assistance to the central bank for implementing the Monetary Policy. For the Monetary Policy to be successful both should work together with proper coordination.
- (e) **Large number of Non-bank Financial Intermediaries (NBFI):** The NBFI's operate in large scale in the developing countries but they are not under the control of the monetary authority, which limits the effectiveness of Monetary Policy in such countries.



## Conclusion

The biggest challenge of the RBI's Monetary Policy is to keep the money supply within reasonable limits without affecting the price level by making the necessary changes in the instruments of Monetary Policy. Failure of Monetary Policy can be very harmful for the economy. The adverse affects include high unemployment rate, hyperinflation, stagflation, recession, decrease in import and export and can even cause total monetary collapse. For a stable economic growth of an economy, efficient management of money supply and a suitable Monetary Policy is very important. Monetary Policy should mainly focus on improving the system efficiency rather than increasing liquidity into the system as a means of decreasing the interest rates.

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# **Analysis of Financial Performance of Foreign Banks in India based on application of Morlet Wavelet Transform for the period 2006-07 to-2015-16**

**Dr. Ashok Vasant Edurkar**

[edurkar\\_a@hotmail.com](mailto:edurkar_a@hotmail.com)

**Dr. Atik Asgar Shaikh**

Research Guide

Abeda Inamdar Senior College & Research Centre

## **Abstract**

*This research paper aims to study financial performance of foreign banks located in India during the period 2006-07 to 2015-16 (Ten years observation period). The aforesaid target is achieved by application of Morlet Wavelet Transform analysis supported by cluster analysis yielding three distinct business practices models related to financial performance consisting of minimal variation in Morlet wavelet transform. Based on data for the period 2006-07 to 2015-16 (Ten years observation period) for variables related to financial performance of 24 foreign banks operating in India, time series data were created. These time series data were further used to yield Morlet wavelet transform data for financial variables related to financial performance of the selected foreign banks. Cluster analysis is further performed using mean values of standard deviation related to Morlet Wavelet Transform for selected 6 financial variables in the form of critical ratios namely Credit to Deposit (CDR), Investment to Deposit (IDR), Business per Employee, Capital adequacy, Net NPA as a percentage of Advances and Return on Assets, yielding three distinct business practices models related to financial performance namely Model-A, Model-B and Model-C consisting of minimal variation in Morlet wavelet transform. It is concluded that business practices Model-C is superior business practices model related to financial performance as it consists of the least variation in standard deviation related to Morlet wavelet transform of these critical financial variables so far as aforesaid financial variables are given due weight age for financial performance of foreign banks operating in India.*

**Keywords:** Foreign Banks, Business Practices, Wavelet Transform, Morlet Wavelet Transform

## **Introduction**

In recent years the relationship between entry of foreign banks, subsequent financial development and economic growth, especially manufacturing, service sector plus trade growth has become an issue of extensive analysis. The financial working of foreign banks located in India can be studied with the application of various financial tools and techniques like financial ratio analysis, correlation analysis of financial variables etc. It is observed that financial variables like Deposits, Investments, Advances, Net NPA, and Net Profits etc. do not indicate steady growth in streamline format equations but indicate presence of spurts or random waves with respect to time depending upon various dynamic factors present in financial system. Wide fluctuations in the primary values of financial variables over a period of time has become a common phenomenon at present and financial performance of foreign banks operating in India, is also no exception to these ups& downs creating wave like events. Hence, through understanding of wavelets present in time series of critical financial variables namely Credit to Deposit (CDR), Investment to Deposit (IDR), Business per Employee, Capital adequacy, Net NPA as a percentage of Advances and Return on Assets, indicating financial performance of a foreign bank becomes necessary for the analysis of financial performance and study of business practices models of these foreign banks.

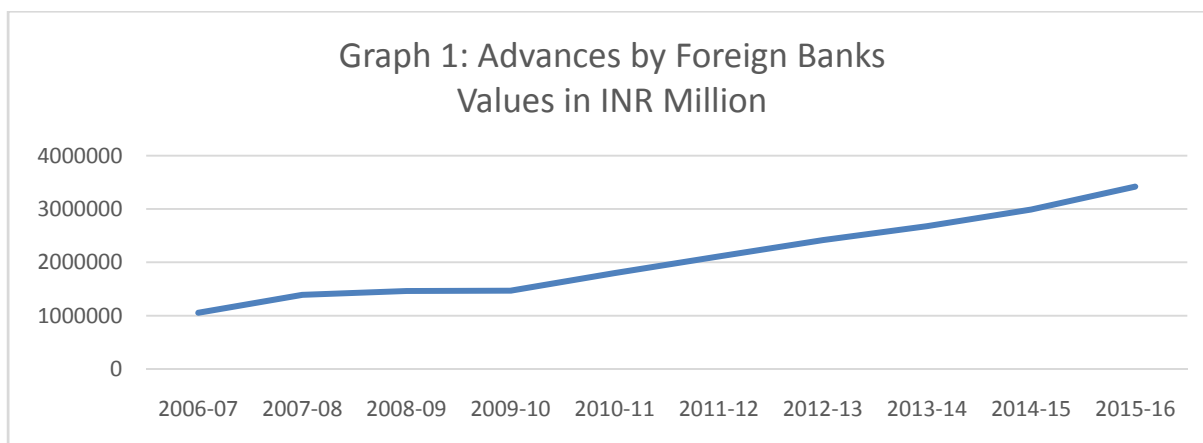
This research study would have been simple and quickly possible, using available information related to various theoretical business practices models. However no such useful information available at present. It is observed that most of the foreign banks do not apply any specific theoretical model. This is also on account of RBI Guidelines to all scheduled commercial banks including foreign banks for Priority Sector Lending for carrying out financial performance in India. Hence for this research, application of Morlet wavelet transform analysis and cluster analysis is considered to derive specific business practices models related to financial performance of 24 foreign banks mainly on account of absence of clear self-defined model at foreign banks end.

**The Morlet wavelet:** - The Morlet wavelet is the most popular complex wavelet used in practice. The complete Morlet wavelet is defined as

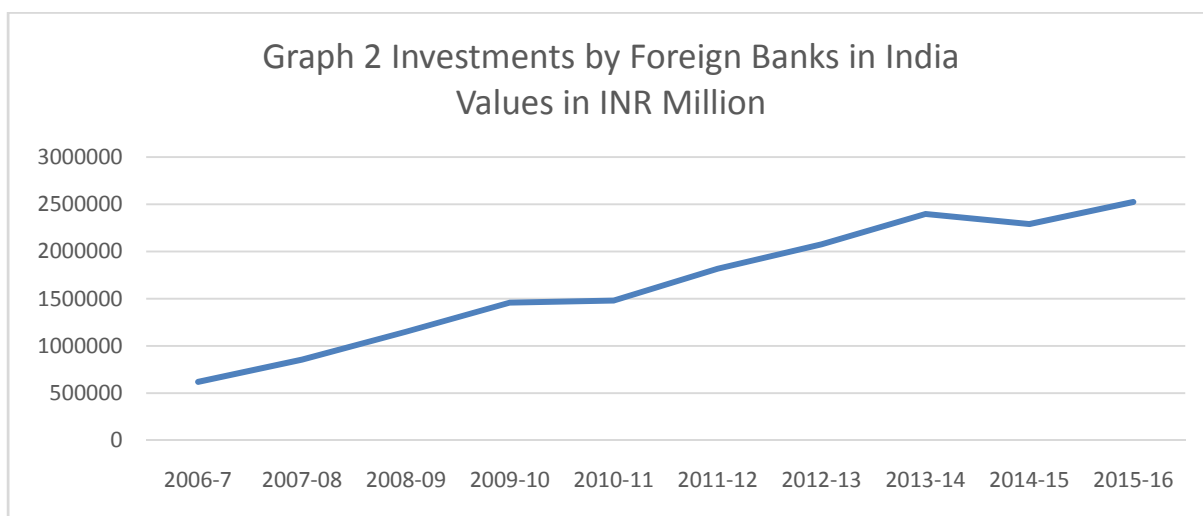
$$\psi(t) = \frac{1}{4} \sqrt{\pi} (e^{i\omega_0 t} - e^{-\omega_0^2 t^2}) e^{-t^2}$$

Where  $\omega_0$  is the central frequency of the mother wavelet. The second term in the brackets is known as the correction term, as it corrects for the non-zero mean of the complex sinusoid of the first term. In practice it becomes negligible for values of  $\omega_0 > 5$ . Previous investigators have concentrated on wavelet transforms with  $\omega_0$  in the range 5–6, where it can be performed without the correction term since it becomes very small. In this case, the Morlet wavelet becomes  $\psi(t) = \frac{1}{4} \sqrt{\pi} e^{i\omega_0 t} e^{-t^2}$ . This truncated Morlet wavelet is almost invariably used in the literature and often referred to as simply the Morlet wavelet.

**Foreign Banks Operating in India:** -As on 31<sup>st</sup> March 2016, there were 47 foreign banks operating in India. The graph 1 below indicates advances given by foreign banks while operating in India.



The graph 2 below indicates Investments made by foreign banks while operating in India.



Out of 47 foreign banks operating in India as on 31<sup>st</sup> March 2016, during the year 2006-07 to 2015-16, it was observed that in India 24 of foreign banks continued their financing without any break. This we call as “Consistency in financing”. By the word “Consistently”, we mean that these 24 foreign banks’ name appear in “Profile of Banks” provided by annual publication by RBI. Foreign bank whose name does not appear in “Profile of Banks” published by RBI is not taken into account for this research study. Thus the sample is chosen consisting of 24 banks having primarily roots abroad for this study to yield models using Morlet wavelet Transform analysis followed by cluster analysis. The data are retrieved from RBI sources: [www.rbi.org](http://www.rbi.org). Here publication section is referred for profile of banks and data related to variables like deposits, advances, investments etc. are collected.

List of variables considered for this research is under: -

1 Deposits 2 Investments 3 Advances 4 Total Assets 5 Gross NPA 6 Net NPA 7 Interest Income 8 Other Income 9 Total Income 10 Interest Expended 11 Operating Expenses 12 Total Expenditure 13 Operating Profit 14 Provisions & Contingencies 15 Net Profit 16 Credit Deposit Ratio 17 Investment Deposit Ratio 18 Spread as % of Assets 19 Operating Expenses as % to Total Expenses 20 Return on Assets (%) 21 Capital Adequacy Ratio Basel III 22 Net NPA as % to Net Advances 23 Business per employee 24 Profit per employee

A representative sample for the foreign bank- HSBC is as under:-

Table 2: HSBC

Name of Bank: HSBC (Case 24) Variable: CDR-Credit to Deposit Ratio											
Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Data	67.36926	66.45201	70.25856	55.21019	80.75214	75.64852	57.81563	62.79446	56.05345	54.6794	62.50612
Time Series		-0.91725	3.806552	-15.0484	25.54194	-5.10362	-17.8329	4.978829	-6.74102	-1.37405	7.826718
Morlet Wavelet Transform		-0.02716	2.58E-07	3.5E-99	-4E-284	2.38E-12	2.7E-139	8.76E-12	-6.6E-21	0.063256	1.91E-28
Mean (%)		-6.3E-08									
Median (%)		-9.2E-15									
Standard Deviation%		4.21E-07									
Kurtosis		4.758752									
Skewness		-1.43853									
Minimum		-0.00012									
Maximum		5.1E-05									

Data related to variables pertaining to 24 foreign banks is collected in the same format.

From 24 variables we have chosen 6 variables as critical variables which are as under: -

- 1 CDR- Credit to Deposit Ratio
- 2 IDR- Investments to Deposit Ratio
- 3 BPE- Businesses per Employee
- 4 CAR- Capital Adequacy Ratios
- 5 NNPA- Net NPA as a percentage of Advances
- 6 ROA- Return on Assets

The cluster analysis was performed using IBM SPSS version 22. This analysis attempts to identify relatively homogeneous groups of cases (or variables) based on selected characteristics. This analysis is done as follows: -

- 1 Values of Time Series related to critical variables are first worked out for selected banks.
- 2 Case (Foreign bank) wise calculations of values of Morlet Transform related to critical variables
- 3 Case (Foreign bank) wise calculations of values of standard deviation related to Morlet Transform covering variables in tabular format. This serves as an input for cluster analysis.

Table 3 shows values of standard deviation related to Morlet Wavelet Transform for above mentioned 6 critical variables. These values are used as input for performing cluster analysis.

Table 3: -

Values of Standard Deviation related to Morlet Wavelet Transform which is used as Input for Cluster Analysis							Return
Name of the Bank	Case No	CDR	IDR	Business F	CAR	Net NPA as a % of Asvances	on Assets
AB Bank Limited	1	0.000477	0.001057	0.001933	0.001268	0.001852	0.000672
Abu Dhabi Commercial Bank Limited	2	4.05E-06	0.00145	0.000272	0.000809	0.003558	0.002356
Antwerp Diamond Bank N.V.	3	0	0.000167	0.002	0.00201	0.002395	0.002137
Bank of America NA	4	0.000817	0.000774	0.000488	0.002098	0.000315	0.002181
Bank of Bahrain and Kuwait B.S.C.	5	0.000892	0.001424	0.000161	0.001217	0.001983	0.001928
Bank of Ceylon	6	1.4E-09	0.000375	0.001036	0.000809	0.002291	0.001605
Barclays Bank PLC	7	3.51E-22	0	1.09E-45	0.002466	0.002786	0.002518
BNP Paribas	8	0.000428	0.001033	2.11E-10	0.001715	0.00269	0.003271
CTBC Bank Co.,Ltd.	9	7.5E-77	1.48E-06	5.32E-05	0.001114	0.001622	0.001377
Citibank N.A.	10	0.000494	0.001195	4.16E-06	0.002049	0.002325	0.002294
DBS Bank Ltd.	11	0.000347	1.35E-07	3E-99	0.001827	0.002599	0.00106
Deutsche Bank AG	12	1.47E-07	0.001449	3.7E-06	0.001849	0.003211	0.002621
JPMorgan Chase Bank	13	0.000259	0.000428	0.000125	0.002154	0.003096	0.002165
Krung Thai Bank Public Company Ltd.	14	0.000269	0.000483	0.001017	5.45E-05	0	0.002071
Mashreqbank psc	15	5.19E-05	3.69E-05	2.83E-06	0.000149	0	0.001773
Mizuho Bank Ltd.	16	2.15E-21	4.01E-06	2.93E-06	0.00016	0.002747	0.002183
Shinhan Bank	17	4.12E-12	0.000549	5.51E-17	4.98E-05	0	0.002863
Societe Generale	18	3.54E-06	1.29E-05	2.28E-32	0.000917	0	0.002581
Sonali Bank Ltd.	19	0.000149	0.000624	0.001189	0.000862	0.001798	0.002234
Standard Chartered Bank	20	0.000468	0.001173	0.001048	0.002657	0.002706	0.002138
State Bank of Mauritius Ltd.	21	5.4E-05	0.001542	4.04E-06	8.64E-07	0.002214	0.001906
The Bank of Nova Scotia	22	2.54E-63	4.15E-06	0.000102	0.001555	0.002866	0.003161
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	23	1.08E-07	2.94E-05	0.000171	0.000177	0.002741	0.002631
The Hongkong and Shanghai Banking Corpn.Ltd.	24	0.000215	0.001037	0.000548	0.001836	0.002276	0.002918

The IBM SPSS menu selection opens the Hierarchical Clustering Analysis main dialog window. After processing the data for Cluster Analysis using SPSS, the output obtained is as under:-

**Table 4 Case Processing Summary<sup>a</sup>**

Cases					
Valid		Missing		Total	
N	Percent	N	Percent	N	Percent
24	58.5%	17	41.5%	41	100.0%

a. Rescaled Reversed Absolute Squared Euclidean Distance used

Table 4 for Case Processing Summary shows that there are 24 valid cases present for cluster analysis, there is no missing case and all 24 cases are analyzed.

Table 5 Agglomeration Schedule shows the procedure followed by cluster analysis at Stage 1 is to cluster the two cases that have the smallest squared Euclidean distance between them. Then SPSS will re-compute the distance measures between all single cases and clusters (there is only one cluster of two cases after the first step). Next, the 2 cases (or clusters) with the smallest distance will be combined, yielding either 2 clusters of 2 cases (with remaining cases un-clustered) or one cluster of 3 (with remaining cases un-clustered). This process continues until all cases are clustered into a desired number of clusters.

**Table 5 Agglomeration Schedule**

Stage	Cluster Combined		Coefficient s	Stage Cluster First Appears		Next Stage
	Cluster 1	Cluster 2		Cluster 1	Cluster 2	
1	16	23	1.000	0	0	17
2	6	19	.963	0	0	16
3	8	24	.960	0	0	15
4	2	12	.956	0	0	13
5	7	13	.954	0	0	11
6	17	18	.951	0	0	14
7	9	11	.912	0	0	17
8	10	20	.908	0	0	15
9	14	15	.887	0	0	14
10	4	5	.857	0	0	18
11	7	22	.672	5	0	19
12	1	3	.635	0	0	16
13	2	21	.620	4	0	20
14	14	17	.418	9	6	22
15	8	10	.413	3	8	18
16	1	6	.386	12	2	21
17	9	16	.295	7	1	19
18	4	8	.210	10	15	20
19	7	9	.169	11	17	21
20	2	4	.040	13	18	23
21	1	7	-.031	16	19	22
22	1	14	-.041	21	14	23
23	1	2	-.069	22	20	0

**Table 6  
Cluster Membership**

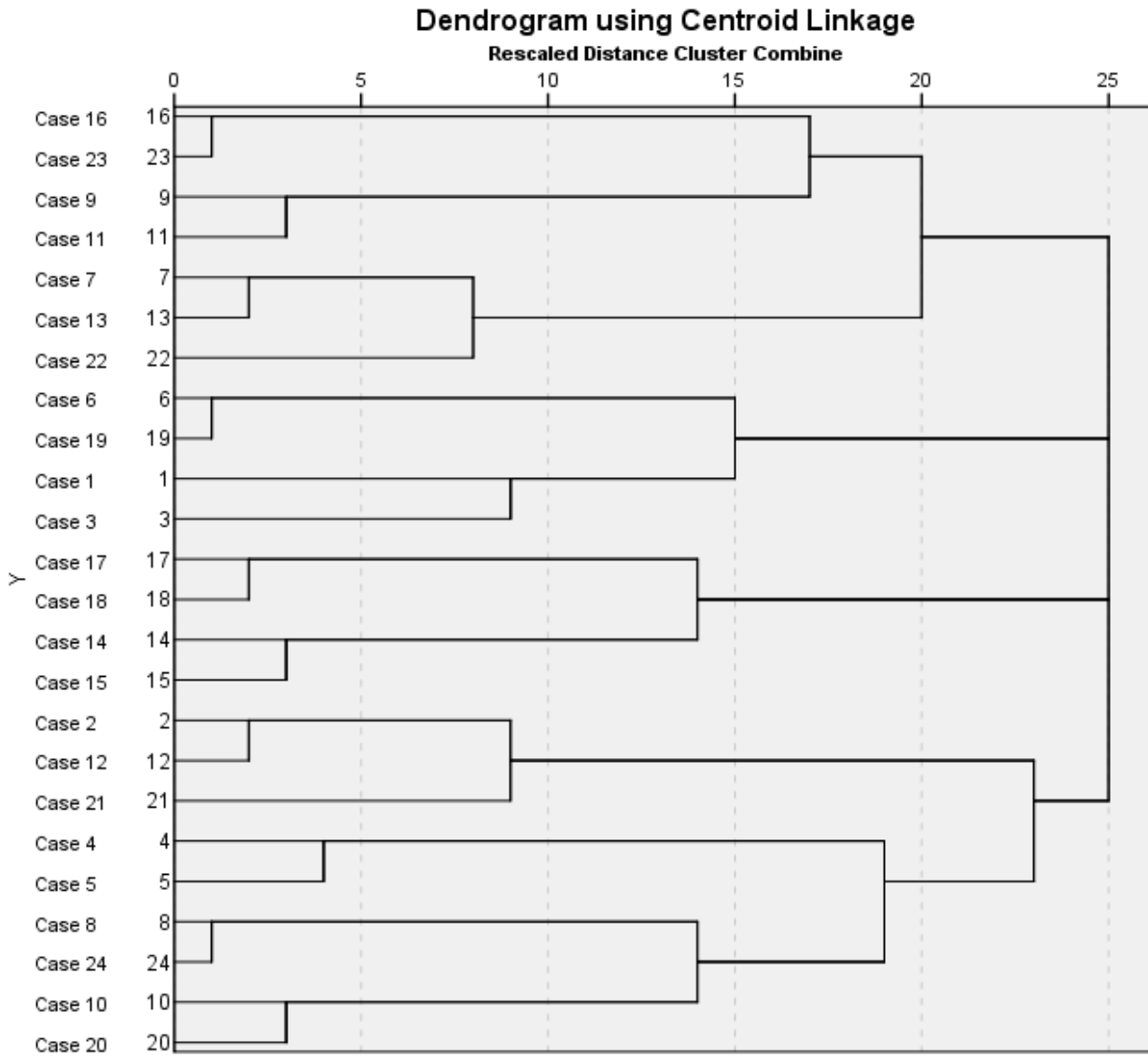
Case	3 Clusters
1:Case 1	1
2:Case 2	2
3:Case 3	1
4:Case 4	2
5:Case 5	2
6:Case 6	1
7:Case 7	1
8:Case 8	2
9:Case 9	1
10:Case 10	2
11:Case 11	1
12:Case 12	2
13:Case 13	1

14:Case 14	3
15:Case 15	3
16:Case 16	1
17:Case 17	3
18:Case 18	3
19:Case 19	1
20:Case 20	2
21:Case 21	2
22:Case 22	1
23:Case 23	1
24:Case 24	2

Table 6 indicates Cluster Membership

**Horizontal Icicle** is similar to a dendrogram. Here, the plot is read from right-to-left and selection of cases is done on the basis of Euclidian distance. In the subsequent steps, the closest variables (or clusters) are combined.

Graph 3: Dendrogram



Graph 3 indicates “Dendrogram”.

**Characteristics of - 3 Models:** - These are as under: -

**Model A:** - This is basically cluster 1. It includes 11 cases out of 24 cases analyzed during the research. Table 7 indicates 11 cases along with values of standard deviation related to Morlet Transform with respect to specific case covering six critical variables. This table also shows mean value of standard deviation related to Morlet Transform for 11 cases involved in Model-A.



Table 7: Model-A

Model A(11 No.Cases)					Net NPA	Return
					as a % of	on
Case No.	CDR	IDR	Business F	CAR	Net	Assets
					Asvances	
1	0.000476538	0.001057	0.001933	0.001268	0.001852	0.000672
3	0	0.000167	0.002	0.00201	0.002395	0.002137
6	1.4021E-09	0.000375	0.001036	0.000809	0.002291	0.001605
7	3.51048E-22	0	1.09E-45	0.002466	0.002786	0.002518
9	7.49701E-77	1.48E-06	5.32E-05	0.001114	0.001622	0.001377
11	0.000346586	1.35E-07	3E-99	0.001827	0.002599	0.00106
13	0.000258539	0.000428	0.000125	0.002154	0.003096	0.002165
16	2.14758E-21	4.01E-06	2.93E-06	0.00016	0.002747	0.002183
19	0.000148773	0.000624	0.001189	0.000862	0.001798	0.002234
22	2.53719E-63	4.15E-06	0.000102	0.001555	0.002866	0.003161
23	1.08094E-07	2.94E-05	0.000171	0.000177	0.002741	0.002631
Mean	0.000142357	0.000274	0.000682	0.00063	0.000404	0.00058

**Model B:** - This is basically cluster 2. It includes 9 cases out of 24 cases analyzed during the research. Table 8 indicates 9 cases along with values of standard deviation related to Morlet Transform with respect to specific case covering six critical variables. This table also shows mean value of standard deviation related to Morlet Transform for 9 cases involved in Model-B.

Table 8: Model-B

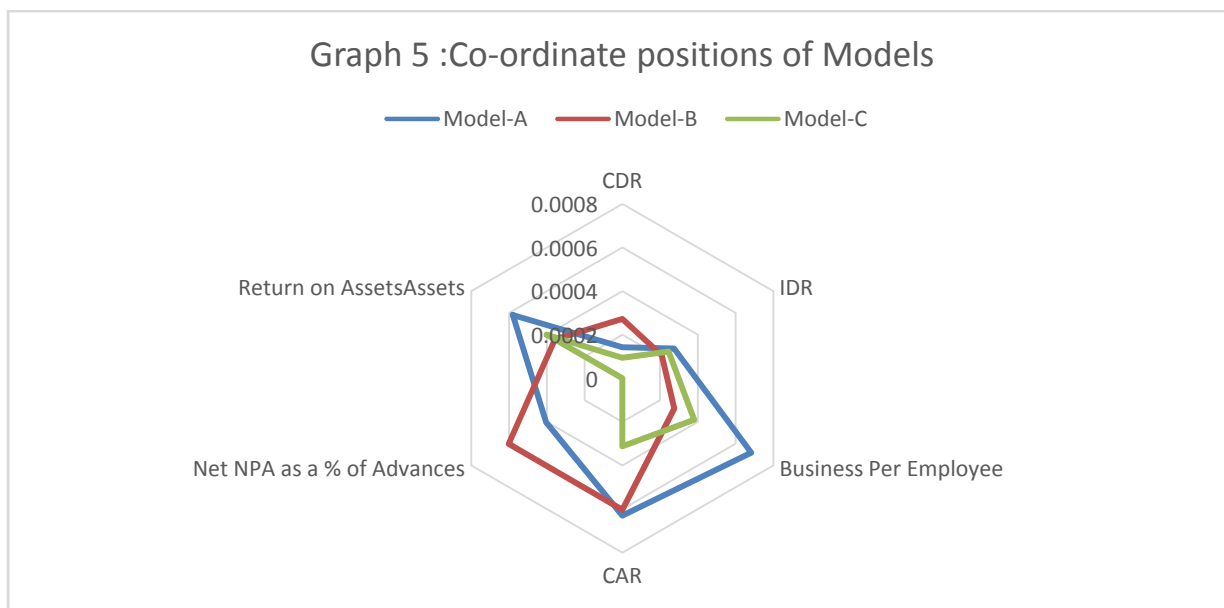
Model B ( 9 No.Cases)					Net NPA	Return
					as a % of	on
Case No.	CDR	IDR	Business F	CAR	Net	Assets
2	4.04976E-06	0.00145	0.000272	0.000809	0.003558	0.002356
4	0.000817076	0.000774	0.000488	0.002098	0.000315	0.002181
5	0.000892031	0.001424	0.000161	0.001217	0.001983	0.001928
8	0.000427581	0.001033	2.11E-10	0.001715	0.00269	0.003271
10	0.000494198	0.001195	4.16E-06	0.002049	0.002325	0.002294
12	1.46947E-07	0.001449	3.7E-06	0.001849	0.003211	0.002621
20	0.000468181	0.001173	0.001048	0.002657	0.002706	0.002138
21	5.40421E-05	0.001542	4.04E-06	8.64E-07	0.002214	0.001906
24	0.000214679	0.001037	0.000548	0.001836	0.002276	0.002918
Mean	0.000272387	0.000209	0.000276	0.000604	0.000602	0.000357

**Model C:** - This is basically cluster 3. It includes 4 cases out of 24 cases analyzed during the research. Table 9 indicates 4 cases along with values of standard deviation related to Morlet Transform with respect to specific case covering six critical variables. This table also shows mean value of standard deviation related to Morlet Transform for 4 cases involved in Model-C.

Table 9: Model-C

Model C (4 No.Cases)					Net NPA	Return
					as a % of	on
Case No.	CDR	IDR	Business F	CAR	Net	Assets
14	0.000269137	0.000483	0.001017	5.45E-05	0	0.002071
15	5.19132E-05	3.69E-05	2.83E-06	0.000149	0	0.001773
17	4.11855E-12	0.000549	5.51E-17	4.98E-05	0	0.002863
18	3.5363E-06	1.29E-05	2.28E-32	0.000917	0	0.002581
Mean	9.3995E-05	0.000246	0.000381	0.000312	0	0.0004

**Graph 5. Radar type graph indicating co-ordinate position of models:-**



Graph 5, indicate co-ordinate position of Model-A, Model-B and Model-C. As shown by this graph, Model-A covers maximum or highest area, Model-B covers area at moderate or medium level whereas Model-C covers the minimum or lowest area on the graph. This is mainly because of descending order of values of standard deviation related to Morlet Wavelet Transform analysis of these models.

**Table 10: Comparison amongst models:-**

	Model-A	Model-B	Model-C		Model-A	Model-B	Model-C
CDR	0.000142	0.000272	9.4E-05		Medium	High	Low
IDR	0.000274	0.000209	0.000246		High	Low	Medium
Business P	0.000682	0.000276	0.000381		High	Low	Medium
CAR	0.00063	0.000604	0.000312		High	Medium	Low
Net NPA as a %	0.000404	0.000602	0		Medium	High	Low
Return on	0.00058	0.000357	0.0004		High	Low	Medium

Table 10 indicates that Model-C consists of 3 low values and 3 medium values for standard deviation related to Morlet Wavelet Transform for critical variables. It has low values for standard deviation related to Morlet Wavelet Transform for critical variables namely CDR-Credit to Deposit ratio, CAR- Capital Adequacy ratio, Net NPA as a % of Advances whereas it has medium values for standard deviation related to Morlet Wavelet Transform for critical variables namely IDR-Investments to Deposits ratio, Business per Employee ratio and Return on Assets ratio. This indicates that foreign banks adopting business practices model as per Model-C have the **least variation** for standard deviation related to Morlet Wavelet Transform for critical variables while carrying out financial operations in India with specific business practices giving stress on critical variables.

### Conclusion

The objective of this research was achieved by identifying the most important models which could affect the financial performance of foreign banks operating in India. Another objective was achieved by developing three models using Morlet Wavelet Transform analysis and cluster analysis in the absence of self- defined models. On the basis of the study, we conclude that only Model-C possesses lower values for standard deviation related to Morlet Wavelet Transform for critical financial variables namely CDR-Credit to Deposit ratio, CAR- Capital Adequacy ratio, Net NPA as a % of Advances IDR-Investments to Deposits ratio, Business per Employee ratio and Return on Assets ratio for financial performance of foreign banks operating in India during the observation period. This trend is followed by Model-B and further by Model-A with substantial increase in values for standard deviation related to Morlet Wavelet Transform which indicates that there is no consistency while performing financial function by foreign banks in Model-B or Model-A during the observation period. It is also concluded that this research is helpful to the foreign banks to become more competitive and compatible in the light of RBI's guidelines and roadmap for foreign banks operating in India.

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# Analysis of the Consumer Protection Bill 2018: Takeaway for Pharmaceutical Companies in Maharashtra

**Khalid Arshad**<sup>1</sup>

Assistant Professor  
Abeda Inamdar Senior College, Pune

**Dr. Aftab Alam**<sup>2</sup>

Assistant Professor  
HOD, Business Economics  
Abeda Inamdar Senior College, Pune

## **Abstract:**

*A bill to protect the rights of consumers and providing a perfect mechanism for redressal of consumer's complaints regarding goods or services was passed by the Lok Sabha on 20 December 2018. This bill will replace the Consumer Protection Act 1986, after going through Rajya Sabha. The Consumer Protection Act 1986 was amended thrice but still it was not perfect to deal with the challenges posed by online transactions, digital marketing and telemarketing etc. [1] The pharmaceutical sector operates distinctively from other businesses when compared in terms of distribution chains and promotion methods. As the said sector is one of a highly regulated market in India. With the revolution of e-businesses and online services, pharmaceutical businesses are also entering in online retail and digital marketing. Since the Consumer Protection Bill 2018 deals with all the challenges posed by E-businesses, it is highly important for Pharmaceutical sector to completely analyse it and make changes accordingly, as the sector is not only one of a highly regulated sectors but also one of a heavy cost and profit centre of Indian Economy. In this research paper, we will try to briefly analyse the said bill and will see what the bill has for pharmaceutical sector of Maharashtra. The old Consumer Protection Act (1986), despite of various modifications, was not perfect to deal with the challenges posed by E-businesses.*

**Keywords:** the Consumer Protection Bill, Consumer Protection Act Pharmaceuticals

## **Introduction**

Consumer is the last link of a business product / service delivery chain. In traditional business systems the distribution chain consists of intermediaries between the manufacturer of service and the consumer or the end user, whereas the recent developments resulted in reduction of distribution chain.

With the revolution in information technology almost all businesses today focusing on going online or adopting modern marketing practices like targeted internet advertisements or digital marketing etc. The growth in the use of modern sales and marketing practices resulted in increased consumer businesses communications, which has the highest probability of quickly turning into sales. Since the prospect can be directly approached by the company for promotion of product or services, and the probability of getting results of promotional programs is high with the advanced promotional practices, few companies tried to take wrong advantage of these technological advancements. There were many cases recorded where consumers were misguided with the advertisements or cheated. [2]

The Consumer Protection Bill 2018 is created considering all these facts. The Consumer Protection Bill 2018 will replace the Consumer Protection Act 1986, after going through Rajya Sabha. The Consumer Protection Act 1986 was amended thrice but still it was not perfect to deal with the challenges posed by online transactions, digital marketing and telemarketing etc. [3]

According to the Corporate Affairs Ministry; the objective of the Bill is “to provide for the protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers’ disputes.” [4]

The Bill seeks to set up a central consumer protection authority (CCPA) to "promote, protect and enforce the rights of the consumers." The CCPA can act on complaints of unfair trade practices, issue safety guidelines,

order product recall or discontinuation of services, refer complaints to other regulators, and has disciplinary powers such as imposing penalties."

The Bill also seeks to provide Consumer Disputes Redressal Commissions at national, State and district-levels to investigate consumer complaints. Consumer Protection Councils will also be set up at the district, State, and national level, as advisory bodies. Consumer mediation cells will also be set-up on the same lines. [5]

### **Objectives**

- To learn Consumer Protection Bill of 2018.
- To calculate the Consumer Protection Bill 2018 for pharmaceutical companies of India, particularly companies of Maharashtra.
- To compare the Consumer Protection Bill 2018 with Consumer Protection Act, 1986

### **Research Methodology**

The particular types of data and / or information needed to perform a secondary analysis will depend on the focus of study. For this research purpose, secondary data analysis is usually conducted to increase in-depth perceptive of the study. Secondary data review and analysis involves collecting information, statistics, and other relevant data at various levels of aggregation in order to conduct a requirement analysis of the subject and mostly the paper is based on the information retrieved from the internet via journals, research papers and expert opinions on the same subject matter

### **Consumer rights**

According to the new Bill, "consumer rights" as the right to be confined against the marketing of goods, products or services which is dangerous to life and property. It is also the right to be knowledge about the quality, quantity, influence, purity, standard and price of goods, products or services; and to be certain of access to a variety of goods, products and services at competitive prices. It also includes the authority to be heard and to be confident that the consumer's interests will receive due consideration at appropriate fora; to inquire about redressal against unjust or preventive trade practices or fraudulent use of consumers; and the right to consumer awareness. [6]

### **Product liability**

The Bill allows a person to make a claim of product liability against a producer, retailer, or service provider for any fault in a product or deficiency in a service. A claim for reimbursement can be made for any damage cause, including:

- (i) Property damage;
- (ii) Personal damage, sickness, or loss; and
- (iii) Mental torture or emotional harm associated with these conditions. [7]

The CCPA has the authority to direct the removal of a misleading advertisement, take disciplinary action such as imprisonment or striking penalties on the advertiser and seller, and even barring a person from endorsing the product or service for up to a year. The Bill also lists penal actions against those who are found manufacturing, storing, distributing, selling, or importing products that are spurious or contain adulterants. [8][9]

	<b>Consumer Protection Act, 1986</b>	<b>Consumer Protection Bill, 2018</b>
Scope:	All goods and services were considered, whereas 'free' and 'personal services' were excluded	All goods and services, including housing construction, telecom and all modes of transactions (online transactions, teleshopping transactions, etc.) for consideration.  'Free' and 'personal services' are barred.
E-commerce	No stipulation.	Direct selling, e-commerce and electronic service providers are defined.
excessive trade practices	Includes 6 types of such practices, like phony representation, misleading advertisements etc.	The new Bill includes three types of practices to the list:  (i) failure to issue a bill or receipt  (ii) refusal to accept a good returned within 30 days; and  (iii) Disclosure of personal information, unless required by law or in public interest.
Product charge	No stipulation.	Claim for product liability can be made against manufacturer or service provider or seller. Compensation can be obtained by proving specified conditions in the Bill.
Unfair contracts	No provision.	Defined six contract terms which may be held as unfair.
Central Protection Councils	Central Protection Councils are to endorse and protect the rights of consumers. Recognized at regional levels.	CPCs 'advisory bodies' for the support and safety of consumer rights. CPCs at the all regional level.
Regulator	No provision.	Central Consumer Protection Authority (CCPA) to guard, support and enforce the privileges of consumers. Central Consumer Protection Authority can:  (i) issue safety notices; (ii) pass orders to recollect goods, avoid unfair practices, and repay purchase price paid; and (iii) impose penalty for phony and misleading advertisements.
Monetary commission power authority	<b>District:</b> Up to Rs 20 lakhs; <b>State:</b> Between Rs 20 lakhs and up to Rs 1 crore; <b>National:</b> Above Rs one crore.	<b>District:</b> Up to Rs one crore; <b>State:</b> Between Rs 1 crore and Rs 10 crore; <b>National:</b> above Rs 10 crore.
Collection of	<b>District:</b> Headed by current /previous	<b>District:</b> Headed by a president and at

Commissions	District Judge and two members.  <b>State:</b> Headed by a current or former High Court Judge and at least two members.  <b>National:</b> Headed by a current or former Supreme Court Judge and at least four members.	least two members.  <b>State:</b> Headed by a president and at least four members.  <b>National:</b> Headed by a president and at least four members.
alternating dispute amends mechanism	No provision.	Mediation cells will be added to the District, State, and National Commissions.
Penalties	If a person does not comply with orders of the Commissions, he may face custody between one month and three years or fine between Rs 2,000 to Rs 10,000, or both.	If a person does not comply with orders of the Commissions, he may face custody up to three years, or a fine not less than Rs 25,000 extendable to Rs one lakh, or both.

### **Comparison between Consumer Protection Bill, 2018 and Consumer Protection Act, 1986**

:Sources: [10], [11]

#### **Impact on Pharmaceutical Companies**

All pharmaceutical companies in Maharashtra are governing by the rules defined by government of India. For advertisements by pharmaceutical companies there are clear acts called “The drugs and magic remedies (objectionable advertisements) act, 1954” and ‘The Drugs and Cosmetics Rules, 1945’

According to The drugs and magic remedies (objectionable advertisements) act, "no person shall take part in the publication of any advertisement referring to any drug in terms which suggest or are calculated to lead to the use of that drug for the diagnosis, cure, mitigation, treatment or prevention of any disease, disorder or condition specified in the Schedule, or any other disease, disorder or condition (by whatsoever name called) which maybe specified in the rules made under this Act." [12]

By reading the above act we can understand that the advertisement or promotion by pharmaceutical companies is completely govern by in India. Still pharmaceutical companies find places where they can advertise. There are examples of pharmaceutical companies advertising drugs which are not allowed by law. [13]

#### **Major Takeaways for the Pharmaceutical Companies from the Consumer Protection Bill, 2018:**

##### **E-commerce**

The E-Commerce, Direct selling and electronic service providers are defined in the new bill hence pharmaceutical companies need to consider it at the time of online sales of drugs.

##### **Unfair trade practices**

The Schedule (iii) guides about disclosure of personal information unless it is required by law or in public interest. Hence Pharma companies must make sure that they are complying with it at the time of disclosure of clinical trials data or any relevant information.



## **Product liability**

There was no provision in the earlier bill for Product liability. In the current act, claim for product liability can be made against manufacturer or service provider or seller. Compensation can be obtained by proving specified conditions in the Bill. This part requires high attention from Pharmaceutical companies. The quality of production and GMP should be followed to avoid any claim regarding product liability.

## **Unfair contracts**

In the new bill, six types of contract terms are held as unfair. The schedule (vi) guides about imposing unreasonable charge or obligations which put the consumer at a disadvantage. Pharmaceutical companies need to be careful about this provision especially at the time of pricing policy.

## **Regulator**

Unlike the Consumer Protection Act 1986, pharmaceutical companies need to comply with the regulator.

## **Conclusion**

The Consumer Protection Bill 2018 will replace the Consumer Protection Act 1986. The objective of the Bill is 'to provide for the protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes.

With the new consumer protection bill, pharmaceutical companies need to make sure that they are complying with the new act. As various new schedules are incorporated in the act which were not at all present in the earlier act. At the same time pharmaceutical companies are also moving towards innovative ways of marketing and promotion, which is regulated by government of India.

In short, The Consumer Protection Bill 2018 is highly focused on consumer's rights which pharmaceutical companies needs to take into consideration.

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# A Study of Waste Electrical and Electronics Equipment (WEEE) – A Step towards Environment Sustainability

**Yashika Gurnani**

Teacher

Rosary International School.Camp.Pune.

yashika.gurnani1979@gmail.com

## Abstract

*Electronics industry is the world's largest and fastest growing manufacturing industry. But the increase in sales of electronic equipments and their rapid obsolescence such as advancement in technology, change in fashion, style and status has resulted in generation of electronic waste which is popularly known as E-waste. E-waste contains many hazardous components that may negatively impact the environment and adversely affect human health if not properly managed. E-waste problem is of global concern due to the production and disposal of waste in a globalized world. In India, e-waste management has greater significance not only due to the generation of its own e-waste but also because of the dumping of e-waste from developed countries. This is coupled with India's lack of appropriate infrastructure and procedures for its disposal and recycling. The challenge is to develop innovative and cost-effective solutions to decontaminate polluted environments due to E-waste, to make them safe for human habitation and consumption, and to protect the functioning of the ecosystems which support life. This paper discusses the different categories of E-waste, categorization of different hazardous components present in e-waste, methods of E-waste management and an innovative bioremediation technologies which have become an eco-friendly and fruitful method to conventional clean up technologies to decontaminate e-waste from the soil-water environment, the challenges in which India is facing for the management of E-waste and suggestion for a formal method of E-waste recycling in India.*

**Keywords:** WEEE, sustainability, waste, electrical equipment, refrigeration, hazardous, 3Rs.



## Introduction

### What is WEEE?

“WEEE means Waste Electrical and Electronics Equipment”. WEEE is waste electrical and electronic equipment. It is end-of-life electrical and electronic equipment and covers virtually everything with a plug or battery. Electronic waste or e-waste describes discarded electrical or electronic. It is classed as either household or non-household waste. This research intends to study the adverse effect of the electronic waste in the environment. Developing countries are facing enormous challenges related to the generation and management of E-waste, which are either internally generated or imported illegally; India is no exception to it. During the course of the study it has been found that there is an urgent need to address the issues related to E-waste in India in order to avoid its detrimental future consequences.

Devices use electronics which are destined for reuse, resale, salvage, recycling or disposal are also considered e-waste. Informal processing of e-waste in developing countries can lead to adverse human health effects and environment pollution. Electronics scrap components such as CPUs contain potentially harmful components such as lead, cadmium, and beryllium or brominate flame retardants

### **How Is It Effecting Environment**

The world has witness a dramatic shift in technology in the past few years. Each and every product which has changed life of Millions has gone through various phases of transformation. The life cycle of computers, printers, television, mobile phones, music systems, refrigerators and others have gone down sharply in the past few years which has resulted in obsolescence of the previous versions and in turn became e-waste. WEEE recyclers have become a boon for countries worldwide as they help in reducing the carbon footprint by recycling the e-waste in the most environment friendly way.

### **Literature review**

D. Sinha-Khetriwalet al.2005 presents a comparison of the end- of-life treatment of the life treatment of electronics in two countries, Switzerland and India. S. B Wath.2010 gives an idea of E-waste composition, categorization, Global and Indian E-waste scenarios, prospects of recoverable, recyclable and recovery processes followed, and their environmental and occupational hazards. P. Kiddeetal.2013 presents an overview of toxic substances present in the E-waste, their potential environmental and human health impacts together with management strategies currently being used in certain countries. Maria-Chrysovalantou Emmanouilet al.2013 analyzed the flow in an E-waste management system, present the processes included and the necessary information that interrelate and affect the processes. Pinto, 2008 provides a concise overview of India's current E-waste scenario, namely magnitude of the problem, environmental and health hazards, current disposal and recycling operations, existing legal frame work organizations working on this issue and recommendations for action. Pamela Chawla and Neelu Jain,2012 categorized future trends in obsolete computer generation in India in the next fifteen years using logistic model based approach.

### **Objectives**

- To find out the adverse effects of electronic waste in the environment.
- To analyse the importance of waste of electronic devices recyclers in recycling the e-waste in the most environment friendly way.
- To study the effect of E-waste impacts for both human beings as well as environment.
- To study the methods which are available for the management of E-Waste in India and to find the hazardous effects associated with it.

### **Research Methodology**

The specific types of information and / or data needed to conduct a secondary analysis will depend on the focus of study. For this research purpose, secondary data analysis is usually conducted in depth understanding of the study. Secondary data review and analysis involves collecting information, statistics, and other relevant data at various levels of aggregation in order to conduct a requirement analysis of the subject and mostly the paper is based on the information retrieved from the internet via journals, research papers and expert opinions on the same subject matter. A Methodology to Estimate Benefits from Waste of Electrical and Electronic Equipment

### **Recycling (WEEE)**

WEEE is Waste of Electrical and Electronic Equipment and its proper treatment is one of the challenges Europe is facing, due to the recovery of economically essential materials and to the proper treatment of environmentally critical components (CFC, PCB, Lead). Ecodom has developed the methodology presented

here, which covers all the phases of the WEEE recycling system and considers the impacts in term of energy used (GJ) and of equivalent CO<sub>2</sub> emissions. The considered system starts from waste generation and it ends with the recycling or final disposal of the components and materials obtained through the treatment. The information used for the computation come from Ecodom activity; for what concerns the coefficients (for instance Italian electrical mix), they come from literature. The novelty of this approach stands in evaluating environmental benefits through the comparison with a scenario in which Ecodom does not exist and WEEE is managed by other individuals (scenario B). The easiest hypothesis was to consider a scenario B in which WEEE is landfilled and all the raw materials it contains need to be mined. However, this option seems far from reality and overestimates the benefits. In the scenario B used, instead, half WEEE is managed by existing operators, with lower treatment performances, as recorded in 2008; the other half is managed by operators only interested in valuable fractions (iron, aluminum and copper). From this comparison, it is possible to highlight that environmental benefits from Ecodom activity, for each ton of WEEE managed in year 2015, are equal to 10.4 t CO<sub>2</sub> eq/t WEEE and 4.1 GJ/t WEEE. In conclusion, thanks to the introduced methodology, it is possible to evaluate environmental impacts of WEEE management activity and, through the comparison scenario, to calculate the environmental benefits, with complete transparency in hypothesis and calculations applied.

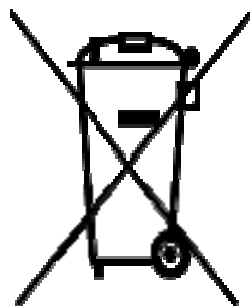
### Amount of Electronic Waste World Wide:

- The Environmental Protection Agency estimates that only 15-20% of e-waste is recycled, the rest of these electronics go directly into landfills and incinerators.
- According to a reports by UNEP titled, “Recycling from E-waste to resources”, the amount of e-waste being produced including mobile phones and computers could rise by as much as 500 percent over the next decade in some countries, such as India.
- The United state is the world leader in producing electronic wastes, tossing away about 3 million tons each year.
- China already produces about 2.3 million tone (2010 estimate) domestically, second only to the united states And, despite having banned e-waste imports, China remains a major e-waste dumping ground for developed countries.
- Society today revolves around technology and by the constant need for the newest and most high – tech products we are contributing to mass amount of e-waste.

### Is WEEE hazardous waste?

Dealing with hazardous WEEE. ... This includes **WEEE** that contains **hazardous** components or substances such as: polychlorinated biphenyls, eg.in capacitors. Ozone-depleting substances, eg in fridges and freezers.

### WEEE Symbol:



WEEE SYMBOL



E-WASTE

## Impacts of WEEE (e-waste)

Despite making up only 2% of the trash in landfills, e-waste accounts for nearly 70% of the toxic heavy metals in these landfills. The consequences of improper disposal of e-waste, both in landfills and other, non-designated dumping sites, are extremely serious, ranging from creating public health problems to polluting ecosystems for generations to come. Click below to learn more about how e-waste can hurt both human and ecosystem health.

Air | Soil | Water

### Air

How are ecosystems impacted?

Some animal species are more profoundly impacted by air pollution than others, which in addition to endangering these species, also endangers the biodiversity of regions that are chronically and heavily polluted. Over the long term, air pollution can hurt water quality, soil chemistry, and plant species, creating damaging and irreversible changes in ecosystems. For example, lead levels in air near informal recycling hubs like Guiyu, China can be up to three times those found in industrial European sites. Lead can be inhaled while still in the air and ingested when it returns to water and soil. Once ingested or inhaled, it can bio-accumulate up the food chain, causing disproportionate neurological damage to larger animals and wildlife, including human beings.

### Soil

How are ecosystems impacted?

Fundamentally, heavy metals (from improper e-waste disposal and incomplete recycling activities), PBDEs (from burning, shredding, and dismantling), dioxins/furans (from incomplete burning) and acidification from recycling practices which involve leaching change the composition of soil in unpredictable and complex ways. These changes can be very harmful to micro-organisms in the soil and plants, as well as animals and wildlife that rely on these plants for survival. Plants often suffer from damaged cell structure, altered metabolism, and reduced growth in contaminated soils. In addition, some plant species can be doubly impacted by e-waste through the contamination of underlying soil and through direct contact with contaminants. Lead, for example, can coat the surface of leaves, reducing the rate of photosynthesis within a plant and causing damage or death.

### Water

How are ecosystems impacted?

One of the biggest impacts to ecosystems through water sources contaminated by e-waste is through acidification of surface waterways. Acids used to extract and leach precious metals from e-waste during recycling and reuse enter into local waters when improperly handled. Acidification can kill marine and freshwater organisms, disrupt biodiversity, enable some species to dominate over others, and disrupt ecosystems at a level that extends far from communities that are involved in processing e-waste. An example of extreme acidification is evident in Guiyu, China where industrial waste and improper disposal of

electronic parts has left local streams black and polluted. The water supplies are extremely acidic, so much so that surface waters could disintegrate a penny within a few hours. If allowed to persist, acidification conditions can damage ecosystems to the point that recovery is unlikely or even impossible.

### **Why WEEE Recycling Is Important To Us**

The amount of Waste Electrical and Electronic Equipment (WEEE) produced in the world is growing rapidly. The hazardous materials inside the electronic equipment are causing environmental issues and disposing of your WEEE illegally can lead to pollution and obviously get you into trouble too. Consequently, you need to dispose of your computers and other e-waste in the correct manner. The best way would be to approach a WEEE certified recycling firm, preferably one who also offers data destruction/wipe services.

### **E-waste Management in India**



You are welcome to change your personal computer, cell phone, refrigerator, or for that matter any electronic or electrical gadget, but be careful while disposing of the old one. Throwing it into the dustbin is not the proper disposal of an electronic equipment which has attained obsolescence as per your judgment. It may end up adding to e-waste, which creates problems for the ecology in general and directly or indirectly for the living beings around there through air, water and soil pollution.

### **Management Techniques of E-Waste in India**

**Landfilling:** It is one of the most widely used methods for disposal of e-waste in India. Here, trenches are made on the flat surfaces and soil is excavated from the it. Then waste materials are buried in it, which is covered by a thick layer of soil.

**Incineration:** It is a controlled and complete combustion process, in which the waste material is burned in specially designed incinerators at a high temperature (900-10000C) (MoEF 2008). Some plants remove iron from the slag for recycling. By incineration some environmentally hazardous organic substances are converted into less hazardous compounds.

**Recycling:** Recycling is a process of dismantling i.e., removal of different parts of e-waste containing dangerous substances like, PCB, Hg, separation of plastic, removal of CRT, segregation of ferrous and non-ferrous metals and printed circuit boards, hard drives, floppy drives, Compact disks, mobiles, fax machines, printers, CPUs, memory chips, connecting wires and cables can be recycled.

### **Environmental Impacts due to Present Management Techniques of E-Waste adopted in India**

Hazards due to Land filling: Land filling can leak. They are not completely tight throughout their lifetimes and a certain amount of chemical and metal leaching may occur. Mercury will leach when certain electronic

devices, such as circuit breakers are destroyed, lead Hazards due to Incineration: Disadvantage *of incineration* are the emission of flue gases and the large amount of residues due to combustion. E-waste incineration leads to the annual emissions of cadmium and mercury. The incineration of brominated flame-retardants at a low temperature of 600-800°C may lead to the generation of extremely toxic polybrominated dioxins (PBDDs) and Polybrominated furans (PBDFs). Significant quantity of PVC is contained in e-waste, which makes the flue gas residues and air emissions particularly dangerous (MoEF 2008, research unit, Rajyasabha secretariate.2011, Shalabh *Agrawal* 2012, *Divya* Gupta 2012).

**Hazards due to Recycling:** Recycling of hazardous products have environmental benefit, only if there is a goal to redesign the product to use non-hazardous materials. The hazard associated with disassembly stage is the possibility of accidental spillages of hazardous substances. For example, mercury, found within light sources (fluorescent tubes in scanners, photocopiers, etc.) as well as switches, could be released into the air of a recycling facility upon breakage of the shell (Puckett and Smith, 2002).

### **INDIA'S Role in WEEE:**

India has emerged as fifth largest Electronic waste producer in world. Computer devices account for nearly 70% of e-waste, with the contribution of telecom sector being 12%, medical equipment being 8%, and electric equipment being 7% of the annual e-waste production. The Government, public sector companies, and private sector companies generate nearly 75% of electronic waste; with the contribution of individual household being only 16%. City-wise, Mumbai tops the list in producing electronic waste, followed by New Delhi, Bangalore and Chennai. State-wise Maharashtra ranks first in generation of electronic waste, followed by TamilNadu and Uttar Pradesh. Electronic waste account for 30% of lead and 70% of heavy metals found in landfills. These pollutants are responsible for groundwater contamination, air pollution and soil acidification.

### **Equipment Covered By WEEE:**

The goods covered by the Waste Electrical and Electronic Equipment (WEEE) Regulations fall into the following categories:

- Household appliances: fridges, radiators and air conditioning appliances, sewing machines, toasters and clocks.
- IT and telecommunications equipment: computers and their accessories, calculators and phones.
- Consumer equipment: TVs, radios and musical instruments
- Medical devices: dialysis machines, ventilators and radiotherapy equipment

### **Where can I dispose of electrical items?**

- We as conscious citizen of India we can actually contribute in reducing e-waste by depositing it in rightful manner.
- Thus awareness needs to be created among the citizen for disposing the e-wastes

### **Various services in Pune:**

- **Electronic Waste** management service, E Waste recycles Massive e-waste drive on World Environment etc.

### **Findings**

- E-waste should not be combined with unsorted municipal waste destined for landfills because electronic waste can contain different substances, many of which are toxic, such as lead, mercury, arsenic, cadmium,

etc. Bioremediation might be an environmental friendly and fruitful method complementary to engineering based approaches which is also a effective solution for environmental Sustainability. • Informal recycling leads to uncontrolled emission of hazardous toxics that are going into the air, water and soil. The health hazards from fumes, ashes and harmful chemicals affect not only the workers who come into contact with the e-waste, but also the environment. • As global hazardous waste always flows from origin to destinations with weaker environmental regulations, the dirty side of its recycling processes would never be properly addressed. • A policy should be designed and find out the effective ways to improve job quality in the recycling industry in India. A formal method of recycling will be a better option.

## **Conclusion**

### **How is WEEE doing? A global review of the management of electrical and electronic wastes**

This paper presents and critically analyses the current waste electrical and electronic equipment (WEEE) management practices in various countries and regions. Global trends in (i) the quantities and composition of WEEE; and (ii) the various strategies and practices adopted by selected countries to handle, regulate and prevent WEEE are comprehensively examined. The findings indicate that for (i), the quantities of WEEE generated are high and/or on the increase. IT and telecommunications equipment seem to be the dominant WEEE being generated, at least in terms of numbers, in Africa, in the poorer regions of Asia and in Latin/South America. However, the paper contends that the reported figures on quantities of WEEE generated may be grossly underestimated. For (ii), with the notable exception of Europe, many countries seem to be lacking or are slow in initiating, drafting and adopting WEEE regulations. Handling of WEEE in developing countries is typified by high rate of repair and reuse within a largely informal recycling sector. In both developed and developing nations, the land filling of WEEE is still a concern. It has been established that stockpiling of unwanted electrical and electronic products is common in both the USA and less developed economies. The paper also identifies and discusses four common priority areas for WEEE across the globe, namely: (i) resource depletion; (ii) ethical concerns; (iii) health and environmental issues; and (iv) WEEE take back strategies. Further, the paper discusses the future perspectives on WEEE generation, treatment, prevention and regulation. Four key conclusions are drawn from this review: global amounts of WEEE will continue unabated for some time due to emergence of new technologies and affordable electronics; informal recycling in developing nations has the potential of making a valuable contribution if their operations can be changed with strict safety standards as a priority; the pace of initiating and enacting WEEE specific legislation is very slow across the globe and in some cases non-existent; and globally, there is need for more accurate and current data on amounts and types of WEEE generated. Finally, through improved e-waste management in the major Indian cities, the e-waste initiatives taken in the country will achieve better environmental conditions and improve globalization. The aim of this research is to spread awareness among our consumers about the various issues involved in generation and management of e-waste, particularly from Indian perspective.



## Recommendations

- The country has twelve authorised e-waste recyclers including e-Parisara and Ash in Bangalore, Tessam in Chennai and Eco-Reco in Mumbai.
- Ramky Group is setting up the country's largest integrated e-waste management facility in Bangalore in collaboration with GTZ, while Attero is building an integrated e-waste recycling plant in Uttar Pradesh.
- Attero is NASA recognized technology innovator and India's leading recycler. **Attero** is the only company in India with the capability to extract **pure** metals including gold, silver, copper and other **rare** earth metals from e-waste.

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# Corporate Social Responsibility and Sustainability

**Mr. Devdatta Dhondiram Shete**

Asst.Professor- Agasti arts, commerce and  
D.r. science college Akole, tal-Akole,  
Dist-Ahmednagar, Akole-422601,  
State-Maharashtra.  
[E-mail-prof.shete2013@gmail.com](mailto:prof.shete2013@gmail.com)

## Abstract

*In recent years, the discussion about sustainability has risen above average and a huge amount of different terms have been established. This leads to a very broad and unspecified discussion about this topic, especially in economic and business management.*

*The aim of this paper is to find out – due to an extended literature study – where the focus in the discussion of Sustainable Development (SD) and Corporate Social Responsibility (CSR). Clusters have been identified which intend to clarify whether CSR correlates with the social dimension of SD as defined by Brundtland; whether CSR represents SD on a corporate level; whether SD and CSR are used synonymously; or whether articles exist which focus especially on the social dimension of SD but do not use terms such as CSR.*

*A framework is presented in which the relationship between SD and CSR is defined to ease further research in SD and CSR, moreover, to enhance the development of new methodologies and instruments towards the implementation of SD / CSR strategies into companies.*

**Keywords:** Sustainable Development, Corporate Social Responsibility, Corporate Sustainability

## Introduction

Corporations around the world are struggling with a new role, which is to meet the needs of the present generation without compromising the ability of the next generations to meet their own needs. Organizations are being called upon to take responsibility for the ways their operations impact societies and the natural environment. They are also being asked to apply sustainability principles to the ways in which they conduct their business. **Sustainability** refers to an organization's activities, typically considered voluntary, that demonstrate the inclusion of social and environmental concerns in business operations and in interactions with stakeholders.

To understand and enhance current efforts, the most socially responsible organizations continue to revise their short and long-term agendas, to stay ahead of rapidly changing challenges. The quality of relationships that a company has with its employees and other key stakeholders—such as customers, investors, suppliers, public and governmental officials, activists, and communities—is crucial to its success, as is its ability to respond to competitive conditions and corporate social responsibility (CSR).

These major transformations require national and global companies to approach their business in terms of sustainable development, and both individual and organizational leadership plays a major role in this change.

Corporate responsibility or sustainability is therefore a prominent feature of the business and society literature, addressing topics of business ethics, corporate social performance, global corporate citizenship, and stakeholder management.

This paper will present the knowledge related to CSR and sustainable development. The field addresses complex and critical issues, such as human rights, environmental protection, equal opportunities for all, fair competition, and the interdependencies that occur between organizations and society (Quinn, 2008). Ongoing research reveals that a variety of strategies, alliances and partnerships, and approaches are being used around the globe. The literature also reveals that although the aspiration of many corporations to contribute to a better world is great, translating that aspiration into reality proves to be somewhat of a challenge.

**Corporate Social Responsibility (CSR):** Corporate Social Responsibility (CSR) strategy, based on sound ethics and core values, offers clear business benefits. Sustainable development rests on three fundamental pillars: economic growth, ecological balance, and social progress. Business is not divorced from the rest of society. It is but one constituent part of society. The two are interdependent and it must be ensured, through mutual understanding and responsible behavior, that business's role in building a better future is recognized and encouraged by society. As an engine for social progress, CSR helps companies live up to their responsibilities as global citizens and local neighbors in a fast-changing world. And acting in a socially responsible manner is more than just an ethical duty for a company, but is something that actually has a bottom line pay-off. CSR, in broad summary, is the ethical behavior of a company towards society. In particular, this means management acting responsibly in its relationships with other stakeholders who have a legitimate interest in the business – not just the shareholders. No universally acceptable definition of CSR exists. Some suggest that CSR is about what business puts back – and can show it puts back – in return for the benefits it receives from society. This implies that the rights society bestows on business organizations come as an inclusive package that contains certain obligations to behave in a way society finds acceptable. A similar but more general definition says CSR is about the interaction of the corporation with the legal and social obligations of the societies in which it operates, and how it accounts for those obligations. The following, more formal definition emerged from an international meeting of the WBCSD. “Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.” WBCSD Stakeholder Dialogue on CSR, the Netherlands, Sept 6-8, 1998.

**Sustainability and CSR:** Emphasis on social environmental and economic sustainability has become a focus of many CSR efforts. Sustainability was originally viewed in terms of preserving the earth's resources. In 1987, the World Commission on Environment and Development published a landmark action plan for environmental sustainability. The commission, named after former Norwegian Prime Minister GroHarlenBrundlandt, defined sustainability as "meeting the needs of the present without compromising the ability of future generations to meet their needs." Companies are now challenged by stakeholders including customers, employees, investors and activists to develop a blueprint for how they will sustain economic prosperity while taking care of their employees and the environment”.

At the same time, mainstream investors are being challenged to ensure that they review CSR issues when analyzing companies. The United Nations Environment Program Financial Initiative asked one of the world's largest law firms to research whether institutional investors such as pension funds and insurance companies are legally permitted to integrate environmental, social and governance issues into their investment decision-making and ownership practices. The resulting report, released in October 2005,

concluded that investors were not only permitted to but also sometimes required to take such factors into account.

"Integrating environment, social and governance considerations into an investment analysis so as to more reliably predict financial performance is clearly permissible and is arguably required in all jurisdictions," the report concluded.

### **Evolution of SD and CSR:**

**Sustainable Development:** The origin of the term SD lies in the 18th century and was actually used in forestry. In those times, it was only allowed to cut down a certain number of trees so that a long-lasting protection of the tree population was guaranteed. This method ensured a continuous supply of wood without reducing resources for forthcoming generations. The Club of Rome precipitated an international discussion due to its report "Limits to Growth" (Meadows, 1972). In the course of this discussion, an eco-development approach was created which effected the protection of resources and environment coming to the fore. This development has led to the mission statement of SD we have today. In 1987, the World Commission on Environment and Development defined SD as an ethical concept and has become the major definition of SD: "Sustainable Development is a development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts: the concepts of —needs", in particular the essential needs of the world's poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization of the environments ability to meet present and future needs. Thus the goals of economic and social development must be defined in terms of sustainability in all countries developed or developing, market-oriented or centrally planned." cited in "Our Common Future" (World Commission on Environment and Development, 1987). Elkington goes more into detail when arguing that companies should not only focus on enhancing its value through maximizing profit and outcome but concentrate on environmental and social issues equally (Elkington, 1998). Therefore SD is defined as a model of triple-bottom-line.

**Corporate Social Responsibility:** Whereas the term SD has mainly started to be used in the 1980's, the framework of CSR has already been established in the 1950's and 60's. Bowen defined CSR in 1953 - as one of the first - as "... an obligation to pursue policies to make decisions and to follow lines of action which are compatible with the objectives and values of society" (Douglas et al., 2004). In the beginning, however, the term Social Responsibility was rather used than CSR. Social Responsibility assumes that economic and legal duties of the companies should be extended by certain responsibilities to society (McGuire, 1963). Carroll argues that Social Responsibility exists of four components such as economic, legal, ethical and discretionary expectations that society has of a company and that companies have to decide which layer they focus on (Carroll, 1979).

On the other hand, Friedman – as most known defender of the neoclassical view of economics – defines Social Responsibility completely differently: "There is one and only one social responsibility of business - to use its resources and engage in activities to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud" (Friedman, 1962). Until today this neoclassical view has been the primary paradigm of business. Concepts of SD and CSR criticize this point of view. Of course, the economic perspective is important but a company also has a burden of environmental and social responsibilities to handle. As Wood puts it, "the basic idea of corporate social responsibility is that business and society are interwoven rather than distinct entities; therefore,

society has certain expectations for appropriate business behavior and outcomes” (Wood, 1991). World Business Council for Sustainable Development (WBCSD) regards CSR as engine for the social dimension (social progress) which supports companies to fulfill their responsibilities as good citizens and defines CSR as "business' commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life: (WBCSD, 2006). On the other hand, the Commission of European Communities describes CSR as a “concept, whereby companies integrate social and environmental concerns into their business operations and interactions with their stakeholders on a voluntary basis” (Commission of the European Communities, 2001).

## **CSR is about Company Core Value**

According to the World Business Council for Sustainable Development (WBCSD) report for Corporate Social Responsibility; Issues which have emerged strongly from the work group are as follows:

### **Human Rights**

Human Rights are the universal rights that every person is entitled to enjoy and to have protected. The underlying idea of such rights – fundamental principles that should be respected in the treatment of all men, women and children – exists in some form in all cultures and societies. Such rights are enshrined in the Universal Declaration of Human Rights, adopted by the United Nations in 1948. The declaration covers two broad sets of rights: Civil and Political Rights; and Social and Cultural Rights. WBCSD dialogue Identified these sub-issues: Female/women’s rights; inter-generational equity; indigenous people survival rights; freedom from oppressive regimes; gay rights; disabled persons rights; freedom of speech.

### **Suggested to business that**

- Companies should publicly and explicitly express their support for human rights and provide awareness training for staff
- It is legitimate for a company to operate in all countries provided it supports human rights, creates an ‘island of integrity‘ around its operations (employees‘ families and local community), and that it speaks out on these issues
- Companies should keep human rights on the corporate ‘radar‘; be aware of what’s happening in other parts of the world and in different business sectors, and learn from others ‘good practices.
- International conventions can provide valuable guidance on duties and responsibilities. **Stakeholder Rights:** There is no argument that shareholders who own the company have the first call on the performance of management. But some argue that companies also have to satisfy a broader group of interested parties, commonly called stakeholders. These include not only shareholders, but also employees, customers/consumers, suppliers, communities and legislators. Such stakeholders are seen to have both influence and rights, which although different in kind and degree from those of shareholders, still demand respect.

### **Employee Rights**

Employee rights are embodied in the International Labour Organization’s Declaration on the Fundamental Principles and Rights at Work. These include: freedom of association and the right to collective bargaining; elimination of all forms of forced and compulsory labor; abolition of all child labor; and the elimination of discrimination in respect of employment and occupation.

WBCSD dialogue session noted:

- The key issue is freedom of association and the right to collective bargaining
- It should be recognized that down-sizing, mergers and layoffs will continue to happen but the process through which these corporate strategies take place is key
- It is assumed that companies will exert a higher level of social stewardship when dealing with employee rights
- A universal approach to worker rights will not work; companies must respect local customs and adjust practices accordingly. Diversity (cultural and gender) in the workplace is essential to attain better understanding and to devise best plans of action.

**Environmental Protection:** Protecting the environment from the impact of operations is a core responsibility. Besides their legal obligations, which differ according to region and country, corporations are seen to have a broad responsibility to protect the physical environment throughout their supply chains. They should commit to continuous improvements in eco-efficiency (doing more with less) and managing the full lifecycle of their product or service.

WBCSD dialogue session noted:

- Companies should be proactive on the environment and seek solutions that can lead to competitive advantage
- Responsible and leading companies pave the way for others but laggards ride free on such progress
- The severity or acuteness of a particular issue can create action. The nongovernmental community is largely responsible for driving an issue up the ‘acuteness scale’
- Environmental issues are inter-linked with many aspects of CSR.

**Community Involvement:** Community issues cover a broad range of activities, including community assistance programs; supporting educational needs; fostering a shared vision of a corporation’s role in the community; ensuring community health and safety; sponsorship; enabling employees to do voluntary work in the community; philanthropic giving.

WBCSD dialogue session noted

- Community relations should include a focus on core business impacts and interactions as well as on more traditional philanthropy
- Companies must deal with the tension between the priorities of different communities, such as those of employees and local residents
- Top management must make a sincere effort to understand community concerns and let the community know that their concerns are taken seriously by the company
- Building trust with the community demands consistency and long term commitment from the company.

**Supplier Relations:** Supply chains are mostly complex interrelationships between a wide range of companies. Corporations can be – and are – affected by the actions of their direct and indirect suppliers.

They can inherit the consequences of bad practices of those higher up the chain, such as the use of child labor and polluting production methods.

WBCSD dialogue session noted

- Traditional boundaries of responsibility along a supply chain are changing with an increase in pressure on companies to apply a full life cycle approach to their products
- Supply chain issues are highly variable depending on the industrial sector and percentage of market share
- There is a possibility that companies at the high-end of the supply chain can use their competitive positioning to influence others in the chain, especially through sectoral alliances such as the chemical industry's Responsible Care ® program
- Supplier relations should be a 'two-way street' with responsibility extending in both directions.

**Monitoring and assessing:** Effective management of CSR demands monitoring, measuring and reporting of performance against generally accepted indicators. The systems to achieve this are still in their infancy, but much can be learned from those developed over the past decade for the management, monitoring and reporting of environmental impacts and performance. This includes systems that can be independently verified.

WBCSD dialogue session noted:

- It is not the WBCSD's role to devise new codes or guidelines, but to help in the understanding and use of existing codes.

**Objective of the Study:** Over the last decades, sustainability has become very popular in modern economics. All terms such as CSR, Corporate Citizenship, Corporate Sustainability or Social Responsibility seem to go in the same direction: the prime objective is to find out where the focus in the sustainability discussion is and how the terms SD and CSR are defined.

**Research Methodology:** Secondary Data from the literature studied concerning CSR and Sustainable Development.

## **Conclusion**

According to the emergent literature, there is a growing awareness that business needs to manage its relationship with the wider society. Corporate leaders are responsible for their corporation's impact on society and the natural environment beyond legal compliance and the liability of individuals. More experienced leaders can gain new perspectives on how to grow in their approach to sustainability and how to develop innovative business models. CSR is becoming a leading principle of top management and of entrepreneurs.

CEOs have long been accountable to a varied group of stakeholders – employees and communities, as well as investors. The nature of these relationships is now changing in ways that significantly affect corporate performance.

In part due to the emergence of the Internet and continuing globalization, companies are becoming accountable for labor issues and working conditions in their partner's operations as well as their own.

Organizations can reexamine their behaviors and begin their journey toward a sustainable approach that is integrated into their business strategy. And thus for CSR and sustainable development, companies must:

1. Align and incorporate CSR with business strategy and integrate it across all operational functions. Thus, making it easy to invest (not spend) the funds necessary to achieve its objectives. 2. Implement an open information strategy for more transparent information sharing with multiple stakeholders.

3. Leverage transparency to increase the level of engagement of key constituents and customers. When these activities are done in combination, CSR can become a dimension of a company's successful competitive strategy. Done right, it offers a company improved relationships with all of its key constituents, more loyal customers, lower costs, higher revenues and an overall improvement of the business' standing in society.

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# **A Study of Economic Literacy and Sustainable Development with Context to India**

**Vaishali Deepak Sahoo**

Assistant Professor

Department of Commerce

Savitribai Phule Pune University

**Deepak Ranjan Sahoo**

Assistant Professor

Department of Commerce

MIT Arts Commerce and Science College

Alandi(D) Pune

## **Abstract**

*The present research paper covers certain key issues related with economic literacy, features of economic literacy. The authors have highlighted certain key issues associated with financial inclusion & its impact on neglected sections through society and sustainable development.*

**Key Words** - Financial Inclusion Financial Exclusion Economic Security

## **Introduction**

Economic literacy is though a term of recent origin but has wider implication on promotion of social equality. Most of the activities & phenomena occur due to absence of economic literacy. People do not have right understanding of economy. Usually fall prey various types of frauds and misleading activities. These are cheated from market sharks. People's funds are not necessarily economic literate people. It is easy to acquire funds but difficult in systematic uses of resources. The many regions & countries stay poor not due to absence of resources but economic prudence manner. Economic literacy indicates ability to right choices as well as to access feasibility of occurrence of deferent economic events. In this paper authors deals with challenges in developing regions.

**Statement of the Problem:** - In India there is no dearth of resources & where wealth generating opportunities an abandons. However, India is a steel rich land of poor people. Why they cannot take right opportunities. If one understand the absence of economic literacy and its implication on economic behaviour. Therefore the title of the paper is 'The challenges in Promotion of economic literacy in Developing Regions'.

## **Objectives of the Study**

- 1) To understand the growing importance of inclusive approach towards economy.
- 2) To identify implication of economic exclusiveness.
- 3) To examine prerequisites to develop pragmatics for promotion of Economic Democracy.
- 4) To understand how inclusive approach promote stable & sustainable economic systems.
- 5) To justify economic democracy, prerequisites for socio-political development.

## **Working Definitions**

- a) **Financial Inclusion:-**Financial inclusion or inclusive financing is the delivery of financial services at affordable costs to sections of disadvantaged and low-income segments of society, in contrast to financial exclusion where those services are not available or affordable.

- b) **Economic democracy:**-Economic democracy or stakeholder democracy is a socioeconomic philosophy that proposes to shift decision-making power from corporate managers and corporate shareholders to a larger group of public stakeholders that includes workers, customers, suppliers, neighbours and the broader public.
- c) **Economic stability:** -Economic stability refers to an absence of excessive fluctuations in the macro economy. An economy with fairly constant output growth and low and stable inflation would be considered economically stable.
- d) **Sustainable Development:** - "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."
- e) **Economic Security:**-Economic security or financial security is the condition of having stable income or other resources to support a standard of living now and in the foreseeable future. It includes: probable continued solvency. Predictability of the future cash flow of a person or other economic entity, such as a country.

**Relevance of the study:** The present study is indicating the growing importance of concept of economic literacy. Economic democracy depends on quality of people who are using the resources. Economic literacy is very important input for socio economic advances. The judicious use of resources, selection of right choice & distinguishing between economic and uneconomic activities requires economic literacy. Economic literacy is the foundation of financial & commercial literacy and promotes the most required economic prudence. This Economic Prudence is the key for development of trade, industry, & commerce.

## Review of Literature

The term economic literacy is not new a long number of sever & studies are already undertaken. It accesses level of economic literacy & its impact on socio-economic life of people. Most of authors & writes have written on economic literacy and its linkage with economic democracy or economic wellbeing even on extent of Financial Inclusion in particular society. Some important issues have conducted by major institutions are as follows;

The surveys are related with policies regarding Financial Inclusion.

B. Sujata & G Sushma have edited (A step towards Inclusive Growth) a recent value a society. Authors have collected reviews on the topic financial literacy & inclusive financial policies.

Anju Das- Financial Inclusion: An Economic Growth Driver highlighted various issues associated with various economic inclusions.

<b>Multi-country DEMAND-SIDE DATA SURVEYS on financial inclusion</b>				
<b>Survey</b>	<b>Description</b>	<b>Frequency</b>	<b>Country Coverage</b>	<b>Publicly Available</b>
Enterprise Surveys (World Bank)	Firm-level surveys, representative sample of a country's private sector. Broad range of business environment topics including access to finance measures	Every few years	Over 125 countries	Yes
Consumer Protection ,	Nationally representative survey of money	One time, with potential	Selected countries	Yes

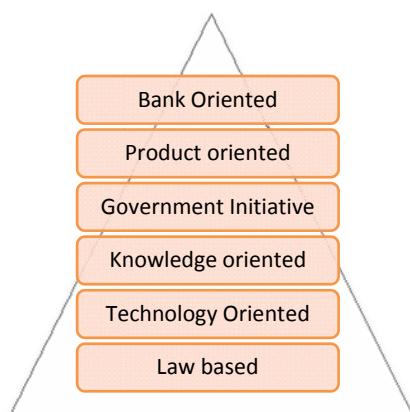
Financial Capability Surveys (World Bank)	management, planning behaviour, consumer protection awareness, and usage of financial products	to repeat	(17 to date)	
Living Standards Measurement Study (LSMS)	Multi-topic, nationally representative household data. Module on access to and usage of financial services available for some countries	Irregular	Selected countries	Partially
Source: Adapted from GPMI 2017. "Financial Inclusion Data. Assessing the Landscape and Country-level Target Approaches."				

**Premises of the study are follows:**

- 1) Economic literacy is an essential input for sustainable Economic Development. Therefore developing a broad, sound & comprehensive economic prudence for sustainable economic development.
- 2) Economic literacy is a combination of economic prudence, awareness & lack of rational decision making.

**Discussion**

**1.7.1: Financial Inclusion Strategy**



In most of cases People believe on economic approach towards Economy. The reason for adoption of Exclusive approach is obviously clear. Old school believes that people need not be considering for the purpose of economic planning and development. Rather there is nothing wrong excluding such people from process of economic planning and development.

The exclusive approach can be advocate as many ways. Few important arguments can be made as follows;

- a. Exclusive approach believes that Economic planning is associated only with people.
- b. Principle focus on economic planning should be enhance income & economic standard of people who pusses resources.
- c. The cost of including people with low resources is very high as such there is nothing wrong with exclusive approach.
  - 1) Economic exclusion is kind of socio economic curse to economy. Financial Exclusiveness occurs because of many important presumptions belief regarding process of economic development.

Financial Exclusion occurs because of variety of reason such as people with low ingredients & economic activities. People t have no occurs to any financial sectors, such as credit facilities, deposit facilities and access to economic facilities.

- 2) People who have uncertain income, low saving usually are unable to participate in main stream. Financial illiteracy & poor saving habits is the reason of financial Exclusion. Financial Exclusion results in various economic avails people borrow money at very high interest from informal sources. The day trap markets the life measurable & every possible means by earning is lost by repaying the interest & principle. The risk due to universal life because very high people who leave below poverty line. Usually have high exposure to unethical loan provider who prey shark in the economy.
- 3) These approaches focused on increasing no. of people brought under main stream of Financial system. A society promotes financial inclusion by participation of people in various financial and economic activities.

### Financial Exclusion in India

Only 27 % of the total farmer households access institutional credit. Thus financial exclusion is one of the order of 73 %. Besides, 51% do not access both formal & informal sources. Poor and weaker sections of society are predominately excluded from the formal banking structure. In most of the developed countries, 'financial exclusion' was less than 15% whereas around 60% of India's population was deprived of access to financial institutions according to NABARD

Table No: 1-Financial Exclusion at a Glance: State-wise

Table

NO: 2-

Sr. No	% of Financial Exclusion	States
1	>75	Meghalaya, Mizoram, Jharkhand, Uttarakhand, Arunachal Pradesh, Assam, Manipur.
2	51-75	Bihar, Orissa, Chattisgarh, Himachal Pradesh, Jammu and Kashmir, Uttar Pradesh, Nagaland, Tripura and Sikkim
3	25-50	Karnataka, Kerala, Madhya Pradesh, Maharashtra, Punjab, Tamil Nadu, West Bengal & Rajasthan.
4	<25	Andhra Pradesh, Delhi, Goa and Pondicherry.

Financial Exclusion at a Glance: Social Groups Wise

Sr. No.	Social Group	Population	% Excluded
1	Scheduled Cast (SC)	15592.6	49.77
2	Scheduled Tribes (ST)	11924.1	63.68
3	OBC	37043.0	48.58
4	Others	24688.4	50.58
5	Total	89248.1	51.36
	Marginal Farmers		80.00
	Non- Cultivators		80.00

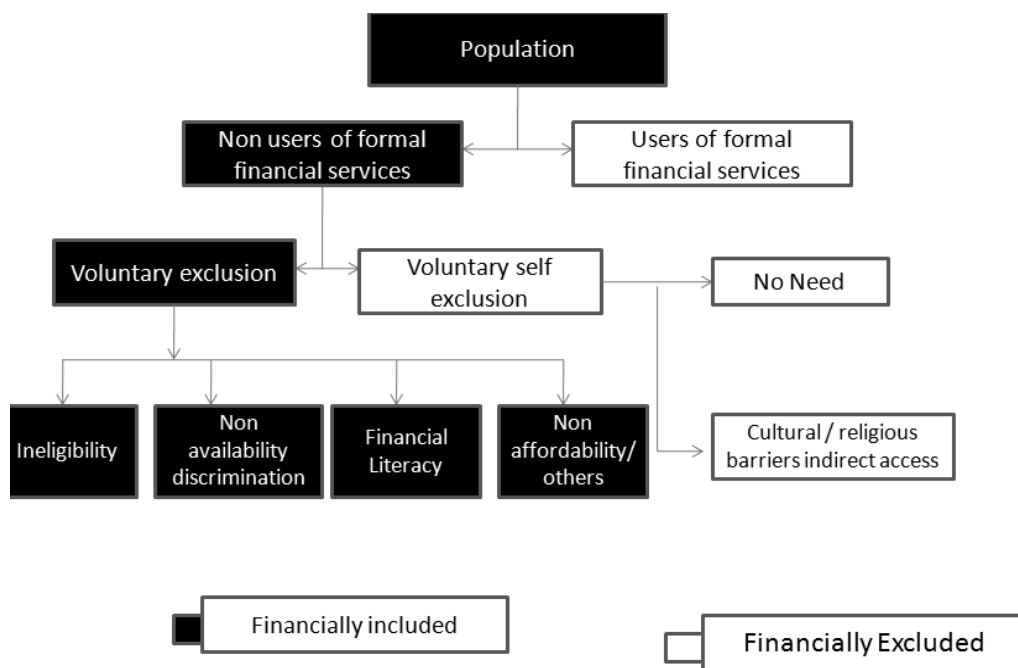
## Consequences of Financial Exclusion:

Financial exclusion is serious concern among low income households as well as small business, mainly located in semi-urban and rural areas and it will vary depending on the nature and extend of services denied. Ultimately, financial exclusion complicates day-to-day cash flow management. In case of low income households, the absence of excess to bank accounts and other saving opportunities result in

- Lack of Saving
- Low investments
- Lack of financial planning and security for old age.
- Difficulty in gaining access to creditor getting credit from informal sources at exorbitant rates.
- Increased unemployment due to lack of self- employment opportunities.

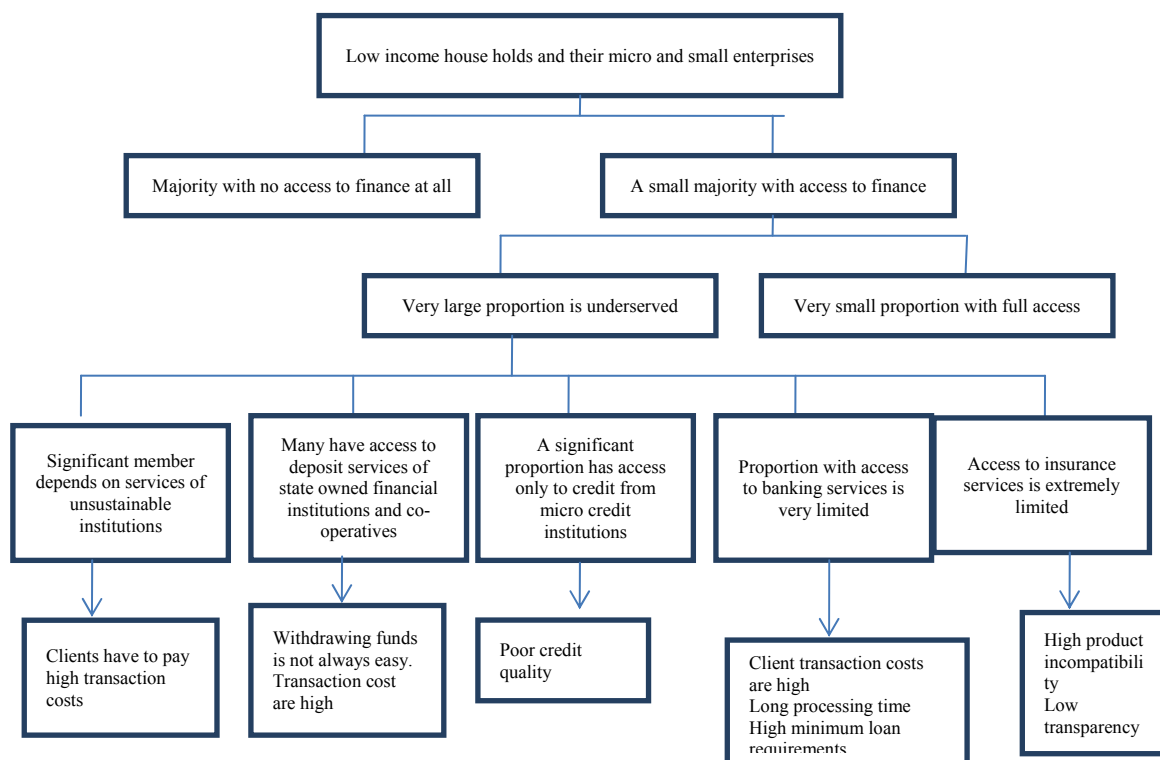
The small business may suffer due to loss of access to middle class and higher-income consumers, higher cash handling costs, delays in remittance of money, lots of reliance on private money lenders for small credits. It may thus be concluded that financial exclusion not only widen the ‘Rich- Poor divide’, it also lead to “social Exclusion”.

## Financial Exclusion Model



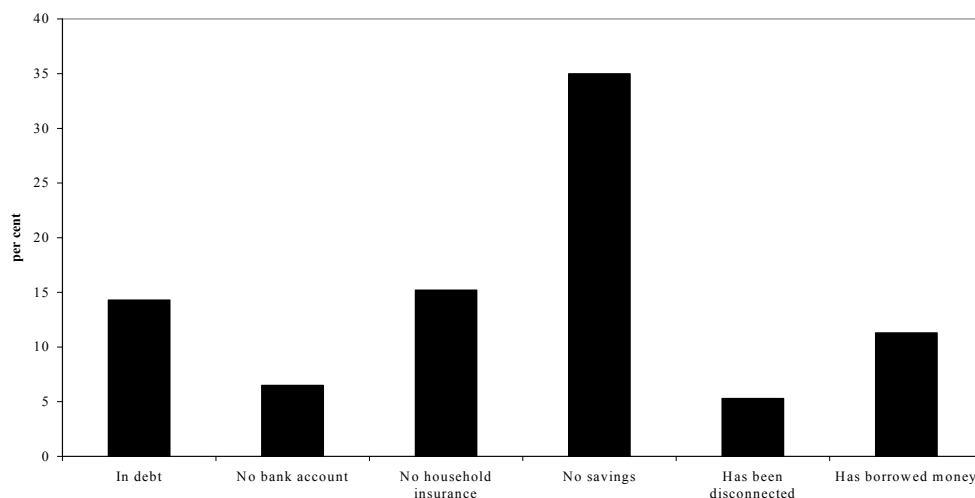
(Source: - Finance for All? Policies and Pitfalls in Expanding Access, World Bank Report 2008)

## Dimensions of Access Problems



(Source: - Asian Development Bank 2007)

## Indicators of Financial Exclusion



(Sources: -Working Paper No. 8-debt, money management and access to financial services: evidence from the 1999 pse survey of Britain -Denise Goodwin, Laura Adelman, Sue Middleton and Karl Ashworth)

Model projected above yearly indicated that most of reasons responsible for low inclusion of people are related within lack of institutional support & absence of broad based liberal institutions. Most of the financial institutions today have extension regulation, tide formal processor & do not have liberal approach towards Financial Inclusion. Unless and until a fare & clear system of inclusive economic policy is established is implemented. There is large no. of indicators exhibits reasons of financial exclusion.

## Conclusion

India is a very large country with diversified socio cultural set up. India cannot resurge only by giving political freedom & civil right to the people. It is important that participation in economic activities, opportunities for economic development& right to exercise their economic freedom from this point of view this is important for political development. The prerequisites for success of economic literacy are developing right sense of economic development. Economic literacy should be considered as foundation of economic democracy.

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# Green Marketing

**Suresh Patrappa Rokkadhatti**

Asst. Professor.

(A.E.Kalsekar College, Nallasopara)

## Abstract

*As the ecological issues are getting worse, the consumers' about the environmental protection have led to the diversification in consumer buying approach towards a green lifestyle. Therefore, firms are taking action to develop potential ecological approaches in the green market industry. Green marketing and green product development are useful techniques that are used by firms to increase competitive advantages and stand a chance of gaining the satisfaction of consumers in order to achieve the firms mission and vision. Green marketing and green product development have various benefits to firms in terms of increasing the sustainable environmental benefits and to increase the awareness of brand image of the firm. This study focuses on the concept of green marketing and product development, the different consumer consumption in regards to green marketing and green product development, and lastly examines the problems that firms faced when they have failed to implement green marketing and green product development.*

**Key words:** - Green marketing, Green product development, Competitive advantage, Ecological Approach, Consumer satisfaction.

## Introduction

Green marketing is the marketing of environmentally friendly products and services. It is becoming more popular as more people become concerned with environmental issues and decide that they want to spend their money in a way that is kinder to the planet. Green marketing can involve a number of different things, such as creating an eco-friendly product, using eco-friendly packaging, adopting sustainable business practices, or focusing marketing efforts on messages that communicate a product's green benefits. It is also known as sustainable marketing, environmental marketing or ecological marketing. Green, environmental and eco-marketing are part of the new marketing approaches which do not just refocus, adjust or enhance existing marketing thinking and practice, but seek to challenge those approaches and provide a substantially different perspective.

Why is green marketing important?

Green marketing enables companies to satisfy the expectations of customers, communities and government leaders regarding environmentally friendly operations. Companies at the forefront of green marketing may attract more customers and generate greater revenue. Also, the push for green marketing impacts preservation of natural resources upon which companies rely. Green marketing affects positively the health of people and the ecological

environment. People are aware of pure products and pure methods of producing, using, and disposing the products. It encourages integrated efforts for purity in production and consumption as well.

## Impacts of green marketing:

1. Now, people are insisting pure products – edible items, fruits, and vegetables based on organic farming. The number of people seeking vegetarian food is on rise.
2. Reducing use of plastics and plastic-based products.
3. Increased consumption of herbal products instead of processed products.
4. Recommending use of leaves instead of plastic pieces; jute and cloth bags instead of plastic carrying bags.
5. Increasing use of bio-fertilizers (made of agro-wastes and wormy-composed) instead of chemical fertilizers (i.e. organic farming), and minimum use of pesticides.
6. Worldwide efforts to recycle wastes of consumer and industrial products.
7. Increased use of herbal medicines, natural therapy, and Yoga.
8. Strict provisions to protect forests, flora and fauna, protection of the rivers, lakes and seas from pollutions.
9. Global restrictions on production and use of harmful weapons, atomic tests, etc. Various organisations of several countries have formulated provisions for protecting ecological balance.



10. More emphasis on social and environmental accountability of producers.
11. Imposing strict norms for pollution control. Consideration of pollution control efforts and eco-technology in awarding IS, ISO 9000, or ISO 14000 certificates and other awards.
12. Declaration of 5th June as the World Environment Day.
13. Strict legal provisions for restricting duplication or adulteration.
14. Establishing several national and international agencies to monitor efforts and activities of business firms in relation to pollution control and production of eco-friendly products.

Green marketing concerns with three aspects:

1. Promotion of production and consumption of pure/quality products,
2. Fair and just dealing with customers and society, and
3. Protection of ecological environment.

Global ecological imbalance and global warming (also global cooling) have called upon environmentalists, scientists, social organisations, and alert common men to initiate the concrete efforts to stop further deterioration of ecological environment. The World Bank, the SAARC, the UNO, the WHO, and other globally influential organisations have started their efforts to promote and practice green marketing. The world environment summit at Copenhagen (2009) is the mega event that shows the seriousness of ecological imbalance.

To increase awareness, 5th June is declared as the World Environment Day. Green marketing emphasises on protection of long-term welfare of consumers and society by production and use of pure, useful, and high quality products without any adverse effect on the environment. Mass media have started their campaign for protecting the earth from further deterioration. Worldwide efforts are made to conserve natural water resources.

Thus, green marketing is a marketing philosophy that promotes production and selling of pure (eco-friendly) products with protection of ecological balance. Green marketing involves multiple activities. Green Marketing encourages production of pure products by pure technology, conservation of energy, preservation of environment, minimum use of natural resources, and more use of natural foods instead of processed foods. Efforts of people, social organizations, firms, and governments in this regard can be said as green marketing efforts.

Green marketing raises the voice against production, consumption, and/or disposal of such products that anyway harm consumers, the society, and the environment. It is necessary that businessmen and users should refrain from harmful products.

#### Green Marketing in terms of Price, Product, Place and Promotion

Green Marketing begins with 'green design'. Product design constitutes an active interface between demand (consumers) and supply (manufactures). An example by Ottman and Terry super-concentrated laundry detergents are associated with energy saving, reduced packaging, space and money. The product itself has to be made in such a way that it satisfies consumer and manufactures needs. For ecologically sustainable products to be successful, green branding attributes have to be efficiently communicated. Most buyer decisions are influenced by the labelling, (green labelling) that states all that makes the product green compliant. The price of green product has to be affordable for the customer to encourage purchase. Industrial differentiation works only when products reduce client's cost. Most buyers are influenced by advertisement that reflects a company's commitment to environment. Companies that do green advertisement that tend to portray an image of environmental friendliness, influences their customer purchase decisions. Consumers love to associate themselves with companies that are environmental stewards. When a company communicates this through their advertisements, promotions, publicity and corporate social responsibilities, they are sure to get many loyal customers. Green distribution is a very delicate operation. Customers must be guaranteed of the 'Ecological nature' of the product. The green environment is a constantly regulated environment and as such high level of compliance is necessary when carrying out Distribution of green products. This is a common procedure in the united state

## **Pro-environmental behaviour**

Green consumer behaviour is a form of pro-environmental behaviour, which can be defined as a form of consumption that harms the environment as little as possible, or even benefits the environment. Past research has provided empirical support to the claim that green or pro-environmental consumer behaviour is a multidimensional construct which is composed of: "Private-sphere behaviour" refers to the purchase, use and disposal of personal and household products that have environmental impact, such as automobiles, public

Transportation or recycling. "Public-sphere behavior" refers to behaviour that affects the environment directly through committed environmental activism or indirectly by influencing public policies, such as active involvement in environmental organizations and demonstrations (direct impact) or petitioning on environmental issues (indirect impact)

## **Green consumer behaviour**

We can define a green consumer behavior the one that has these characteristics: "purchase choice, product use and post-use, household management, collective, and consumer activism behaviors, reflecting some degree of environmental-related motivation" "purchase and use of products with lower environmental impacts, such as biodegradable products, recycled or reduced packaging, and low energy usage"; use of organic product, made with processes that provide energy saving, then by the action of recycling, in fact a green consumer is "one who purchase products and services perceived to have a positive (or less negative) influence on the environment" We can find a green consumer behaviour when an individual acts ethically, motivated not only by his/her personal needs, but also by the respect and preservation of the welfare of entire society, because a green consumer takes into account the environmental consequences (costs and benefits) of his/her private consumption. Green consumers are expected to be more conscientious in their use of assets, for example by using their goods without wasting resources. However the Eurobarometer's survey of consumers' behaviour (2013) showed that consumers seem not to be fully conscious of the importance to adopt a set of new behaviours that are more environmental-friendly. In this report it is possible to find that even though a very high proportion of citizens buy green products (80%), more than a half are classified as occasional maintenance (54%), and only a quarter are regular buyer of green products (26%). This fact implies that most of people do not behave like green consumer continuously, probably because of a lot of social and economic constraints, such as the fact that green products are much more expensive than non-green ones, and also because it is not always so easy to find organic and biological goods for each category, and because the green-retailers are not so widespread. Some researchers find that personal values are influential determinants of consumption and that pro-environmental behaviour might serve as a signal of personality dimension. Considering the time-horizon in the acquisition of green behaviour, we can distinguish two types of consumers:

1. prevention-type consumers that feels a moral duty towards a greener lifestyle
2. promotion-type, that are more focused on their aspirations and their dreams and strongly feel the pressure to quickly adjust their behaviour in the direction of becoming more environmental-friendly.

## **Customer Satisfaction and Green Marketing**

Customer satisfaction has been defined in two basic ways: as either an outcome or a process. As an outcome, satisfying the end state resulting from the consumption experience. As a process, it is the perceptual evaluative and psychological process that contributes to satisfaction. The definition is varied with regards to their level of simplicity which includes;

- \*Product satisfaction
- \*Satisfaction with the purchase decision experience.
- \*Satisfaction with the performance attribute
- \*Satisfaction with the store or institution
- \*Satisfaction with pre-purchase experience.

Marketing literature suggests that there is a relationship between customer satisfaction and loyalty. Satisfaction leads to attitudinal loyalty. It could be seen as the intention to purchase. Satisfaction is an outcome that occurs without comparing expectations. Customer satisfaction could also be defined as an

evaluative response to perceived outcome of a particular consumption experience. It is an overall judgment on satisfaction, based on the assumption that satisfaction is the outcome of service quality.

Many Authors believe that customers have a high level of involvement regarding environmental issues as a consequence of growing environmental consciousness. Studies have shown the significant influence of environmental knowledge and consciousness on consumer environmental attitude. Consequently, companies that communicate their 'green product' in their packaging, advertisement or manufacturing process, gain satisfied customers. Because of the green trend, companies that fail to go green' are not failing to fail in their industry. Customers want to associate themselves with companies and products that are eco-friendly.

## **Environmental Safety**

Environment is simply our surrounding. The increased awareness on environmental issues is as a result of increased publicity on the media on issues such as, the wearing off of the ozone layer and increased pollution of the environment by industries. Customers have become concerned about their everyday habit and the impact it has on their environment. Managing environmental safety issue is highly challenging, time consuming and expensive. There are many laws on environmental safety that have made companies liable to any wrongdoings. These laws cover areas such as, harmful pollution, managing of hazardous materials and soon. As a result, several hazard controls, Pollution control and prevention programs are held in different parts of the world on Emergency procedures, contingency planning and employee training. Similarly, many regulatory bodies and acts are set to ensure environmental safety and protection, some of which include, OSHA (Occupational Safety and health Act), CERCLA (Comprehensive environmental Response Compensation liability Act), TSCA (Toxic Substance Control Act), HMTA (the Hazardous Material Transportation Act), FIFRA (Federal Insecticide, Fungicide and Rodenticide Act), FDCA (Federal food, Drug and Cosmetic Act, Clean Air Act, Clean Water Act, GHS (Globally Harmonized System of Classification and labelling of Chemicals).

Environmental Safety is not an easy task to implement. Implementing the GHS standardization policies of a single frame work of the classification and labelling of chemicals so hazards are consistently defined across different national jurisdiction is beneficial but highly challenging, especially in countries like U.S, Japan and Korea that have multiple regulatory authorities. EH&S (Environmental Health and Safety) regulatory compliance and CSR (Cooperate Social Responsibility) initiative throughout the supply chain can help promote and sustain ongoing improvement within an organization. These improvements will help the company achieve regulatory compliance and position itself as a socially responsible company

## **Conclusion**

Because of the growing concern of environmental protection, there is an emergence of a new market which is the green market. For companies to survive in this market, they need to go green in all aspect of their business. Consumers want to identify themselves with companies that are green compliant and are willing to pay a premium for a greener life style. As such, green marketing is not just an environmental protection tool but also, a marketing strategy.

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# Sustainability Developments A Case Study and Statistics of Education of India

**Pankaj K.Rajpal**

College of Engineering Pune

SavitribaiPhule Pune University

[Pankajrajpal000@gmail.com](mailto:Pankajrajpal000@gmail.com)

## Abstract

*Education has been a problem in our country and lack of it has been blamed for all sorts of evil for hundreds of years. Creating a few more schools or allowing hundreds of colleges and private universities to mushroom is not going to solve the crisis of education in India. And a crisis it is – we are in a country where people are spending their parent's life savings and borrowed money on education – and even then not getting standard education, and struggling to find employment of their choice. In this country, millions of students are victim of an unrealistic, pointless, mindless rat race. The mind numbing competition and rote learning do not only crush the creativity and originality of millions of Indian students every year; it also drives brilliant students to commit suicide. In this paper we are analysis Indian Education **Keywords:** what should change in India education system? What needs to be fixed at the earliest? What is the current status?*

## Introduction

Sustainable development Education is an emerging discipline. In fact, it is one of those innovative fields of education linking a child's overall development to the future challenges of society from global as well as local perspectives. There are several factors which affects the education system

### a) What is Education for Sustainable Development (ESD)?

Education for Sustainable Development (ESD) is simultaneously a sub-field of education and a conceptual tool to aid policy makers in authoring educational policies that take into account the present environmental, societal and economic challenges. According to the “United Nations Decade of Education for Sustainable Development” UNESCO, it is based on all levels and types of learning - learning to know, learning to be, learning to live together, learning to do and learning to transform oneself and society.”It further says that, “Perhaps ESD can be seen as the total sum of diverse ways to arrive at a ‘learning society’ in which people learn from and with one another and collectively become more capable of withstanding setbacks and dealing with sustainability-induced insecurity, complexity and risks. From this vantage point, ESD is about - through education and learning - engaging people in sustainable development issues, developing their capacities to give meaning to SD and to contribute to its development and utilizing the diversity represented by all people - including those who have been or feel marginalized - in generating innovative solutions to SD challenges and crises.”

### b) Why Education Sustainability Developments is required?

According to the 2010 State of the World Report (published by The World watch Institute), the Ecological Footprint Indicator, which compares impact of human actions on the ecology with natural resources available to supply key ecosystem services, shows that humanity now uses the resources and services of 1.3 Earths (isn't it 1,5 earths?). In other words, if humanity continues living the way it is, it would require a third more of Earth's capacity than is available to sustain itself. In the coming years, the number of consumers is only going to increase. This would have a direct impact on the current resource base of the world which is already under tremendous stress and depleting at a faster rate than ever before because of the growing world population and ever expanding human aspirations. It is estimated that by 2050, the human population will be 9.07 billion of which 62 per cent of the people will live in Africa, Southern and Eastern Asia.

The state of the environment is a reminder of what we as humans are capable of inflicting on nature, which by itself, is in perfect harmony with its elements. However, it also highlights the opportunities at hand to

reverse the process of environmental decline and work for a present and future built on the principles of environmental justice, equity and humane development. In this regard, the role of education is critical as it is the cornerstone of a modern society. It not only determines the present level of progress of people of a society but also charts out the future course of advancement of the civilization. Therefore, in view of the current environmental crisis, the content of education requires restructuring. This would mean that education systems across the world would be required not only to make a person employment worthy, it would have to capacitate people with values that would help them understand their relationship with the society and environment and empower a person lead a life of contentment and satisfaction. In this context, education will have to go beyond mere transfer of information.

Education for Sustainable Development (ESD) therefore is an important pedagogical tool as it is based on the fundamental principle of making an individual see and recognize the interdependence between human beings and each and every unit of ecology. The Brundtland Report of 1987 also made a very important point in this context stating, “Sustainable development requires meeting the basic needs of all and extending to all the opportunity to fulfill their aspirations for a better life.” The role of ESD, which is based on the three pillars of economy, society and environment, is critical in changing prevalent perceptions and attitudes of people towards self, society and environment.

### **c) India and its role in Education Sustainable development:**

Traditionally India has been a sustainable society. A large part of the Indian population still has a lifestyle that is based on the principle of reuse, reduce and recycle. In some cases it is a matter of personal choice but for a large majority, it is necessitated by economic compulsions.

The Government of India (GOI) has integrated the principle of ‘sustainability’ in its various policies and developmental programmers. India’s developmental strategic framework is based on a five year planning system. The first five year plan was rolled out in 1951. Presently, the soon-to-be concluded eleventh plan is underway which focuses in a big way on education.

In order to promote the value of sustainable development in education, the Indian government directed its various education departments to actively work on an Environment Education (EE) component as part of the curriculum. This strategy was adopted post Stockholm conference in 1972 by setting up Centres of Excellence for Environment Education under Ministry of Environment and Forests (MoEF) in the early 1980s. For a very long time, most of these activities were restricted to the MoEF but gradually the government realized that the purview of education is very broad in a developing country like India and cannot be limited to the workings of one single ministry. As a result, the GOI recommended Ministry of Human Resource Development (MHRD) to integrate environmental concerns into all aspects and levels of education. India is the only country to have passed one of the landmark judgments passed by the Supreme Court of the country directing all education boards to include environmental education (EE) as part of the formal education system at all levels.

Besides the different ministries of the GOI, a large number of government and non-government organizations are diligently working to promote ESD. Most notable amongst them are Centre for Environment Education (CEE) which is the nodal agency for implementing UNDES in India; The Energy and Resources Institute (TERI); BharatiVidyaPeeth (BVP); Centre for Science and Environment (CSE); World Wide fund (WWF); National Council for Science Museums (NSCM) and National Council of Education, Research and Training (NCERT). These organizations work with schools, colleges, youth groups on ESD and conduct training programmes not just for students but teachers, principals, school administrators and policy makers.

What is heartening is the fact that the ESD field in India is also occupied by young and passionate professionals who are working across the country to raise awareness on sustainable development issues. These professionals come from different walks of life like media, architecture, medicine, education, social work, alternative art and literature. A lot of work is being done at the grassroots level involving local communities. The latest ICT (Information, Communication, and Technology) tools are being employed to connect with the upwardly mobile urban youth and to reach out to a larger audience. The Multi-national

corporations are also contributing by funding projects on ESD as part of their CSR strategy. The last five years have seen a notable increase in corporate spending on CSR in India and it has slowly but certainly helped the cause of developmental initiatives in the country.

**India’s projects on Education Sustainable developments:  
Global Responsibility – International Engagements:**

- Voices around the world are demanding leadership on poverty, inequality and climate change. To turn these demands into actions, world leaders gathered on 25 September, 2015, at the United Nations in New York to adopt the 2030 Agenda for Sustainable Development.
- The 2030 Agenda comprises 17 new Sustainable Development Goals (SDGs), which will guide policy and funding for the next 15 years, beginning with a historic pledge to end poverty. Everywhere. Permanently.

**Statistical Approach of India’s Education**

**Gross Enrolment Rate:** Education needs a greater focus on accessibility, Quality, and Equality. Thrust of providing primary education has yield result across the social categories and gender with the gross enrolment rate.

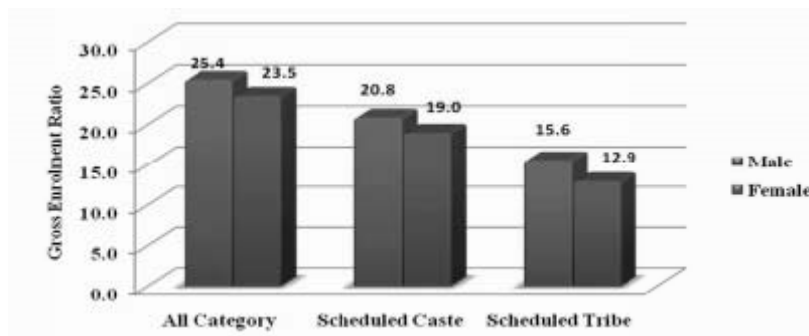


Figure 1

**Gender Priority Index:** Indicates the increasing level of participation of female at all level. At the elementary level it increased from .96 to 1.05 since 2009-10 to 2015-16.

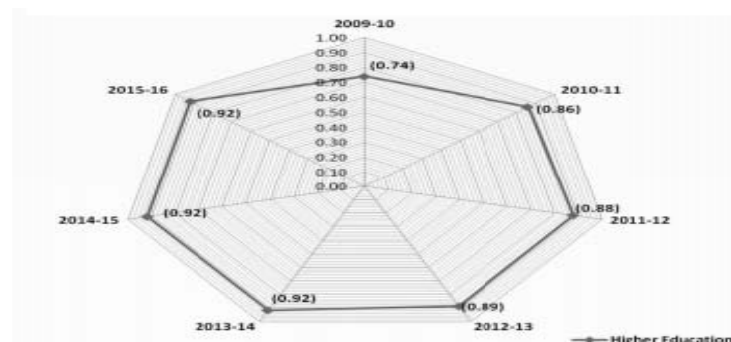


Figure 2

**Result of national achievement survey (NAS-2015):** It reveals like the subjects English, Mathematics, science and social science urban students outperform their rural counter perform.

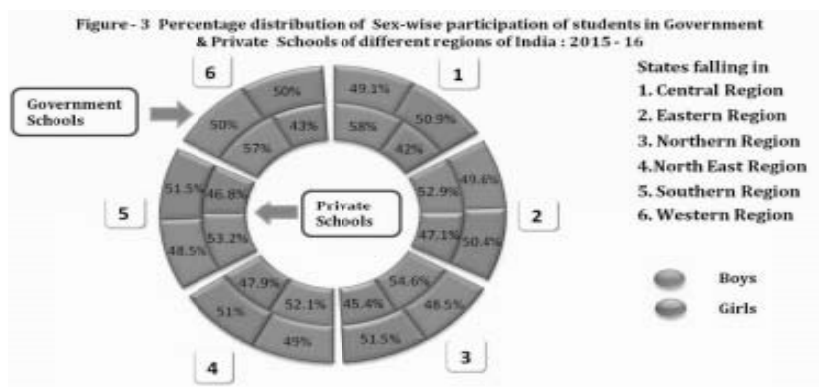


Figure 3

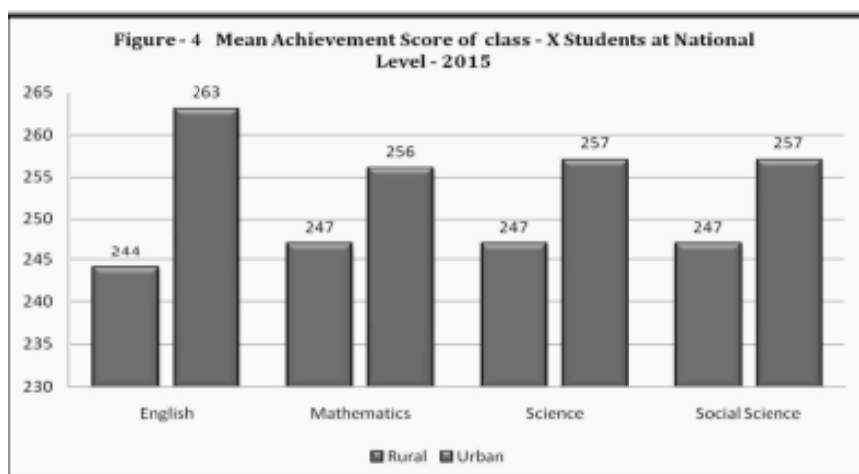


Figure 4

### Conclusion and policies recommendation

The mandate of ESD is very broad. Therefore it simultaneously becomes a challenge and an opportunity. ESD provides an excellent doorway to the social, economic and environmental spheres of India and societies elsewhere to trigger awareness, analysis and action on sustainable development. The path to ESD is an important one and countries that tread it carefully and use it to their advantage would provide its present populace and bequeath its future generations an environment that would empower them to fulfill their needs and aspirations by striking a balance between economy and ecology. Otherwise, the consequences can be mildly termed disastrous. As the noted Indian Economist and scholar, Amartya Sen points out, “a fouled environment in which future generations are denied the presence of fresh air....will remain foul even if future generations are so very rich.”

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# A Reflection on Investment pattern of Working Women in Pune

## **Sabiha fazalbhoy**

Symbiosis centre for management studies, Pune

Symbiosis international (deemed university)

Email id- [sabiha.fazalbhoy@scmspune.ac.in](mailto:sabiha.fazalbhoy@scmspune.ac.in)

## **Dr. Shreya virani**

Symbiosis centre for management studies, Pune

Symbiosis international (deemed university)

Email id- [shreya.virani@scmspune.ac.in](mailto:shreya.virani@scmspune.ac.in)

## **Abstract**

*Savings and investments play a vital role in economic development of any country and the primary objective of all government's policy has been to promote savings and capital formation in the economy which is a primary instrument of economic growth. In India, Personal Saving is attributed to growth in income of individuals and the rising rate of inflation. The rise and decline in net financial savings persistently change according to inflation, leading to low real rates on bank deposits and small saving funds.*

*The present paper tries to find out the perception of working female investors regarding various considerations to be kept in mind while investing in various investment avenues. Also it attempts to study the perception, knowledge and behavior in respect of their investment in Pune City in tune with the objectives framed while undertaking the study.*

**Keywords:** Investment behavior, investor, Pune city

## **Introduction**

Investment means to allocate funds in an asset, scheme or object with the hope that it will generate income upon selling due to appreciation of value in the future. In economic terms investment is defined as the purchase of goods not for current consumption but are used in the future to create wealth. In financial terms investment is a monetary asset purchased today to be sold in the future at a profit, or an asset that yields income at fixed intervals. Investment refers to any such mechanics that is used to generate future income. Pattern can be defined as any repetition in a particular habit or a trend that is formed due to continuously doing a particular task or a set of tasks. According to Merriam- Webster Dictionary Pattern is, "The regular and repeated way in which something happens or is done."

Here the pattern or repetitive habit under study is the investment of money usually saved in the form of savings. Working is the verb form of "work" which is a job or activity done regularly especially in order to earn money. Working is the act of being engaged in work especially for wages or salary. Salary is the remuneration received in return of services rendered. Woman is an adult female human being. Here we consider for study those women who are above the age of 18 years (as the legal age above which a female is allowed to work in India is 18 years.) and not those females who are below the age of 18 years even if they are working. Working women are considered because for savings a steady supply of income is required and savings promote investments. This paper is limited only to women to study whether the general notion that, "Women do not invest" and other such notions formed are true or not. Pune is considered as the scope of the study and only women working and residing in Pune have been considered as the sample. This is so because a particular city has a particular trend because of the economic climate that exists in that city. Pune is 560 meters above sea level and located in the Western Indian state of Maharashtra lying between 18 degree 32 minutes north and 73 degree 51 minutes east.

## **Research Methodology**

According to Goddard & Melville (2004), answering unanswered questions or exploring those things which currently don't exist is a research. The Advanced Learner's Dictionary of current English lays down the meaning of research as a careful investigation or inquiry especially through search for new facts in any branch of knowledge. Redmen&Mory (2009) define research as a systematized effort to gain new knowledge.

### **Objectives**

1. To find out whether women invest and the popular investment options.
2. To know the reason why such an investment is popular.
3. To understand reasons for investment\ non-investment by women

### **Hypothesis**

H0: Women do not invest their money

H1: Women do invest their money.

H0: Women do not invest in Risky Investment

H1: Women do invest in Risky investment

### **Sample Design**

Sample design was done before data collection. For designing the sample various factors were considered like the population size, time available and money allocated for research. After considering them the sample size determined was 30. This sample included women from various age and income groups thereby not isolating anyone age or income category.

### **Data collection**

Data was collected from both Primary and Secondary sources using appropriate data collection tools.

#### **Primary Data**

To collect data from the working women, the use of questionnaire was employed. The questionnaire was short consisting of mainly close entered relevant questions with a few open ended questions thereby making the analysis accurate. Data was collected personally by getting the questionnaire filled in front of the researcher therefore assuring quality data.

#### **Secondary Data**

To formulate the basis for primary data the use of secondary data was employed which was obtained from various journals, websites, news reports and other research papers written on related subjects.

#### **Statistical tools and techniques**

The data obtained has mainly been analyzed using percentage techniques and Microsoft Excel. The use of online packages has not been employed. The data thus analyses has been interpreted using graphs and charts to draw meaningful conclusions.

#### **Literature Review**

Since there has been limited research in the field of investments made by women the availability of secondary data is scarce. The available data from authentic sources had been analyzed and interpreted.

Referring to a paper published in Springer by Tahira. K. Hira and CăziliaLoibl, according to the U.S Department of Labor (2003), despite the narrowing gap between the genders in the fields of education, income and wealth over the years the measures of long term financial security for women are still at lower levels when compared to men. In general women invest fewer amounts of money and in low risk investments when compared to their male counterparts. Some of the reasons for this behavior include lower earning, low financial knowledge, less risk taking ability and higher preference for future financial security, although in the recent times women have become more interested in financial investments the trend is yet slow. An article in the financial times says that women mostly prefer the liquidest form of savings that is cash or mostly to buy and sell or buy and rent properties. Since they prefer less risky investments they do not invest much in the stock market. They say that other forms like the financial markets are full of jargons and complicated information for which neither do they have the time to understand nor the willingness to trust someone else with their hard earned money. Hence they would rather let it lie idle than invest it in something they do not understand and have sleepless nights. Quoting a research paper written by Rajeshwari Jain on the investment patterns of women in Ahmadabad. According to her findings women generally invest for contingencies. Their most favored form of investment is bank fixed deposits and gold for the very basic reason that it is secure and easy liquidity. In her findings she also notes that many women are still unaware of certain high return investments like mutual funds and equity thereby not being able to invest in them. According to an article on Investopedia, women with lower incomes have a conservative approach towards investing. They prefer to not loose what they already have. Their maternal instinct makes them protective and they are often reluctant to take risks.

#### Analysis and Interpretation of Data

The collected data can be interpreted as follows:

- 100% of the sample invests in one or more of the schemes under study.

#### Demographics:

Annual income category:

Annual Income	Percentage %
bel 1,00,000	0
1,00,000 to 3,00,000	32
3,00,000 to 5,00,000	20
5,00,000 to 10,00,000	40
abv 10,00,000	8

Who helps you with your investments?

Name	Percentage %
Family	33.3
Do it Myself	26

Consultant	20
Friends	13.3
Employer	6.7

What factors affect your investment?

Factor	Percentage %
Return on Investment	40
Income	25
Security of Investment	22.5
Tax benefits	12.5

Why do you not invest in the other mentioned schemes?

Reason	Percentage %
Not aware	32
Not interested	32
Not possible due to income constraints	24
Don't feel secured	12
Don't provide good returns	8

Which is your most preferred form of investment?

Name of Investment	Percentage %
Mutual Funds	22.5
Bank Fixed Deposits	17.5
PPF	17.5

LIC	10
Gold	7.5
Real Estate	7.5
Shares	7.5
Post Office	5
BachatGhat	5

Data was analyzed using simple statistical tools. The testing of the hypothesis resulted in Null being rejected in the first Hypothesis as it was found and proved that women do invest their money. However in the second hypothesis Null was accepted as it was found that women do not invest in risky investments.

## Conclusion

After analyzing the gathered data, (both primary and secondary) the following

Conclusions and findings were derived-

1. The proportion of women investors has grown considerably.100% of the sample invests in some or the other scheme.
2. The most preferred scheme amongst women is Mutual Funds majorly SIP as it is considered safe and hassle free.
3. The main reason for investment is to earn returns in order to secure the future as after the age of retirement most women fall back on their savings.
4. 33.3% of the women consult their family members namely: husband, father, etc before investing in any of these schemes which shows that women trust their male counterparts more when it comes to investing their hard earned money.
5. The most important reason for majority of the women investing in only a few select schemes is that they are not aware of the other schemes. Most women lack financial knowledge required to manage their savings, since they do not have a risk taking attitude they would rather the money remain in the bank than be invested somewhere where constant monitoring is required.
6. Only 20% of the women under study consulted Financial Agents. If women want to earn better returns than this figure needs to be improved. Financial agents are better aware of the market condition and for a small fee they construct and manage a portfolio which is likely to give higher returns than those women who either read articles and invest in whatever scheme pleases their eye.
7. Another constraint that affects the investment is that women are not interested in investing further. They prefer all their eggs to be in one basket. They consider diversification of their investments to be a risk.
8. Women prefer investments that are easily liquefied. They save their money to use in emergency situations. If an investment allows them their principal amount at such a time, women would rather invest there than in a scheme that doesn't allow for such flexibility.
9. Land is another favorable investment. Women prefer buying flats and giving them on rent or selling it when the price is right. As land is the only asset whose price is constantly on the rise they find it worth their money.
10. 40% of the women in the sample say that their age doesn't play a role in their investment decisions whereas only 32% feel otherwise. The remaining 28% are undecided. Many studies have shown that women do consider their age while investing. With this study it is seen that those women whose income lies below 3, 00,000 consider age as an important factor.

## Suggestions and way forward

After looking at the various aspects it is the researcher's opinion that women need to be more aware of the various schemes that are floated by the government, private and public institutions.

Also women need to develop a more risk taking attitude if they want to earn high returns. Shares, Commodities and other markets provide a plethora of opportunities that can be taken advantage of. With rising income levels, women should start being more flexible and most importantly ask for financial guidance when needed. Financial agents are better aware of the risks and returns as a part of their professional profile. At least in the earlier stages of investment women should consult an expert. The government and financial institutions should conduct awareness drives targeting the lower income women. They should float more schemes for such income groups.

## Limitations of the research:

The various constraints that were faced while undertaking the research were as follows-

1. The respondents were not willing to give much time to fill the questionnaire.
2. Many respondents were not willing to disclose financial information.

## Future scope of research:

Research can be carried out taking an income based and age based sample to understand in detail to what extent income and age play a role and how they affect the investment decision. A study can be carried out in the lower section of society to understand apart from BachatGhat and Path Sanstha what are the other ways in which they save up their income.

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# Recent Trends of the India's Foreign Trade

**Pathan Mujahed Khan**

Research Scholar (M.Phil.)

**Dr. Tukaram Munde**

Professor, Vice-Principal and Head of the Department of Economics,

K.K.M. College Manwath Dist. Parbhani

E-Mail Id: [pathan77746@gmail.com](mailto:pathan77746@gmail.com)

## Abstract

*With the objective to analysis the recent trends of the India's foreign trade and also examine the share of the country's foreign trade in World trade and Asia's (total region) foreign trade during the ten years of the period of study (i.e. 2008 to 2017), author found that, the share of India's export, import and foreign trade in World export, import and total trade is very less. Similarly, the share of Indian export, import and foreign trade, in Asia's export, import and total trade is significant. Author also found that, during the ten years, every year trade balance counted in deficit, and the growth rate of export, import and foreign trade counted positive as well as negative, but it counted positive in 2017. This research paper divides into three parts. In first part author made an attempt to examine the share of India's foreign trade in World trade. The second part of the paper shows the analysis of the share of India's foreign trade in Asia's (total region) foreign trade whereas, the third part of the paper deals with the share and growth rate of Indian export, import and foreign trade.*

**Key words:** Foreign Trade, World Trade, Trade Balance

## Introduction

Trade refers the exchange of goods and services between the people or entity. Similarly, foreign trade refers the exchange of the goods and services between the countries of the world. Foreign Trade is the sum total of the exports and the imports of the country in a given year. Export means the selling goods and services to other countries, whereas import means the purchasing or buying the goods and services from other countries. Foreign trade is one of the important source and indicator of the economic growth and development for the country. There are various gains of the foreign trade; it leads to the division of labour, increases the income, consumption, employment, output etc. Similarly, it is an important source of Capital goods, technical knowledge, and raw materials. The current Import-Export Policy 2015-20 has the vision to make India a significant participant in world trade by 2020, also raise the country's exports of merchandise and services up to US\$ 900 billion approximately, and to increase the share of India's exports in world exports up to 3.5 by 2019-20. Therefore, in the present paper, researcher going to analysis the recent trends of India's foreign trade during 2008 to 2017 (i.e. a decade)

Present research paper divide into three parts. In the first part, researcher shows the share of Indian Export, Import and Foreign Trade in World Exports, Imports and Total Trade. The second part deals with the share of Indian Exports, Imports and Foreign Trade in Asia's (total region) Exports, Imports and Total Trade; whereas the third part of the study indicates the trends of Indian Foreign Trade.

## Objectives of the Study

Following are the objectives of the present study;

1. To examine the share of India's Export, Imports and Foreign Trade in World Exports, Imports and Total Trade
2. To analysis the share of India's Export, Import and Foreign Trade in Asia's Export, Import and Total Trade
3. To analysis the Trends of India's Exports, Imports and Foreign Trade

## **Research Methodology**

Present research paper entirely based on the secondary source of data collection. The data selected for this study is 10 years (i.e. from 2008 to 2017). The data are gathered from WTO's World Trade Statistical Review, Directorate General of Foreign Trade (DGFT), Export-Import data bank of Ministry of Commerce and Industry, Government of India. In the present study the simple statistical tools such as Average, Percentage used for the data analysis, also make the tables, Graphs by using the MS-Excel.

## **Review of Literature**

**Pillania R.K. (2008)** made an exploratory study on foreign trade of India. With the help of statistics, author explain that how foreign trade of India progressed from the last sixty years i.e. since Independence. He described that in terms of composition, Indian exports is dominated by manufacturing goods and services. In global trade the share of Indian services exports is greater than the share of Indian manufacturing exports. In terms of direction, the share of East Asian countries on rising trend, in overall trade. Ultimately, he concludes that there is huge untapped potential for foreign trade India in upcoming years.

**Beri Y. (2013)** assessed the India's foreign trade scenario. In her research paper she analyses the pattern of India's foreign trade in pre-reform and post-reform era. Researcher shows the share of India's trade, exports and imports in world trade, exports and imports respectively during the 1950 to 2011. She also examined the direction and composition of exports and imports of the country and conclude that, the pre-reform period did not see much of structural changes in the foreign trade particularly, in the export sector, but it shows the significant changes in Import, specifically high imports of petroleum products and machinery and equipment, and the in the post-reform period India's trade has increased significantly because of the LPG policy adopted by the government of India. She suggests that, government should frame such policy which boosts the volume of exports, which finally helps to transform negative trade balance of the country into positive trade balance.

**Obaid-ur-rahman (2016)** studied India's foreign trade since 1947 to 2015 impact on Indian economy. With the objective to link the exports, imports rules, procedures and incentives with the other initiatives of Make in India, Digital India and Skills India to create an Export Promotion Mission for the country, and to examine the relationship between the foreign trade and economic development of India. In the present study, author gives some light upon the rules and regulations, Act, important committees, and the governing body of the EXIM policy of India conclude that, the result of the adoption of the LPG policy of Indian government, there had been occurred changes in the business environment of the Indian economy and the nature of the economy also change with the development of science and technology in the country, also the volume of trade and the exports of the country increased in the world trade.

## **Part 1: Participation of India in World Trade**

According to the World Trade Statistical Review 2018, in 2017, Share of India's merchandise Export, Imports and Total Trade in World merchandise Exports, Imports and Total Trade was counted, 1.7 per cent,



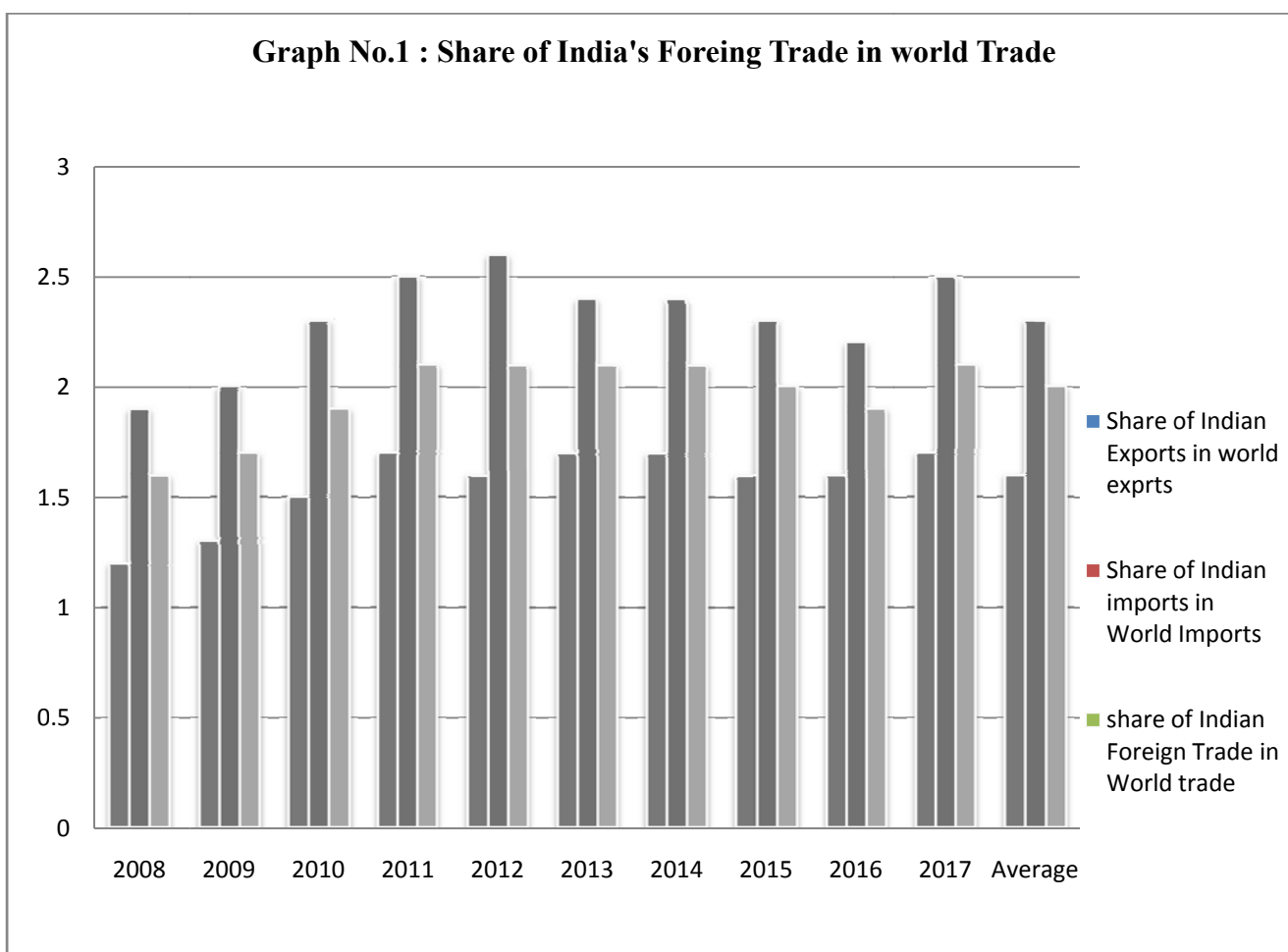
2.5 per cent and 2.1 per cent respectively, also India stood on 20<sup>th</sup> and 11<sup>th</sup> rank in merchandise exports and imports. Following table No. 1 shows the share of India in World Trade.

**Table No.1: Share of Indian Exports, Imports and Total trade in World Exports, Imports and Total Trade (in %)**

Years	Share of India in World Trade		
	Exports	Imports	Foreign Trade
1	2	3	4
2008	1.2	1.9	1.6
2009	1.3	2	1.7
2010	1.5	2.3	1.9
2011	1.7	2.5	2.1
2012	1.6	2.6	2.1
2013	1.7	2.4	2.1
2014	1.7	2.4	2.1
2015	1.6	2.3	2
2016	1.6	2.2	1.9
2017	1.7	2.5	2.1
<b>Average</b>	<b>1.6</b>	<b>2.3</b>	<b>2</b>

Source: Authors calculation based on WTOs World Trade Statistical Review, 2018

**Graph No.1 : Share of India's Foreign Trade in world Trade**



Above table and Graph clearly indicates that, the participation of India in world exports imports and total trade are very less. In 2008, the share of Indian Export, Imports and Foreign trade in the world exports, imports and total trade were counted only 1.2 per cent, 1.9 per cent and 1.6 per cent respectively, which were slightly increased up to 1.6 per cent, 2.6 per cent and 2.1 per cent respectively in 2012. In the 2017, the share of Indian exports in world exports counted 1.7 per cent, share of Indian imports in world imports counted 2.5 per cent and the share of foreign trade of India in total world trade counted, 2.1 per cent respectively. The average exports, imports and foreign trade during the ten years of the period of study counted only 1.6 per cent, 2.3 per cent and 2 per cent respectively. Table clearly pointed out that, the participation of the country in world trade is not significant during the period of study.

## Part 2: Participation of India in the trade of Asia Region

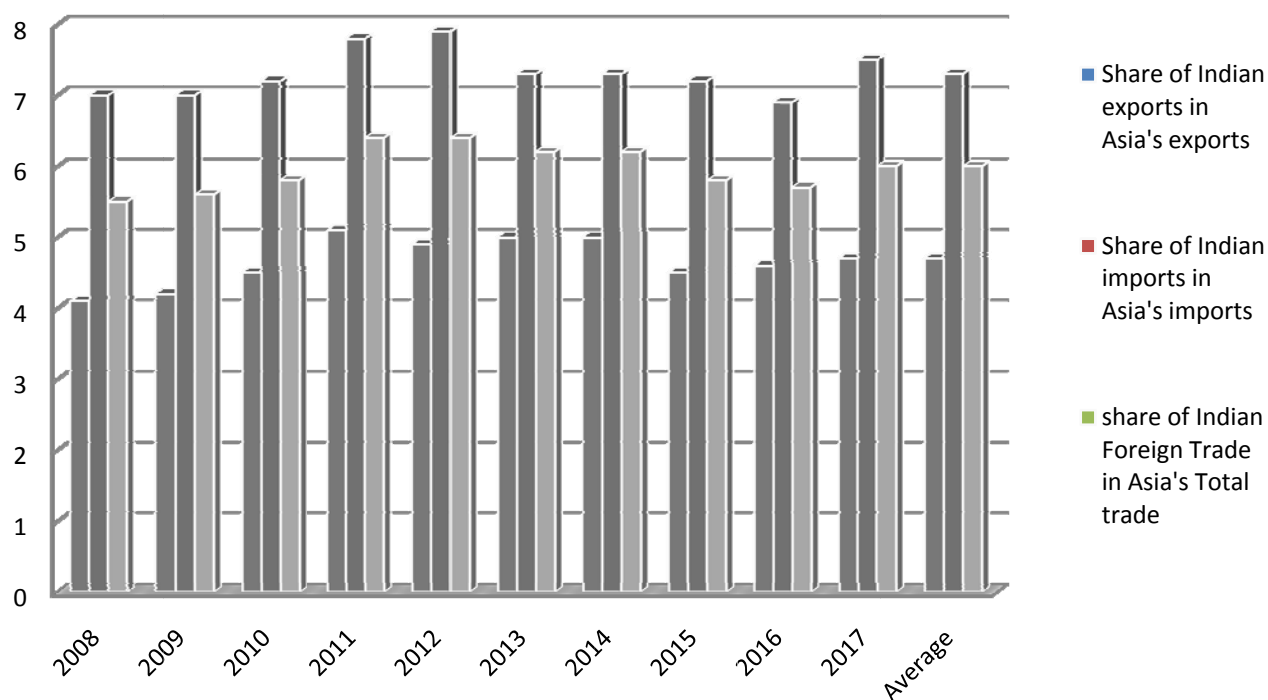
India is the third largest economy in the Asia region after China and Japan. On the basis of GDP (PPP), India counted 16 per cent share of the GDP of Asia region whereas, on the basis of nominal GDP India counted 9 per cent share of the GDP of Asia region. Following table shows the share of Indian export, import and foreign trade in the total export, import and total trade of the Asia region, since 2008 to 2017 (i.e. 10 years)

**Table No.2: Share of Indian Exports, Imports and foreign trade in Asia's Exports, Imports and Total Trade (in %)**

Years	Share of India in Asia's trade		
	Exports	Imports	Foreign Trade
1	2	3	4
2008	4.1	7	5.5
2009	4.2	7	5.6
2010	4.5	7.2	5.8
2011	5.1	7.8	6.4
2012	4.9	7.9	6.4
2013	5	7.3	6.2
2014	5	7.3	6.2
2015	4.5	7.2	5.8
2016	4.6	6.9	5.7
2017	4.7	7.5	6
<b>Average</b>	<b>4.7</b>	<b>7.3</b>	<b>6</b>

Source: Authors calculation based on WTOs World Trade Statistical Review, 2018

**Graph No.2: Share of India's Foreign Trade in Asia's Total Trade**



Above table no.2 and graph no.2 shows that, in 2008, the share of Indian Exports, Imports and Foreign Trade in Asia's exports, imports and foreign trade were counted, 4.1 per cent, 7 per cent and 5.5 per cent respectively, which further increased up to 4.9 per cent, 7.9 per cent and 6.4 per cent respectively, in the years of 2012, which were declined in the upcoming year of 2017 and counted, 4.7 per cent, 7.5 per cent and 6 per cent respectively. The Average exports, Imports and foreign trade during the ten years of the study counted, 4.7 per cent, 7.3 per cent and 6 per cent respectively. Above table clearly indicates the participation of India's trade is significant in the Asia region.

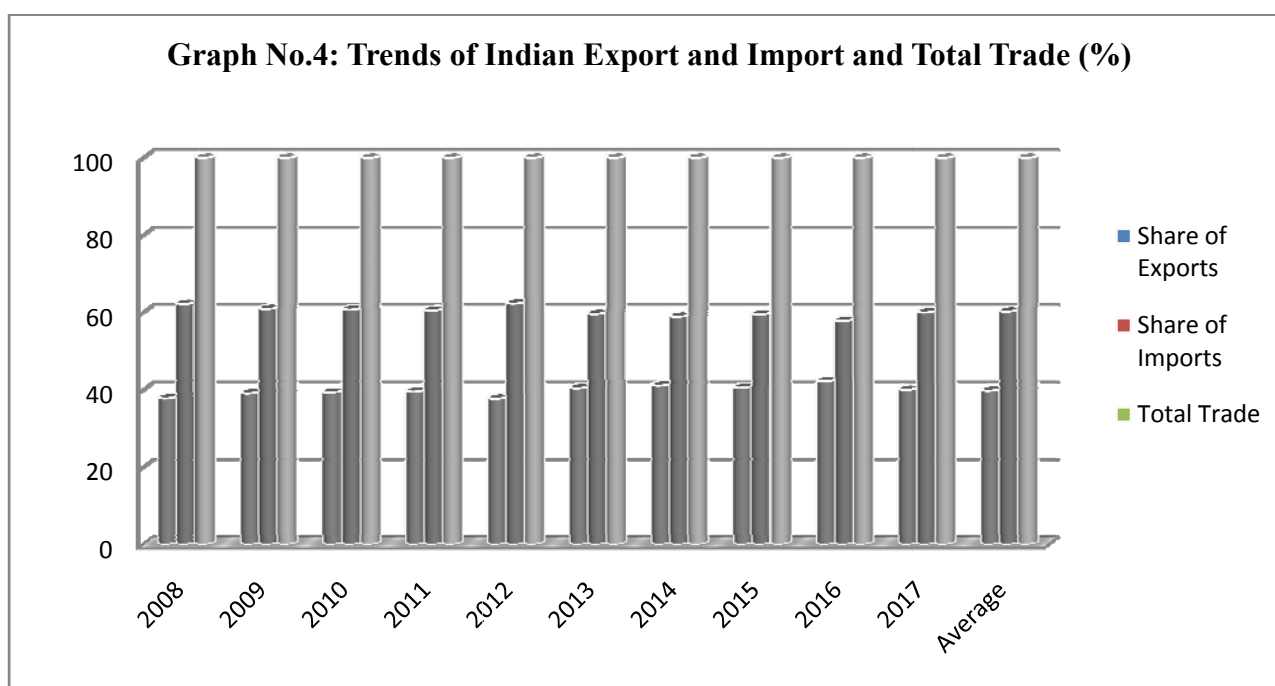
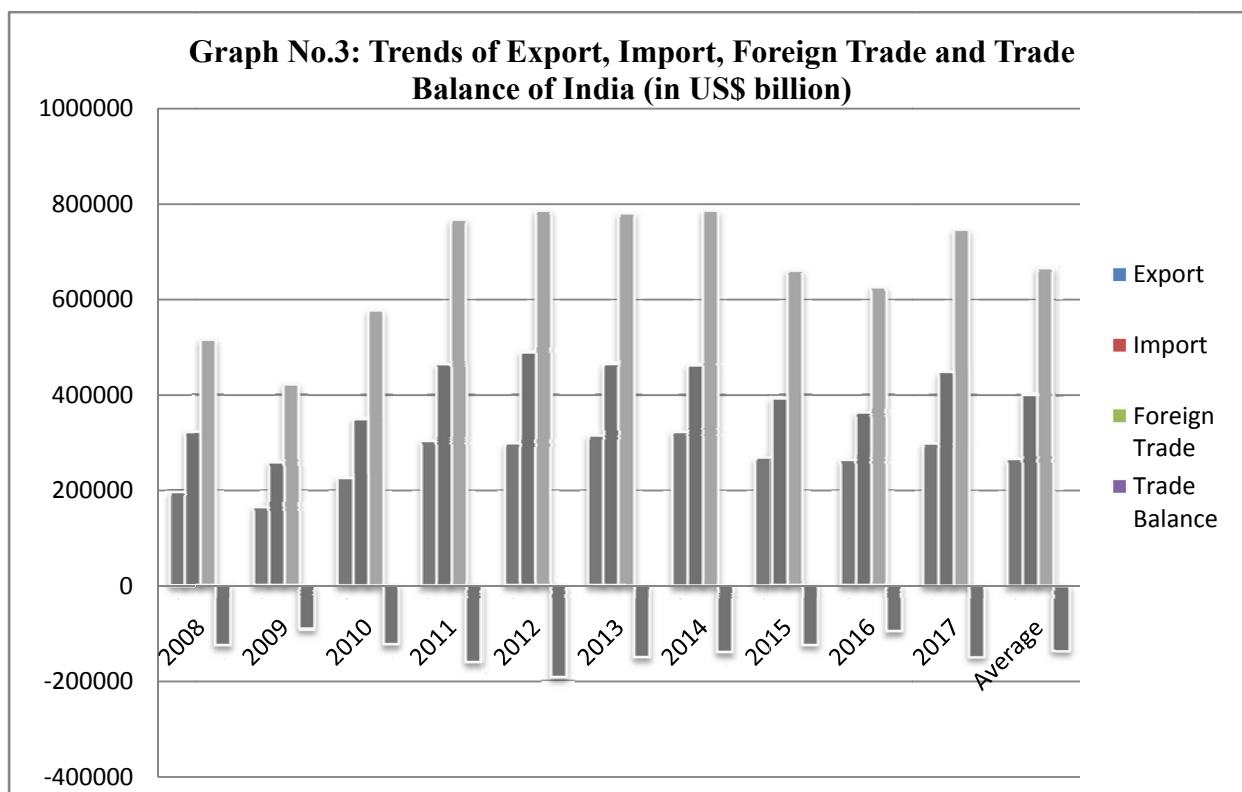
### Part 3: Trends of the India's Foreign Trade

Year	Export (in US\$ million)	Share of Export (%)	Growth rate of Export (%)	Import (US\$ million)	Share of Import (%)	Growth rate of Import (%)	Total Trade (US \$ million)	Growth rate of Total Trade (%)	Trade Balance (US\$ million)
1	2	3	4	5	6	7	8	9	10
2008	194828	37.8	29.7	321032	62.2	40	515860	35.9	-126204
2009	164909	39.1	-15.4	257202	60.9	-19.9	422111	-18.2	-92293
2010	226351	39.3	37.3	350233	60.7	36.2	576584	36.6	-123882
2011	302905	39.5	33.8	464462	60.5	32.6	767367	33.1	-161557
2012	296828	37.7	-2	489694	62.3	5.4	786522	2.5	-192866

2013	314848	40.4	6.1	465397	59.6	-5	780245	-0.8	-150549
2014	322694	41.1	2.5	462910	58.9	-0.5	785604	0.7	-140216
2015	267444	40.5	-17.1	392866	59.5	-15.1	660310	-15.9	-125422
2016	264144	42.2	-1.2	361208	57.8	-8.1	625352	-5.3	-97064
2017	298376	40	13	447241	60	23.8	745617	19.2	-148865
<b>Average</b>		<b>39.76</b>	<b>8.67</b>		<b>60.24</b>	<b>8.94</b>		<b>8.78</b>	

**Table No. 3: Trends of Merchandise Exports, Import and foreign trade of India**

Source: Authors calculation based on WTOs World Trade Statistical Review, 2018.



The table No. 3 shows that, in 2008, the value of Indian Export, Import and Foreign trade were counted US\$ 194828 million, US\$ 321032 million and US\$ 515860 million respectively, in which the share of exports counted 37.8 per cent and share of import counted 62.2 per cent. The growth rate of exports, imports and foreign trade in the same year (i.e. 2008) counted, 37.8 per cent, 62.2 per cent and 35.9 per cent respectively. In 2013, the value of India export, import and foreign trade slightly increased up to, US\$ 314848 million, US\$ 465397 million and US\$ 786522 million respectively in which the share of export counted, 40.4 per cent and the share of imports counted, 59.6 per cent, but the growth rate of export counted 6.1 per cent very less and the growth rate of import and export counted negative this year i.e. -5 per cent and -0.8 per cent respectively. In the years of 2017, the share of export and import counted 40 per cent and 60 per cent respectively, and the growth rate of export, import and foreign trade shows the positive trends and counted, 8.67 per cent, 8.94 per cent and 19.2 per cent respectively. The last row of the table shows that the average value. During the ten years of the period of study, the average share of export and import counted, 39.76 per cent and 60.24 per cent respectively. whereas the average growth rate of exports, imports and foreign trade counted, 8.67 per cent, 8.94 per cent and 8.78 per cent respectively. The last column of the table indicates the negative trade balance of the country.

## Conclusion

Present study found that the participation of India in world trade is very less. During the ten years of the periods of study (i.e. 2008 to 2017) the average share of Indian export, import and foreign trade in world export, import and total trade counted only 1.6 per cent, 2.3 per cent and 2 per cent respectively. Similarly, the participation of India in the foreign trade of Asia region is significant. The average share of Indian export, imports and foreign trade in the Asia region's export, import and foreign trade counted, 4.7 per cent, 7.3 per cent and 6 per cent respectively. Study also found that, during the period of study, every year trade balance of the country counted in deficit. Till the 2017, the growth rate of Indian export, import and foreign trade counted some time negative and some time positive but in 2017 it showing the positive trend, which is the good indicator for the Indian economy.

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# A Study of Causes & Impact of Moonlighting on Indian Industry

**Ms. Nargis Shaikh**

Research Scholar

Savitribai Phule Pune University, Pune

nargissk05@gmail.com

## **Abstract**

*The report is made in order to study and reflect on the concept of moonlighting which is very common these days. The organizations are paying their employees less and taking more work benefits. This is encouraging the employees to approach for a new job either part time or full time depends on the dissatisfaction level of the employee. There are four types of moonlighting on the basis of the employees which are explained in detail. This study is very helpful for the enhancement of the knowledge about the concept in the corporate sector. There are several studies done on the concept. Those literatures are reviewed in a perfect direction. There are many reasons for the employees going for the moonlighting like career enhancement, own business, current job frustration, etc. but there are many benefits like mobility of the job, enhancements in the skill sets, etc. There are several issues in the concept like the competition threats, inefficiency, etc. The main purpose of the study is research and study on the concept. For this data is sampled by using the method of survey sampling and the methodology used is based on the secondary data. Thus, the data is analyzed and findings are mentioned which states that most of the employees going for the moonlighting are due to the salary issues so that the needs can be fulfilled.*

**Keywords:** Moonlighting, Dissatisfaction, Competition Threat, Job frustration and Job Mobility etc.

## **Introduction**

In today's arena, human resource management has kept on changing and updating with new technologies, where these techniques are helping the employees to gain better monetary benefits and other compensation as well. Although most individual prefer single job and some others are individuals prefer working on more than single job as it helps them in meeting their daily needs.

The concept of moonlighting is rapidly increasing day by day, because it helps an individual to earn extra capital. However, these aspects do suffer from certain specific limitations in regards of both employers' as well as employees' points of view.

The aspect of moonlighting can be seen as phenomenon that is it can be either temporary or permanent.

## **Moonlighting**

The moonlighting is the term referring to the employee's practice of working on or for another job in spite of the normal business hours (Patrick J. Davey, 1970). According to the concept, the employees do this for the extra earnings or due to the dissatisfaction from the current job due to several reasons. The moonlighting refers to the concept of earning some extra money so that the more income can be generated (Gianetti, 1988). The policies regarding moonlighting of the employees vary by the employers. Some extra policies are required for the formulation and disclosure in terms of this concept. These policies states the conflicts of interests as well as the distraction from the quality of the job performance and several other reasons (Filipp, 2008).

The moonlighting, towards which the employees are heading, contains several risks due to the situation of the employment rates in the specific country. There are several risks like the safety risks, inadequate periods of rests, etc (M., 2018).

## **Types of Moonlighting**

Moonlighting is been categorized in four different types, they are been given as below:

### **1. Blue Moonlighting**

Blue moonlighting mainly refers to those employees or staff members who are not happy with their present job, position and the package there tend to find a new and a better opportunity and start looking for a part time job for more additional income, but are unable to find one as per their convenience and their efforts are gone waste. This is known as blue moonlighting.

### **2. Quarter Moonlighting**

Quarter moonlighting refers to the employees who opt for more than one job and try focusing on that job by giving some time to their another job which helps them to incur more additional income which helps them to satisfy their basic necessity.

### **3. Half Moonlighting**

In case of half moonlighting the employee is much gives his more half time in the additional they chose to work or it may be a start-up business of their own where they give half of their time to their additional job. This enables them to incur an additional income for their better standard of living.

### **4. Full Moonlighting**

These employees are more dedicated to their second job or to their new start up, but they don't leave their present job as they need capital for their second job or additional job so that they can work on their new business activities.

## **The Need for Study**

- To enhance knowledge about moonlighting in corporate sector of India.
- To attain the various factors that lead to moonlighting and as to which income or social group is more prone to moonlight in MNC's of Pune City.
- This study helps to identify the perception amongst the employers about moonlighting.
- Moonlighting has a proportionate effect on corporate productivity and thus this study can help the management to formulate necessary policies in regards to it.
- Through this study a conclusion can be drawn whether moonlighting is beneficial or not for the corporate standards in Pune City (mbaskool, 2015).

## **Utility of the Study**

- The study helps us to attain more in depth knowledge about the nature of moonlighters in India.
- Through the study of moonlighting the corporate are able to detect the various reasons behind the on-going economic irregularities. (job hoping)

- This study is vital to understand all the possible effects of moonlighting on the primary job, the perception of employers and to how moonlighting can be controlled.
- The degree of adverse effects of moonlighting differs between sectors, cities and even countries. Thus a practical study helps to understand the seriousness of the moonlighting concept in the Indian Context.
- Acquiring the knowledge through this study help the corporate to take essential measures in formulating corporate policies (Feldman, 2017).

### Review of literature

- According to the Webster's New World Dictionary (2007) and your dictionary (YOUR DICTIONARY, 2018), moonlighting is "the practice of holding a second regular job in addition to one's main job."
- The Cambridge Dictionary (2010) defined moonlighting as "paid work that you do in addition to your normal job, especially without telling your employer".

This consideration is broad which includes all contemporaneous employment in several jobs into the common purview of 'moonlighting', irrespective of the nature of secondary jobs. In simple words Moonlighting refers to employees' inclination to work with two distinct organizations at the same time, although numerous individuals take up dual employment to gain additional cash, some do this to upgrade their aptitude and skills in various fields; some simply do it for recreational purposes. In general, moonlighting is having a dual employment, typically secretly done by the employees apart from their regular employment which does not have to relate to primary job.

The idea of moonlighting has been investigated since quite a long while and a portion of the examinations led worldwide are looked into here to recognize the effects and impacts of moonlighting.

- Khatri and Khushboo, who conducted a study on moonlighting titled 'A Study of Organizational Commitment and Moonlighting Practices of SME Employees in Delhi-NCR' set their objective to understand the concept of organizational commitment of working professionals of SME in the Delhi-NCR area through a multi-stage sampling with a sample size of 100. They likewise expected to comprehend moonlighting practices of the sample, alongside which understand the variables that prompt the differences between the genders with respect to authoritative duty, and perceptions towards moonlighting conduct. The hypotheses expressed that there would be no distinction between their levels of pledge to the association, while the other expressed that there would be a critical contrast amongst male and female employees towards a perception of moonlighting. The investigation utilized a self-developed poll with two sections every one of which tended to the variables, individually. The outcomes demonstrated that there appeared to be no distinction amongst male and female employees with respect to authoritative duty, and additionally no gender differences about the perceptions in regards to moonlighting practices (Puja Khatri, 2014).
- Boateng, Adjei and Oduro study titled 'Determinants of moonlighting in Ghana: an empirical investigation' went for researching the real determinants of the phenomenon of moonlighting in Ghana. The article has utilized probate regression estimation technique on information gathered by two nationwide surveys in Ghana. The arrangement of observational confirmation proposes that individual and family qualities impact the individual's desire to take up in excess of one occupation at any given moment. It distinguishes that Ghana's statistics of moonlighting is far higher than of USA or UK and also other creating economies. The investigation reasons that budgetary thought



process is just a single of the elements, while bring down working hours could likewise be another, showing the likelihood of time related underemployment (W Baah-Boateng, 2013).

- Zhongmin, Baimbridge and Zu conducted a study titled ‘Multiple job holding in the United Kingdom: evidence from the British household panel survey’ which studied the factors of multiple job holdings in UK through the use of the data attained from the British Household Panel Survey that was conducted 1991-2001, and views men and women separately and argues a hypothesis that states that job insecurity and hours constraint affects moonlighting. It was seen that men could get numerous jobs in case of satisfaction or dissatisfaction alike. Money related weights assumed an imperative part. While on account of women, not at all like men, the more number of kids she has, the less the odds of moonlighting. It likewise indicated out the way that 70 per cent men and 65 per cent women earn more on their second jobs than the first. Satisfaction subsequently does not leave a stamped impact on the motivation to moonlight. The discoveries likewise don't bolster that various job possessions might be a reaction to perceived job insecurity (Zhongmin Wu, 2008).

### **Reasons for employees going for Moonlighting**

1. Monetary reasons
2. Work Experience
3. Acquisition of new skills and abilities
4. Enhancing career options
5. Job Security
6. Starting own business (Pal, 1995).

### **Advantages of Moonlighting**

- Job Mobility
- Builds a Strong Network
- Enhanced Skill Set
- Low Employee Turnover

### **Issues in Moonlighting**

- Over worked Employees and Poor Health
- Threat of Competition and Business Secrecy
- Inefficiency
- Ethical Dilemma (Banerjee, 2012).

### **Objectives**

- To study conceptual framework of Moonlighting in MNC's in Pune.
- To study the factors responsible for Moonlighting and its relevance in India.
- To study the impacts of Moonlighting and its perception amongst the employers in MNC's.
- To provide suggestions for overcoming impacts of moonlighting.
-

## Coverage

- The scope of this current study is limited to assessments of moonlighting and its impacts on MNC's of Pune only.
- The study does not consider impacts of moonlighting on any other sectors in Pune City.
- The sample size chosen does not cover the whole population of selected MNC's.

## RESEARCH METHODOLOGY

The Research approach adopted for this study is **based on secondary data**.

### a. Classes of respondents to be contacted:

- i) Managers at different Multinational companies.
- ii) Employees involved in any kind of Moonlighting in Multinational companies.

### b. Sample Frame & Size

**Sample Frame:** MNC's located in Pune City.

**Sample Size:** 40 individuals from 4 different Multinational companies

**Sampling method:** Probability convenient sampling

### c. Sources of Data Collection:

**i) Primary Data:** The primary data has been collected by Personal interview & structured questionnaire

**ii) Secondary Data:** The secondary data has been collected from Reputed Magazine, Newspapers, journals, researches etc.

**d) Methods of Data Collection:** data has been collected from a select group of respondents through questionnaires, personal interview, discussion & observation. Thus, the data is collected by the method of the survey sampling.

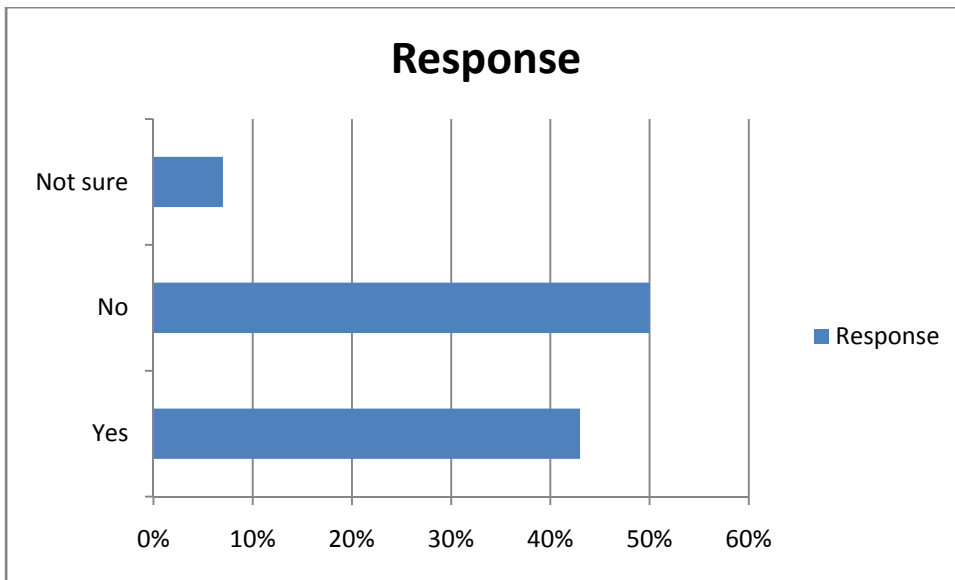
The survey was conducted in the 4 Multinational Companies where 20 employees and 20 Managers of the firm were presented with questionnaires.

## Data Analysis & Interpretation

The data collected is presented in well-designed tables and graphs. Further the data collected be analysed through use of different statistical tool and software's such as SPSS and Microsoft Excel

1. Do you enjoy the culture of your company?

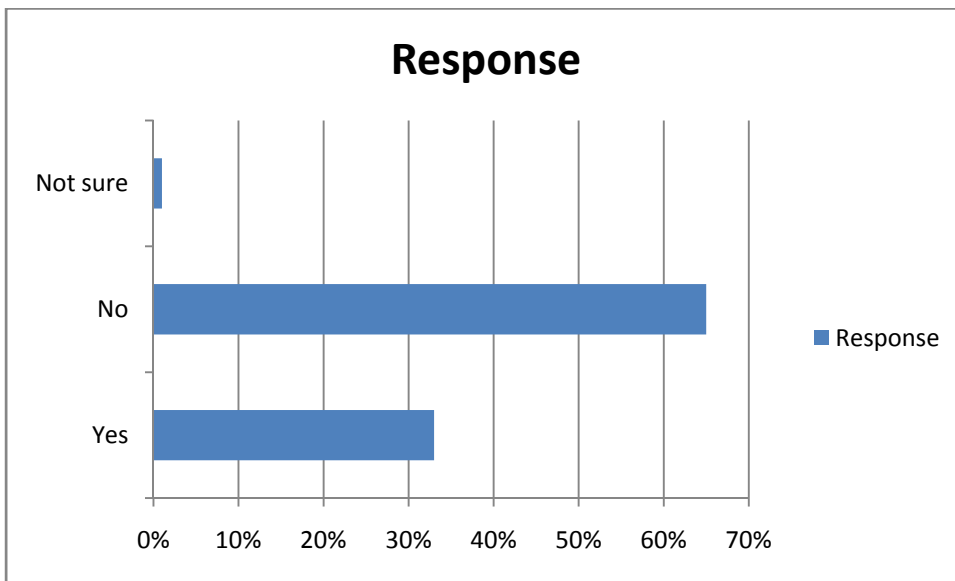
	Yes	No	Not sure
Response	43%	50%	7%



According to the graphical representation we could clearly state that 43% of the employee's are satisfied with the work culture whereas 50% are dissatisfied and 7% not sure.

2. Are you satisfied with your work?

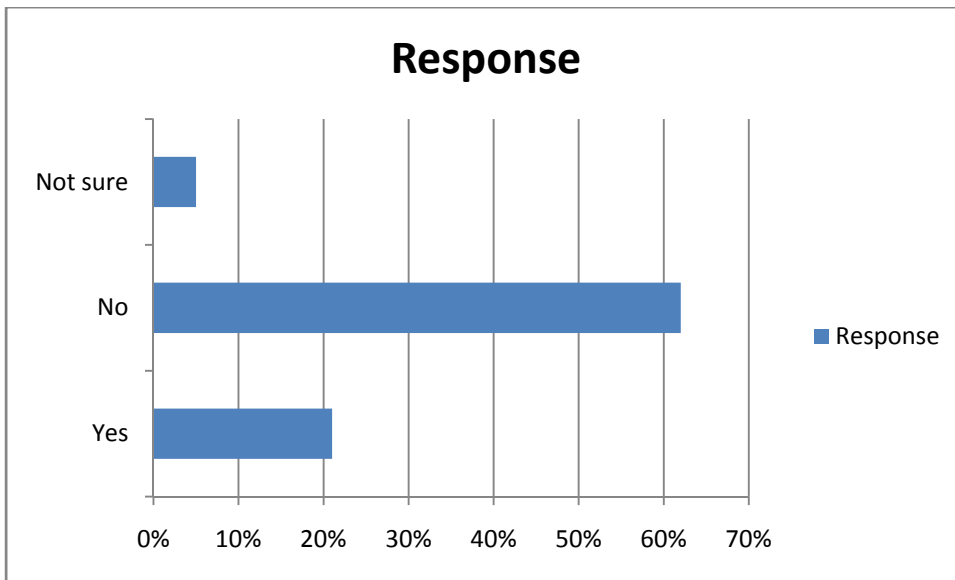
	Yes	No	Not sure
Response	33%	65%	1%



According to the graphical representation, we could clearly state that 33% of the employees are satisfied with their work, while 65 % is dissatisfied.

2. Does your company provide efficient career development opportunities?

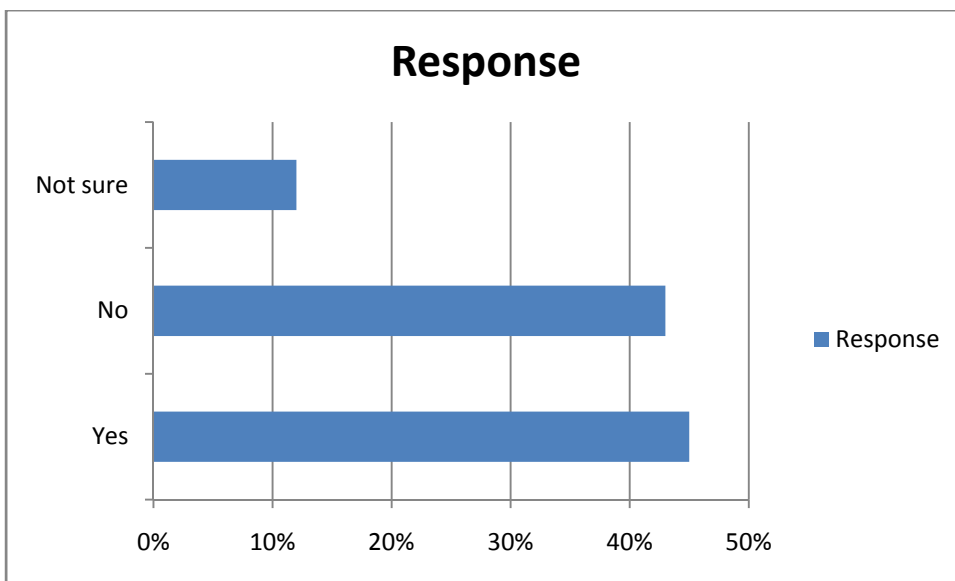
	Yes	No	Not sure
Response	21%	62%	5%



This graphical representation states that 21% of the employees get the opportunities for career development in their firms while 62 % of the employees don't.

3. Does your Organization recognize you for your contribution?

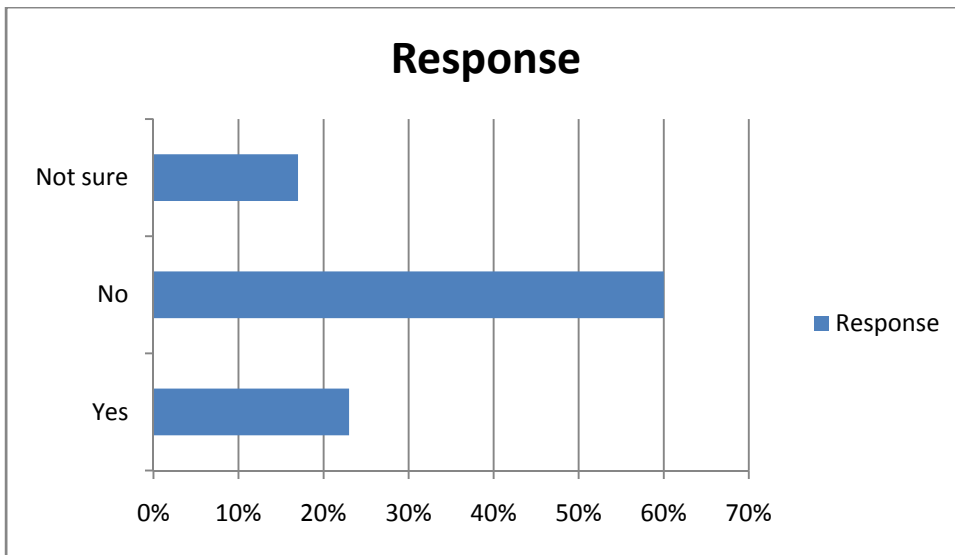
	Yes	No	Not sure
Response	45%	43%	12%



According to the graphical representation, we could clearly state that 45% of the employees are recognized for their hard work while 43% of the employees don't get recognized.

4. Does the authority of your firm communicate about the new updates and news effectively?

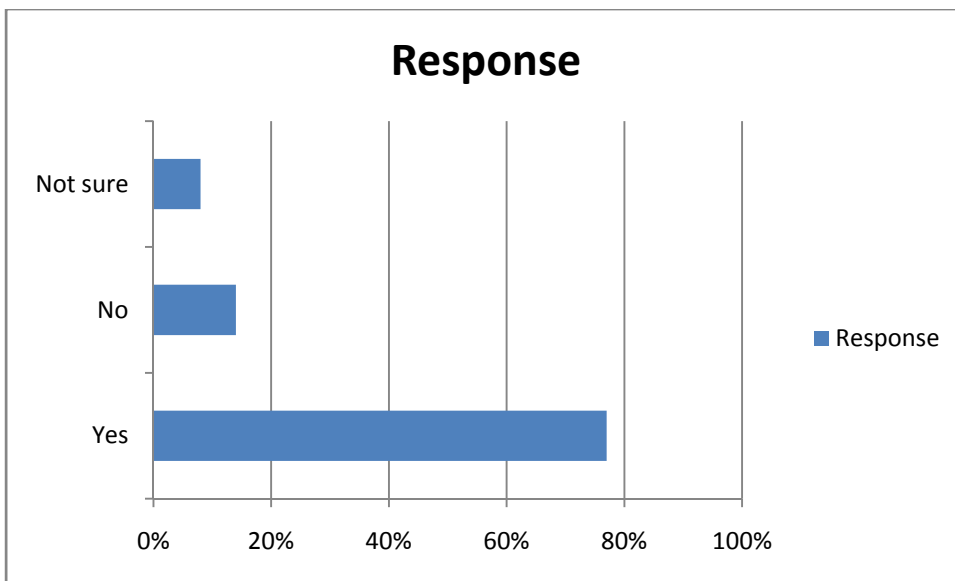
	Yes	No	Not sure
Response	23%	60%	17%



According to the graphical representation, we could clearly state that the organizations have poor communication plan as 60 % of the employees have complaints about the new updates and news.

5. Do you think everyone gets equal opportunities at workplace?

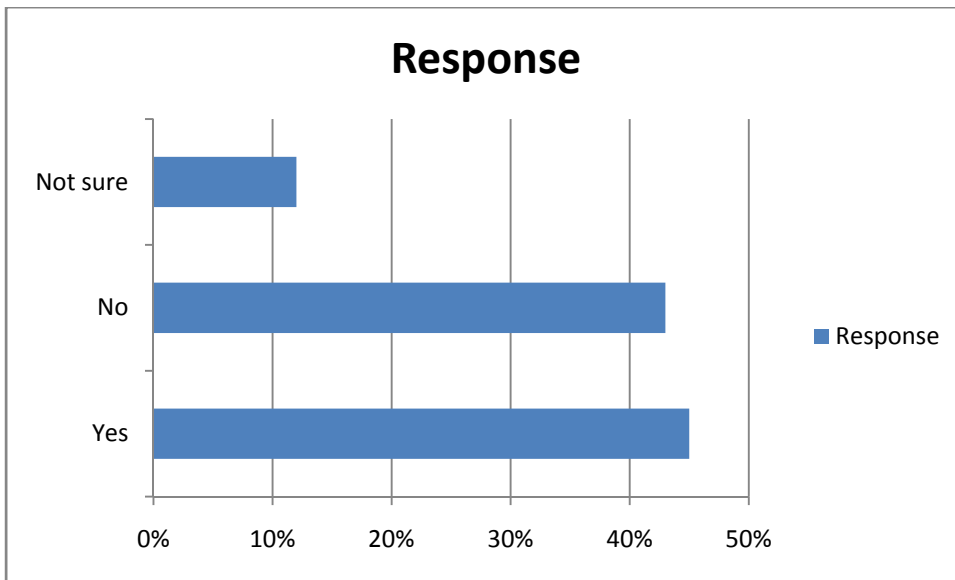
	Yes	No	Not sure
Response	77%	14%	8%



According to the graphical representation, we could say that 77% of the employees get equal opportunities while the other 8% don't get these chances.

6. Are you able to use your skills and enhance them at workplace?

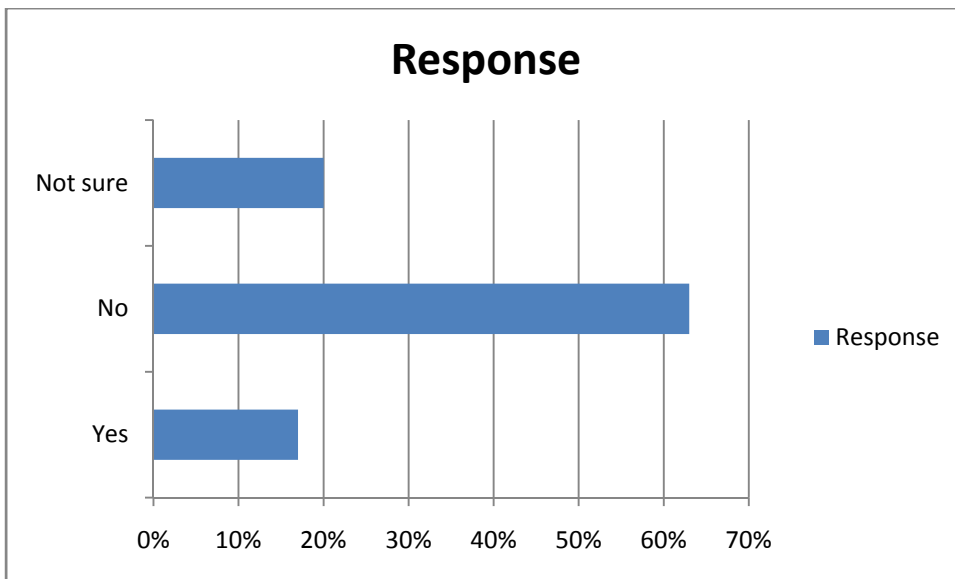
	Yes	No	Not sure
Response	45%	43%	12%



According to the graph, most of the employees get the opportunities to enhance their skills at the workplace which involves 45% of the population while others don't get these opportunities.

7. Do you feel valuable at the workplace?

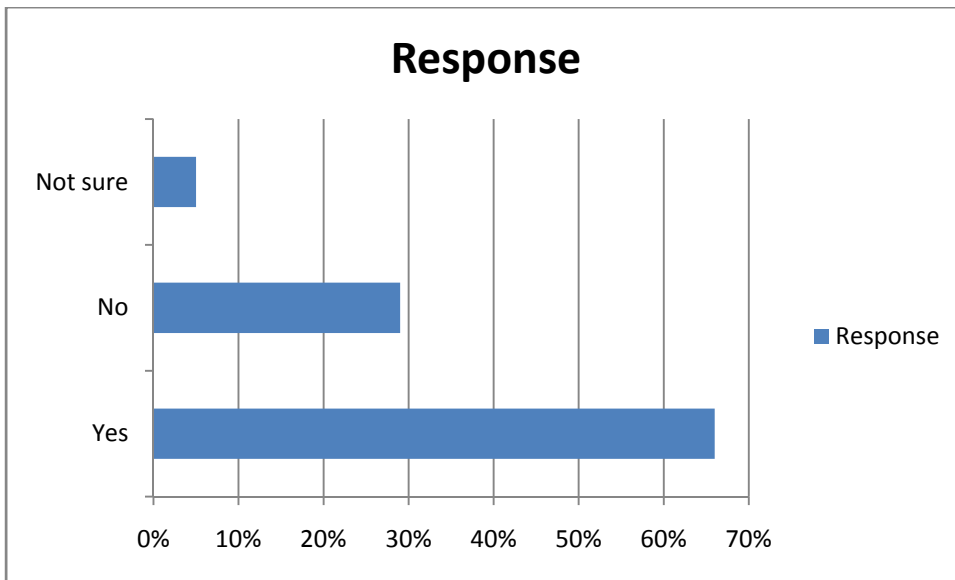
	Yes	No	Not sure
Response	17%	63%	20%



The employees in the MNCs are not much valued at their workplace, only the few number of employees like 17% are only valued at the workplace.

8. Does the management team support you in your contribution?

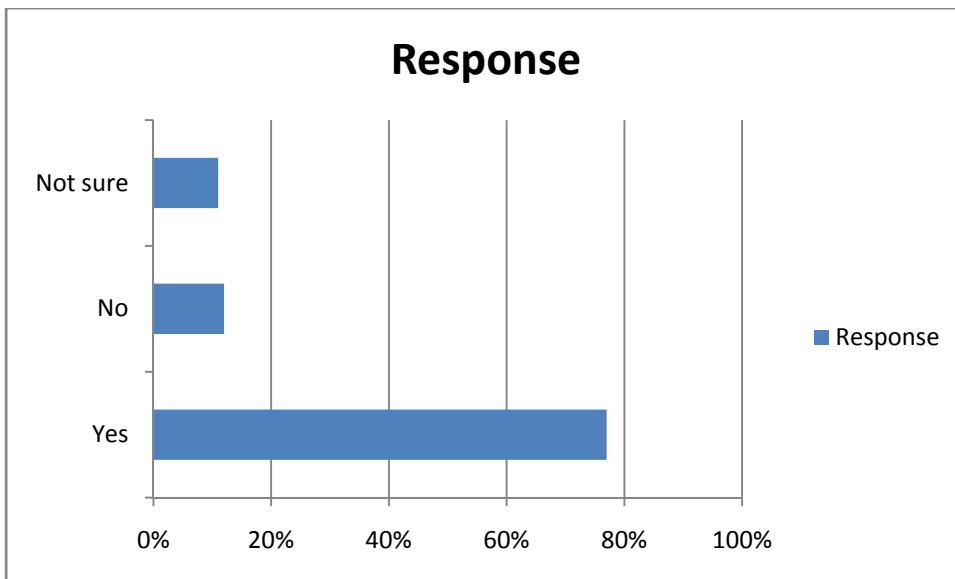
	Yes	No	Not sure
Response	66%	29%	5%



According to the survey, most of the management teams tend to support their employees in their contribution to the firm.

9. Are you involved only in full time jobs?

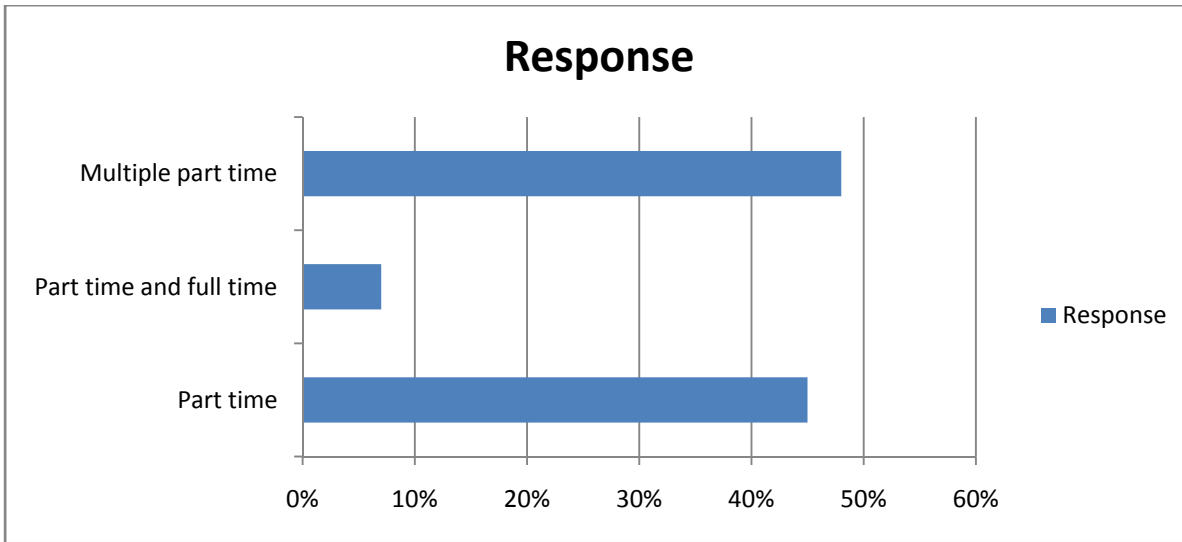
	Yes	No	Not sure
Response	77%	12%	11%



According to the graphical representation, 77% of the employees are involved in full time jobs where as 12% of them are not.

10. Are you involved in part time as well as full time jobs or multiple part time jobs only?

	Part time	Part time and full time	Multiple part time
Response	45%	7%	48%

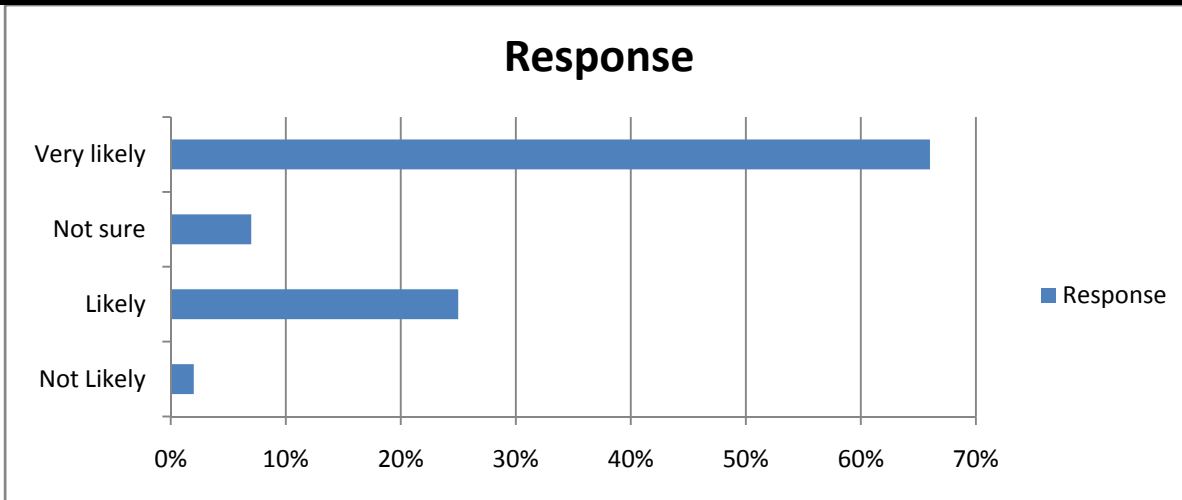


So we can say that 45% of the employees are involved in only part time jobs while, 48% are involved in multiple part time and 7% are involved in both part time as well as full time.

**For the employers:**

1. How likely you feel your employees are satisfied with their jobs?

	Not Likely	Likely	Not sure	Very likely
Response	2%	25%	7%	66%

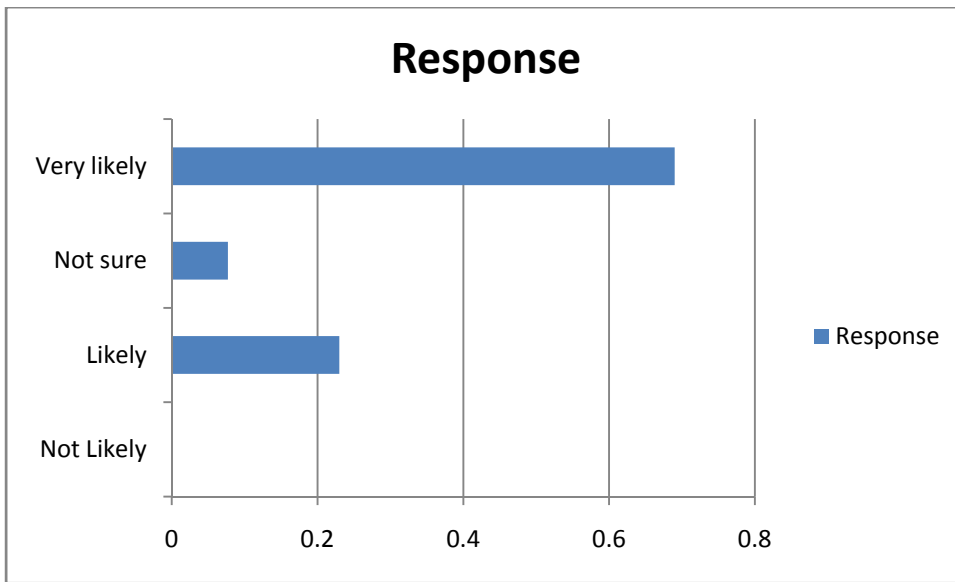


According to the graphical representation, we could say that most of the employers think that their employees are satisfied with their jobs.

2. How likely you provide career growth opportunities to your employees?

	Not Likely	Likely	Not sure	Very likely
Response	0.3%	23%	7.7%	69%

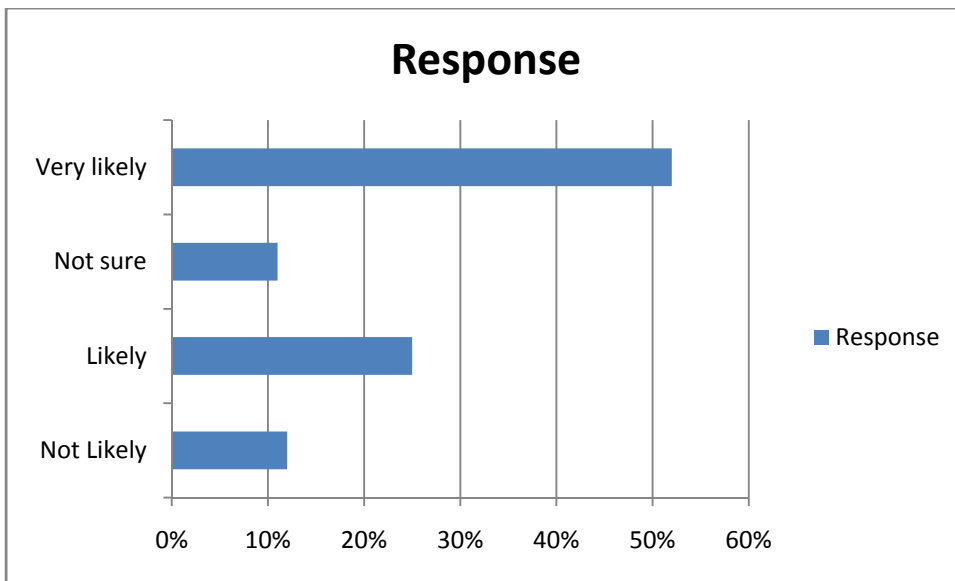




According to the graphical representation, most of the employers tend to provide their employees with the career opportunities.

### 3. How likely your employees leave their jobs?

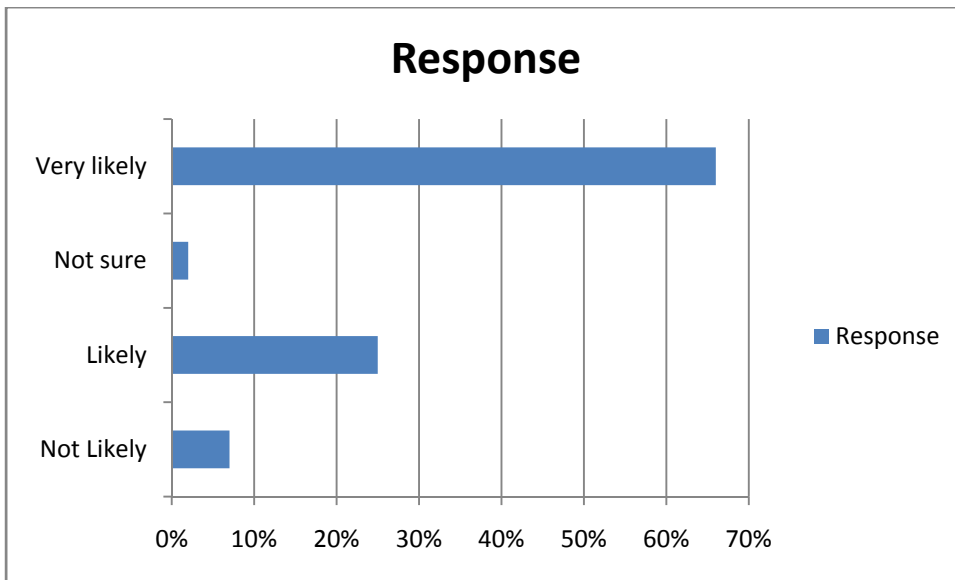
	Not Likely	Likely	Not sure	Very likely
Response	12%	25%	11%	52%



According to the employers, the employees of the firm tend to leave their job at a very high rate which creates issues for them as well.

### 4. How likely you reply to your employee's queries and issues?

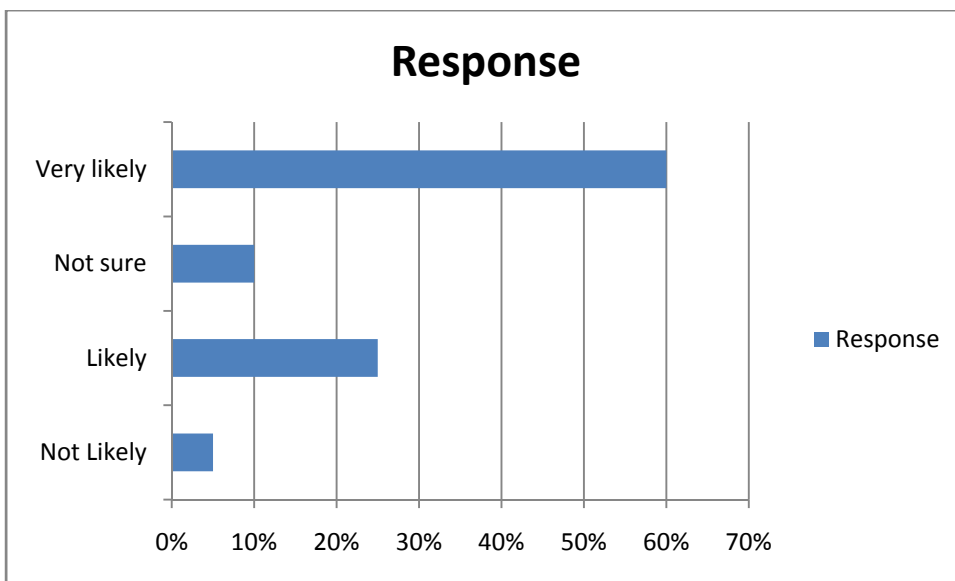
	Not Likely	Likely	Not sure	Very likely
Response	7%	25%	2%	66%



The employers in the MNCs tend to reply to the queries of their employees and still they are facing issues in employee retention.

5. How likely you conduct events for employee motivation?

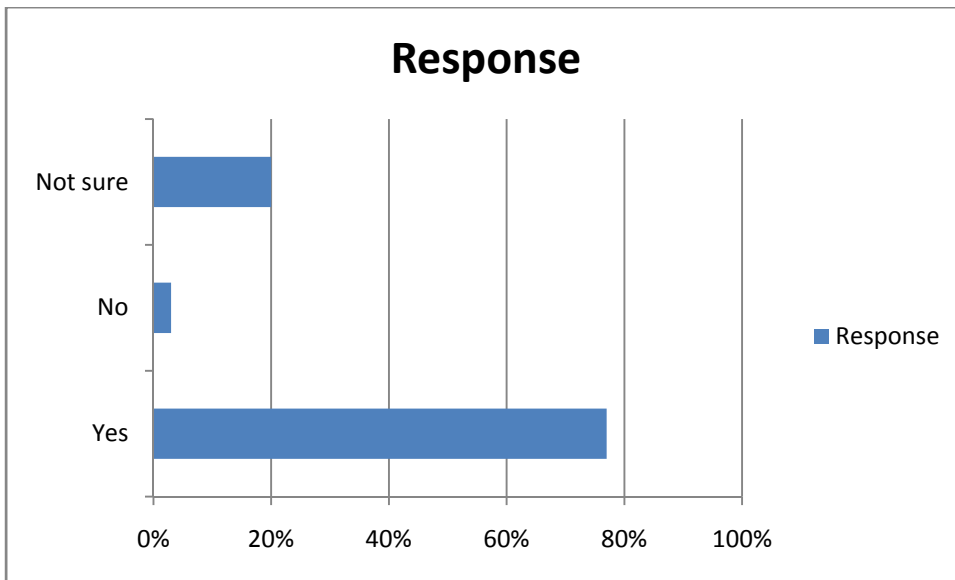
	Not Likely	Likely	Not sure	Very likely
Response	5%	25%	10%	60%



According to the graphical representation, most of the employers conduct events for maintaining healthy and productive work culture.

6. Do you provide compensation to your employees?

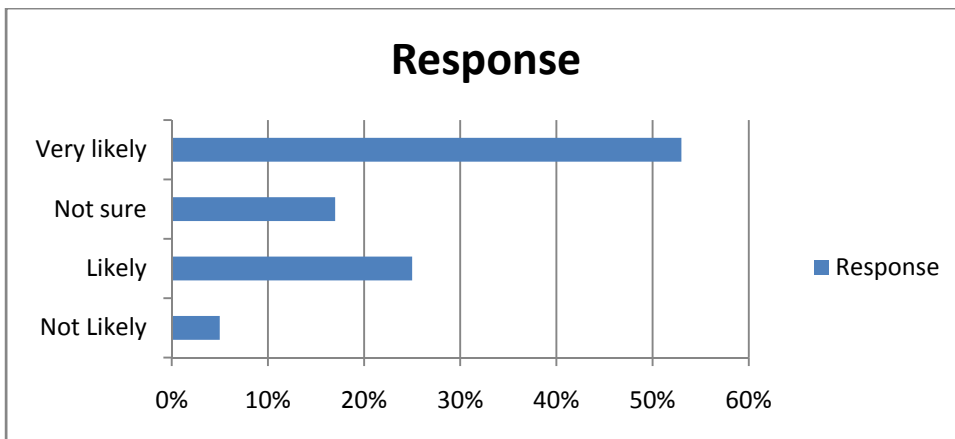
	Yes	No	Not sure
Response	77%	3%	20%



According to the graphical representation, approximately, 77% of the employers provide their employees with compensation and 3% don't.

7. How likely you tend to hire part time workers?

	Not Likely	Likely	Not sure	Very likely
Response	5%	25%	17%	53%



According to the survey, approximately, 53% of the employers tend to hire the part time workers while others are not that much involved in hiring part time workers.

**Conclusion**

This report explains all about the concept of moonlighting as well as all of its aspects. Thus, the moonlighting is the concept which refers to the employees approaching for the second job. There are four types of moonlighting which are blue, quarter, half and full all are having different meanings on the basis of the employees thinking. This study is very useful as it provide several benefits like analysis of all the factors due to which moonlighting is taking place as well as their benefits and issues. There are many researches occurred on the concept on the basis of which reflection is provided. There are several reasons for the existence of this concept in the organization like the skill enhancement, job frustration, etc. After studying all the aspects of the concept, a research is made on the basis of the data analysis in which the data is

sampled by using the survey method. On the basis of the analysis, the finding states that the main reason for the moonlighting among the employees is the money and job dissatisfaction as well as lack of growth due to which they are opting for other jobs.

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# **Sustainable Development: Effective Crisis Management Practices to tackle unexpected epidemics by 2030 with reference to a case study from Nipah outbreak**

**Ms. Geeta Rajan N (M Com Coordinator)**

Asst Professor, Christ College, Pune.

## **Abstract**

*Vision India 2030: Agenda for Sustainable Development, with its commitment to leave no one behind, it enhances modern transportation, job opportunities, education and quality of life as well as international migration. It is a fact that all development invites economic growth but on the other side there may be some negative impact as well. One such negative impact what this paper is highlighting is unexpected epidemic diseases which can affect the people as well as economy of a nation. There is an imperative today to promote sustainable development. A vision of what this encompasses is presented in the new sustainable development agenda that aims to end poverty, promote prosperity and wellbeing of people while protecting the environment by 2030. As an arm of the United Nations for Development, UNDP has a key role to play in supporting countries to make this vision a reality: putting societies on a path of sustainable development, managing risks and improving resilience, and promoting prosperity and well-being.*

*The objective of this paper is to find out what strategy is implemented by a small state Kerala to tackle the most deadly virus Nipah. The study focused on one such Nipah Virus outbreak witnessed in May 2018, at a small district Kozhikode, Kerala. It is a deadly virus which takes a patient into coma within two days. The only treatment is giving proper supportive care. According to the statistic survey, the last outbreak what the Kozhikode witnessed could have taken the lives of more people. With the help of efficient management techniques, the Kerala state managed to control the death toll to seventeen. Therefore the main sole purpose of this study is to learn an efficient crisis management to tackle unexpected as well as unknown epidemics outbreaks. A comprehensive outbreak response is always complex, comprising many elements that should be harmoniously coordinated. Such Four elements are studied in this paper with reference to Nipah Virus outbreak.*

**Keywords:** Nipah Virus, Crisis Management, Epidemics outbreaks, Sustainable Development, Infodemic.

## **Introduction**

Our history gives ample evidence of how much deadly the threat of contagious diseases can cause us irreversible damage. During 15<sup>th</sup> century, Europeans used this as a weapon to conquer American continents. They intentionally brought the diseases and spread out among the natives. This disease travelled even faster than the Europeans and was the reason why many native civilizations wiped out. Five hundred years from that time, today world is more interconnected with each other. Therefore such outbreaks can carry potential to travel oceans, Mountains, continents with even greater speed.

In September 2015, the Sustainable Development Goals (SDGs) were officially adopted by UN member states. They replace the expiring Millennium Development Goals (MDGs). 17 SDGs are universal and focus on five key elements that must be achieved by 2030. These include People, Planet, Peace, Prosperity, and Partnership. SDGs view development as economically, socially and environmentally sustainable. Actions need to be taken in various problems at the national and international level for the actualization of the SDGs. The World Health Organization (WHO) has developed a joint global public health approach to accelerate progress and meet ambitious global targets set for **2030** for HIV, TB, malaria, hepatitis and NTD in the era of Sustainable Development Goals (SDGs). Concentrated global attention is needed in unexpected epidemic

diseases, such as the Zika Virus, Nipah Virus, Swine Flu, Ebola Virus etc which requires a response that is enlarged for a long time to end the disease.

Nipah virus was first identified in 1999 among the pig farmers of Malaysia and Singapore causing respiratory illness. This outbreak caused a mild illness among the pig, but nearly 300 people were affected out of which 100 deaths were reported. After this outbreak, no Nipah cases are reported in either Singapore or Malaysia.

In 2001, Bangladesh and Siliguri, in India experienced Nipah virus, one with a strain different in the original outbreak happened in 1999. Unlike the Malaysian outbreak, India and Bangladesh experienced Nipah Virus outbreak several times.

Recently in 2018, there was a third outbreak in Kerala, which was localized in two districts Kozhikode and Malappuram. This had claimed the lives of 17 people. But in similar case on Swine flu outbreak, a deadly virus had taken the lives of more than 1800 people up to march 2015. Therefore what helped the Kerala state to control the virus is an interesting subject to study.

## **Objectives**

- To study a best approach of infection control practices for any epidemic disease.
- To study the importance of crisis management in controlling epidemic diseases.
- To identify the efficient infection control practice and supportive care of Kerala Government towards Nipah Virus.

## **Review of Literature**

Stella R.Quawh and Lee Hin Peng et al. (2014) the research was conducted on Crisis Prevention and Management on SARC Outbreak, Singapore. SARS is Severe Acute Respiratory Syndrome, infection which may come from normal contact with anyone. Four public health issues were considered such as prevention measures, self health evaluation, SARS knowledge and appraisal of crisis management. The research was conducted on 1201 adults whose age is less than or equal to 21. They found that sex, age and attitude were associated with practicing preventive measures. This study improved the understanding of the social dimensions of infectious disease outbreaks.

Benjemani champman,phd., Audrey Kreseke, Phd., and Doug powel Phd. 2012. Article on “Crisis Management: How to handle outbreak Events” claims that the crisis management cannot be readily learned in the classroom. The skills can be honed through the observation of successful and failure stories. And even the simulation helps to sharpen the skills.

A report by the National Restaurant Association about crisis management Primer for food borne illness: emergencies are unpredictable. For food industry the profit cutting challenges comes when the workers are absent, equipments were broken, and if the deliveries are not on time. But the actual crisis occurs when the wellbeing of customers and employees endangered. They claim that the crisis management plan cannot work miracles; it had to be preplanned and well prepared. The plan should be according to the needs and limitations of company’s particular operation.

Alexander S. Kekulé, 2015, a research paper on learning from Ebola Virus: How to prevent future epidemics claimed that WHO is incapable to control outbreak of infectious diseases in the world less developed area. This paper analyzed the reasons for the failure of the international response and important measures to improve resilience, not only early detection but also proper prevention.

## **Research Gap**

Form the above mentioned review of literature, a gap identified is only failures, limitations were studied. This paper is explaining a proper crisis management technique which helped a state ministry to arrest a deadly virus completely. This strategy will be helpful for tackling any outbreak in future. The scope of the

study is vast because India like highly and densely populated country should always be alert about such diseases.

### **Research Methodology**

The paper is based on secondary data from various sources like Newspaper, Website, and Magazines etc. And some primary data is collected by making telephonic interviews with the concerned people in Kerala.

### **Reason for the Catastrophe**

On 2nd may 2018, the first victim of Nipah virus, Mohammed Sadiq was taken to the Kozhikode Government Medical College for further treatment, where he later succumbed to death. By the time Mohammed Sadiq died, his brother Mohammed Salih had already been infected. He was admitted in Baby Memorial Hospital, Kozhikode with suspected viral infection same as that of his brother. The samples were tested at Manipal Institute of Virology and National Institute of virology in Pune. At both the places the samples tested positive. Sadiq had passed the virus to more and more people, increasing the total count of infected to 18. In the first week, 10 deaths were reported, which includes a nurse who had taken care Sadiq before the diagnosis without any preventive measures. The outbreak first started in Kozhikode which moved later to Malapuram District. Near about 2000 people were quarantined and were kept under observation in both the districts. The reason of this outbreak in Kerala is still unclear since from Siliguri as well as even from Bangladesh in west Bengal, where the last outbreak was witnessed is too far from Kozhikode, for the virus to land. No similar cases have ever been reported in Kerala Previously. The experts were faced with such an unprecedented condition for to find out the causes of deadly attack Nipah. The Nipah Virus was not found in the samples of bats from the well at the house of the first victim, Mohammed Sadiq in Perambra.

To control such outbreak in future, it is really very important to find out the source of this deadly virus. But the crucial question “How did the deadly virus reach Kerala?” is still unanswered. The experts had come across with a various assumptions such as a famous ornithologist Dr. K. Sugathan Claims that the virus lives in the solution which are very high in sugar content, like the saliva of fruit bat, therefore it cannot be found in insectivorous bats.

### **An Outbreak Anatomy: Nipah Virus**

The way Kerala deals with the Nipah virus outbreak holds important lessons for all of India on how deadly viruses are being handled by an alert administration.

### **Prompt Diagnosis**

Four deaths from one family made the doctors impatient to identify the cause. Without wasting a single time the doctors at Kozhikode medical college had vigorously tried to rule out the common causes of encephalitis. Neurologists knew at the time that they were looking at exotic viruses, which had never been seen in Kerala before. They took the help of Virologist at Karnataka’s Manipal Centre for Virus Research (MCVR), about 300 km from Kozhikode. The victim’s samples were dispatched to MCVR. They ruled out common causes of encephalitis such as Japanese encephalitis virus, Herpes Simplex virus and Leptospira bacteria. Only one pathogen seems to be able to cause same symptoms and cause disease among several family members simultaneously. "That's Nipah," they declared.

Meanwhile within the span of 21 days, Nipah claimed the lives of 17 of the 19 people infected in Kozhikode, the death rate was 89%. But without an immediate diagnosis, it can get worse. In Bangladesh, some of the first outbreaks killed dozens in the Meherpur and Naogaon districts, but were not recognized as Nipah until after they ended. In the 2001 Siliguri outbreak, investigators discovered that it was a Nipah virus that infecting people only six months later. At that time, 60 people were infected and 45 people had died.

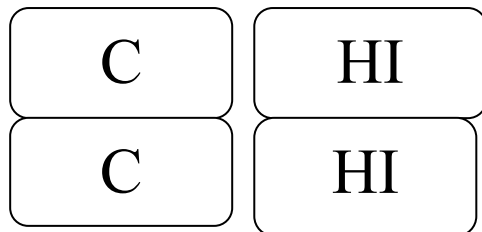
India has a poor record of outbreak investigations. About 10,000 people develop symptoms similar to encephalitis each year, but never receive a diagnosis. Some regions, such as Gorakhpur in Uttar Pradesh and Muzaffarpur in Bihar, saw thousands of deaths in repeated annual outbreaks before causes were established.

In this context, the discovery of an exotic pathogen in the second patient affected by an outbreak, as was the case in Kozhikode, has few precedents.

**A comprehensive outbreak response is always complex, comprising many elements that should be harmoniously coordinated. These elements are organized into four main blocks.**

**Coordinating**

Outbreaks by extraordinary require humans financial may also depend partners, other sectors. coordination is at all times to resources and effective control the is often expected



C : Coordinating responders  
HI : Health Information

C : Communicating risk  
HI : Health Interventions

**responders**

definition are events that often and humans resources and on additional institutions and Strong very important ensure that all partners work together to outbreak. WHO to lead

internationally Respond to supporting national health authorities.

Once the MCVR shows exactly the Nipah virus, they must move quickly. Under the 2005 International Health Regulations, India was obliged to report an emerging infectious disease outbreak to the World Health Organization. Therefore, the MCVR team must be sure of their findings. The only way to do this is to ask the NIV, Pune, to run a diagnostic test for Nipah in the second set of samples of the Perambra family. Instead of waiting for NIV's Confirmation, they started isolating the people immediately. The State health-care machinery did not wait for confirmation to start the operation. Kozhikode's district medical officer put together a team of entomologists and visited Salih's Perambra home to collect mosquito samples and fogged the area, just in case the mosquitoes were the disease vectors.

The state medical association and government doctors were already on high alert. An Ebola outbreak protocol instructed State doctors in infection control measures - isolating patients, using surgical masks and decontamination surfaces. That is a very fast response to any size.

The prompt coordination among the Ministry, Administration and Medical Department had succeeded in arresting the further growth of the deadly Nipah Virus.

**Health Information (HI)**

In any case, the information is necessary to monitor it, measure the impact of the interventions and Guide decision making throughout the crisis. There are two particular types of information: disease surveillance and information on interventions (process and outcome indicators), which shows the coverage and the impact of the interventions carried out. Surveillance provides information on the number of cases and deaths per period and place (people, time and place). The information about the interventions allows knowing about which ones are performed and what is their coverage and impact.

Kerala government had closely monitored on the outbreak regarding people, time and place to control the death toll as well as spreading of the pathogen. They had a clear picture about how the pathogen moved from the zero patient to the seventeenth one. The chart 1 explains that from patient Zero the disease had transmitted to three people from the same family within three days. Thereafter these three had taken



medication from Perambra Taluk hospital where in the disease had transmitted to more 4 people. The affected people had taken treatment from Kozhikode medical college had again spread the disease to further more 11 people taking the death toll to 17.

Meanwhile the state authorities had started with the preparation for second wave of infection. On the one hand, infection control measures were established by day 20, and more than 1,400 people who came into contact with the 19 confirmed cases are being monitored closely. On the other hand, unlike other viruses such as measles in the Paramyxovirus family to which Nipah belongs, Nipah does not spread efficiently and only transports people within a meter of very sick patients.

The number of confirmed new cases coming up each day has slowed after the first wave from patient zero. But the Nipah virus can incubate in the body about 21 days, health officials cannot take it easy for a while. Only after 42 days, or two incubation periods, pass after the last confirmed case will the State be declared Nipah-free.

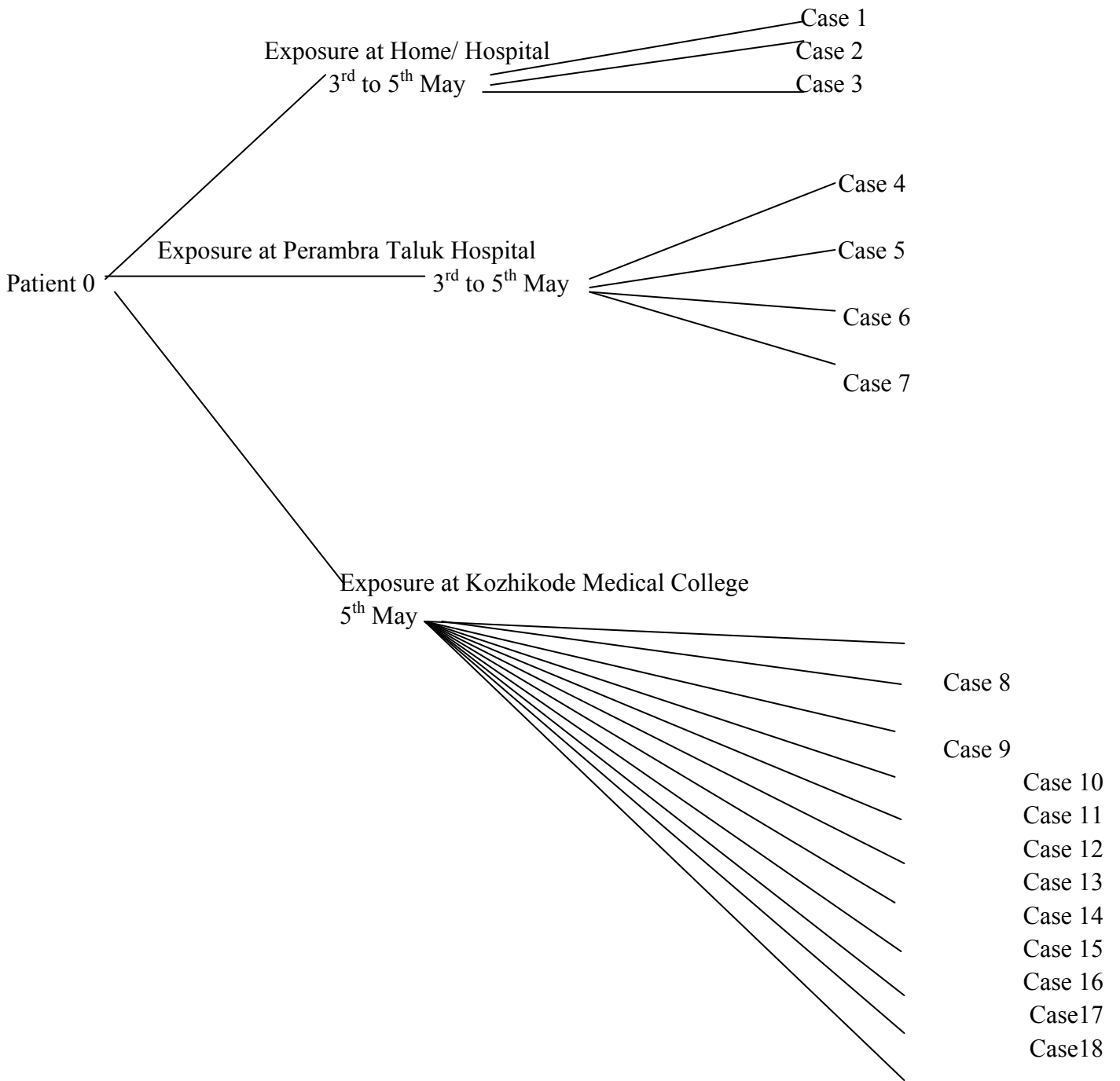


Chart 1

## Communicating risk (C)

During the evolution of any major outbreak, cases and deaths will inevitably increase. An epidemic is the rapid spread of infectious diseases to a large number of people in a given population within a short period of time. Similarly, there may be another type of epidemic: the rapid spread of Information of all kinds, including rumors, gossip and untrustworthy information. We describe the phenomenon as "infodemic".

The infodemic, like the epidemics, can be managed. Field epidemiology is an important part of Response to the outbreak. It covers three main areas: (1) health monitoring and identification threats, (2) investigation of outbreaks, and (3) actions for mitigation and control. Similarly, successful of the management of the infodemic will be based on (1) its follow-up and identification, (2) the analysis of them, and (3) control and mitigation measures.

Risk communication is an essential intervention in any response to disease outbreaks, and is equally necessary to manage the infodemic. The communication of risks in epidemics implies two ways Communication that is dynamic and evolves as the outbreak develops.

Immediately after the confirmation of the diagnosis and the first death, on May 19, the State intensified its actions of public health control. He immediately informed the Center, which in turn alerted WHO. A team of experts from the National Center for Disease Control (NCDC), New Delhi, complemented the efforts of the State to quickly move behind the root cause, undertaking public outreach activities in parallel. Despite the fact that the government installed a 24-hour control room and published authentic public communiqués, a section of the media went crazy reporting non-scientific and exaggerated news. Social networks, mainly WhatsApp, were flooded with rumors that created social panic. The rumor that Nipah was caused by fruit severely affected the entire supply chain beyond Kerala.

The rumors in the village of Changaroth, 45 km from Kozhikode, took people to the edge, driving them away from their homes at night and leaving those affected for fear of contracting the disease. The Perambra Taluka Hospital, which normally has up to 100 patients, wore all day long with a deserted look, since most of the patients who were not Nipah sought discharge due to fear. Effective risk communication at three levels finally paid off. Fears among villagers who by then moved unnecessarily with masks could dissipate when their Panchayat leaders along with teams of doctors and Delhi staff contacted them in their own homes with objective information and their assessment of the situation. The district-level government administration educated the general public on what should and should not be done, while addressing the needs of affected families, including safe cremations for the deceased. At the state level, the political and administrative leadership was updated through frequent informative meetings for the media and reassured people about the general situation with specific messages. The health minister herself urged citizens not to believe in What App rumors as part of a strong and effective narrative to mitigate fears.

### Health Interventions

An effective health intervention is required to arrest any disease such as (a) transmission, (b) the impact on Health systems, (c) severe mortality and morbidity, (d) the political and other sectors.

The district's medical officer, Kozhikode, entrusted the District Mental Health Program (DMHP) team, Kozhikode, with addressing the panic and fear among the hospital staff, which had initially treated these patients without taking sufficient precautions. Who were unaware of the Nipah infection during that period? The DMHP team visited these hospitals to assess the situation and plan an appropriate intervention. There was widespread confusion and misconceptions among staff regarding Nipah virus disease and its transmission and infectivity. And there was genuine concern among staff members who had close contact with these patients.

The intervention strategy included a general plan for health education with respect to the disease and the nature of disease transmission and infectivity, together with specific interventions to treat associated anxiety

and psychological stress. A general health education class was provided to staff as a group. The individual problems were evaluated. Most of them had symptoms of anxiety. A fraction of them had insomnia. Benzodiazepines were prescribed for some of them. Relaxation techniques were taught. Follow-up psychological support was provided and provided over the phone.

As the news about infections spread and the Department of Health decided to keep the contacts of the infected patients isolated for observation, the general public became alarmed and generalized panic. In this situation, the psychological intervention required an extension and a reorientation. The Director of Health Services convened a meeting at which representatives of the Department of Psychiatry of the Medical College of the Government, Kozhikode; Institute of Mental Health and Neurosciences (IMHANS), Kozhikode; and the Government Mental Health Center, Kozhikode participated. It was decided to launch a mental helpline from Nipah to deal with the new situation. This was considered the best option since people did not trust to go to hospitals for fear of contracting the disease.

DMHP Kozhikode coordinated the program. The helpline provided the public with three phone numbers they can call to get psychological help related to Nipah's viral illness, between 9 am and 5 pm. The numbers were publicized. The psychiatrists handled the telephone calls in these three institutes. In addition to the telephone helpline, an outpatient advice and assistance (OP) clinic was launched in the Psychiatry Department of the Medical College Hospital to address psychological problems among health professionals and staff.

Two survivors were also visited at the end of the quarantine period and psychological support was provided.

### **Conclusion**

Mankind has faced many brutal epidemics which has not just claimed the lives of thousands but also gave us unforgettable pain to suffer. Epidemic disease is still prevalent in this modern era even though we have most advanced health care. Vision 2030 should aim to counter such outbreak in future. Countering such outbreaks is one of the goals of United Nations Sustainable Development Goals. Sustainable Development Goals 3 targets by 2030 to terminate the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases. It also supports the research and development to arrest such outbreaks. This paper presents a case study on Nipah Outbreak and its Crisis Management which will act as a model to be followed in handling future outbreaks. The four elements explained in this paper clearly shows how efficiently the Kerala Government managed to arrest such a deadly virus attack. They themselves set an example of role model for everyone in the history.

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## **Annexure**

The survey was conducted in the 4 Multinational Companies where the 20 employees and 20 Managers of the firm were presented with some questionnaires. Let's have a look at some of these questionnaires as follows:

1. Do you enjoy the culture of your company?
2. Are you satisfied with your work?
3. Does your company provide efficient career development opportunities?
4. Does your Organization recognize you for your contribution?
5. Does your firm provide sufficient technology and tools necessary for the efficient completion of the task?
6. Does the authority of your firm communicate about the new updates and news effectively?
7. Are your objectives clearly defined in your firm?
8. Do you think everyone gets equal opportunities at workplace?
9. Are you able to use your skills and enhance them at workplace?
10. Do you feel valuable at the workplace?
11. Does the management team support you in your contribution?
12. Are you involved only in full time jobs?
13. Are you involved in part time as well as full time jobs or multiple part time jobs only?

### **For the employers:**

1. How likely you feel your employees are satisfied with their jobs?
2. How likely you provide career opportunities to your employees?
3. How likely your employees leave their jobs?
4. How likely you reply to your employee's queries and issues?
5. How likely you conduct events for employee motivation?
6. Do you provide compensation to your employees?
7. How likely you tend to hire part time workers?

# Role of Small Scale Industries in Indian Economy: A Case Study of Women Condition

**Gulnawaz Usmani,**

Assistant Professor,

Poona College of Arts, Science and Commerce, Pune

Email id: [nawaz1717@gmail.com](mailto:nawaz1717@gmail.com)

**Syed Tariq Imam,**

Associate Professor,

Poona College of Arts, Science and Commerce, Pune

Email id: [st\\_imam1@yahoo.com](mailto:st_imam1@yahoo.com)

## Abstract

*This paper deals with the role of small scale industries in women empowerment. The objective of the study is to study the role of small scale industries in Indian economy and in women empowerment. Secondary data from various reports of the ministry of Micro Small and Medium enterprises (MSME) government of India have been used. SSI provides employment to both men and women. SSI tends to increase the availability of formal but mostly low-skilled, labor intensive and low value added jobs in developing countries, and most of these jobs having filled by women in recent decades. Most small scale industries have a low capital intensity and high labor intensity. Small scale industries not only play a crucial role in growth of an economy but also have a great contribution in women empowerment. Small scale industries provide maximum employment to the women worker in order to make them self-depend in terms of money and also to improve their standard of living.*

**Keywords:** Small Scale Industries, Indian Economy, Growth and Development, Employment, Women empowerment.

## Introduction

India is a country which now considered as a major power and move towards a developed nation from a developing nation. The small scale industries play a crucial role in the advancement of an economy like India. India made great efforts towards the development of small scale industries (SSI) as these are supposed to be the engine for economic growth. A Small Scale Industry is an industrial undertaken in which the investment does not exceed Rs.1 crore. Small scale industries help in generating employment, mobilizing advanced skills and resources, improving village economies aiding the process of backward areas development and performing an important role in the process of growth and development of an economy.

The primary responsibility of promotion and development of small scale industries is of the state Government. However, the Government of India assists the efforts of the state Government through various initiatives. Most of the small scale industries have a low capital intensity and high potential for employment generation. The ministry of Micro, Small, and Medium Enterprises (MSME) supplement the state Government to encourage small scale industries to increase entrepreneurship, employment and livelihood opportunities and enhance the development through (i) adequate flow of credit, (ii) technology up gradation and modernization, (iii) assistance for better access to domestic and export market, (iv) provide support for product development, (v) help in skill development through appropriate training facilities etc. Today India operates the largest and oldest programmes for the development of small scale industrial units. The small

scale industries units are the core parts of an economy and thus have been given an important place in the framework of Indian Planning.

The small scale industries sector has emerged over five decades as a highly effective sector of the Indian economy. Now days this sector accounts almost 95 per cent of industrial units. Small scale industries are supplementing and complimentary to large and medium scale units as ancillary units. The Government of India provides all the assistance to small scale industries to provide suitable atmosphere, to achieve higher level of production, export and employment. This sector provides large scale employment to both male as well as female. Small scale industries employed over 1000 million people worldwide (WHO).

Women live in two parallel worlds- one their own life, and the other- the larger world, the town and the society, where they play marginally. In an androcentric society, the cumulative effect shows diminished power for females (Miles, 1980). However, some women show a blurred picture of empowerment, but these are exception to the rule. Status of the women has improved in the developed nation with value addition to the work. Women workforce has an important role in developing nation like India. Today women play an important role in the scion-economic changes as they are the one who creates new opportunities, new techniques, new lines of production and also co-ordinates various other activities. Women perform 66 per cent of worlds work, produce 50 per cent of food, but earn 10 percent of income and own 1 per cent of property. (Women, Business, and the Law, World Bank, 2011) Globally women represent 49.6% of total population, but only 40.8% of total workforce in the formal sector.

Since decades India marked as a men-dominated country. But, time has changed now, women in India havemoved outwards from the fact that since hundreds of years they had been following the orders of men. Women now know their rights and duties and they walking with men at the same pace in each and every field.

Small industries make women self-depend in terms of finance and in other fields as well as improve their standard of living. There are a huge number of women worker engaged in SSI units doing different type of jobs at different level. Small scale industries try to provide employment to both educated and uneducated women for their overall development.

### **Objectives**

- To study the role of small scale industries in Indian economy.
- To study the condition of women in small scale industries.

### **Data source**

The study is based on secondary data from various sources as impact reports of relevant studies, census reports, annual reports of MSME, Government of India, third and fourth All India census of MSME.

### **1- Role of small scale industries in Indian economy:**

In a developing country like India small scale industries play a vital role towards the various developmental activities as poverty eradication, employment generation, rural development, production and export. It is estimated that small scale industries contribute about 40 per cent of the gross value output of manufacturing sector and generate employment more than five times to that of large scale sector. This sector is estimated to employ about 59 million people in over 26 million units across the country (Annual Reports MSME, 2010-11).

This shows the importance of small scale industries in the economic development of India and this sector play a crucial role in the growth process sine independence.

### Employment generation

The basic problem facing by Indian economy is increasing pressure of population on agriculture or land and need to create large scale employment opportunities. This problem is solved by small scale industries because this sector is labor intensive in character. SSI sector generates large scale employment after the agriculture sector. Further SSI also helps in solving the problem of regional disparities in employment by maximizing employment opportunities in rural and urban areas. Location wise food product industry contribute 21.1% of employment, next are non-metallic mineral products contributing 22.7% employment generated in rural areas. Wood products and chemicals and chemical products shared between them 17.5% employment. As for urban areas, food products and metal products almost contribute equal employment of 22.8%, machinery parts, non-metallic mineral products, and chemicals and chemical products accounts for 26.2% of employment. State wise small scale industries contribute 14.5% employment in Tamil Nadu, Maharashtra contribute 9.7%, Uttar Pradesh 9.5%, West Bengal 8.5%, Gujarat 7.6%, Karnataka 6.7% and Punjab 5.6% share of employment in overall employment. The overall performance of small scale industries in terms of growth in numbers of units and employment in India has been represented in the below table

**Table 1.1: Growth in number of SSI units and employment in India.**

YEAR	NO. OF SSI UNITS (IN LAKH)	EMPLOYMENT (IN LAKH)
2001-02	105.21	249.33
2002-03	109.49	260.21
2003-04	113.95	271.42
2004-05	118.59	282.57
2005-06	123.42	294.91
2006-07	361.76	805.23
2007-08	377.37	842.23
2008-09	393.70	881.14
2009-10	410.82	922.19
2010-11	428.77	965.69
2011-12	447.73	1012.59
1015-16	633.88	1109.89

Source: Annual reports of MSME, 2009-10, 2010-11, 2011-12.

Table shows that the employment in SSI units has been increasing rapidly. Hence the small scale industries play a crucial role in the development of Indian economy.

### Export sector

Small scale industries play an important role in India's present export performance. Theism sector contribute about 50 per cent of the total Indian export. In this decade the export growth rate of SSI is very excellent. Direct export from the sector accounts nearly 35% and indirect export contribute around 15% of total export. The non-traditional products contribute more than 95% of small scale industries export. The SSI dominates in export of sport goods, readymade garments, woollen garments, plastic products and leather products.

### Production

Small scale industries accounts almost 40 per cent of gross industrial value added in Indian economy. This sector produces a wide variety of products. The SSI sector has grown rapidly over the years; it increases the total per capita income of Indian economy of Indian economy. It is estimated that a million rupees of investment in small scale industries can produce 4.62 million worth of goods and services.

The growth of fixed investment and production in SSI sector in India is presented in the table-

**TABLE 1.3 Growth of fixed investment and production in SSI units in India.**

YEAR	FIXED INVESTMENT (IN CRORE)	PRODUCTION (IN CRORE)
2001-02	154349	282290
2002-03	162317	314850
2003-04	170219	364547
2004-05	178699	429796
2005-06	188113	497842
2006-07	500758	709398
2007-08	558190	790759
2008-09	621753	880805
2009-10	693835	982919

Source: annual reports of MSME 2010-11.

The data for the period up to 2005-06 is of Small Scale Industries (SSI), subsequent to 2005-06, data where reference to Micro, Small and Medium Enterprises are being compiled.

### **Poverty eradication**

Small scale industries help in poverty eradication through equitable distribution of income and wealth in the Indian society. This is mainly due to the reason that small scale industries are dispersed as compared to the large scale industries and having large scale employment opportunities. By its less capital intensive and high labor absorption nature, SSI leads to the rural industrialization. This sector is ideally suited to build on the strength of our traditional skill and knowledge.

### **2- Condition of women in small scale industry**

Small scale industries not only play an important role in the development but also help in the development of the women employees in India. The SSI units provide employment and livelihood to both male as well as female.

Small scale industries provide maximum employment to the female in order to make them more self-dependents in terms of finance and also to raise their standard of living. Despite a week sex-disaggregated data on women's participation in MSME sector. It is noted that a large number of female workers are employed in MSME sector in India and the major part of them are in the unorganized sector.

In the area of women entrepreneurship and government policies and initiatives giving rise to new opportunities to women. According to the MSME annual report of 2011-12, only 2.15 lakh enterprises managed by women, indicating about 13.72 per cent of enterprises in the registered sector of MSME.



**TABLE 2.1 number of women enterprises in India**

YEAR	NO. OF WOMEN ENTERPRISES (IN LAKH)	
	REGISTERED SECTOR	UNREGISTERED SECTOR
2011-12	2.15 (13.72%)	18.09 (9.09%)

Source: Annual reports MSME 2012-13, got of India, Fourth All India census of MSME.

Women empowerment can be understood as a process whereby women individually, become aware of how power, process and relationship operate in their lives and gain self-confidence and strength to challenge the resulting gender inequalities.

With the multiple roles that a women play in her life, the small scale industries provides the opportunity for women empowerment. According to the third All India Census of small scale industries conducted in 2001-02 only 10.11% of small enterprises are owned by women in India while 9.46% of small enterprises are managed by women.

#### **Small scale industries (route to empowerment)**

Women worker finds industrial employment a route to empowerment. Most of the women remain busy at home but their work is unpaid or uneconomic. Poverty, demand of dowry and lack of adequate employment opportunities in public sector generates large scale unemployment among women. Young women also suffer from the social and cultural disadvantages as their families do not allow them to take up employment far away from house. Thus the small scale industries or industrial employment has come as a soul to these unemployed women. According to the government of India, “an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of capital and giving at least 51 per cent of employment by the enterprise to women”.

**TABLE 2.2 Employment of women in SSI sectors in India.**

	Registered sector (in thousands)	Unregistered sector (in lakh)
Total	1906.57	0.55
Rural	645.78	0.07
Urban	1260.79	0.48

Source: Fourth All India census of MSME, 2006-07: registered and unregistered sector.

Table shows the employment of women in registered and unregistered sector of SSI. In registered sector the total no. of enterprises owned by women is 1906.57(thousands), as well in rural areas the number is 645.78 and in urban areas it is 1260.79. While in unregistered sector the total enterprises owned by women are 0.55 (lakh), as well in rural areas it is 0.07 and in urban areas the number is 0.48. Table 2.3 shows the employment of women by nature of activity in SSI registered sector. This shows the numbers of women employed in manufacturing, services and repairing and maintenance activity.

**Table 2.3: Employment of women by nature of activity in registered sector.**

(Number of enterprises owned by women in thousands)

Activity	Rural	Urban	Total
Manufacturing	724.43	924.87	1649.30
Services	81.20	108.27	189.48
Repairing and maintenance	65.27	45.15	65.27

Source: Fourth All India census of MSME, 2006-07: registered and unregistered sector.

**Table 2.4: Employment of women by nature of activity in unregistered sector.**

(Number of enterprises owned by women in lakh)

Activity	Rural	Urban	Total
Manufacturing	30.85	8.73	39.57
Services	0.75	1.61	11.31
Repairing and maintenance	3.95	7.35	2.36

Source: Fourth All India census of MSME, 2006-07: registered and unregistered sector.

Table 2.4 shows the employment of women by nature of activity in SSI Unregistered sector. This shows the numbers of women employed in manufacturing, services and repairing and maintenance activity. Data shows that in rural areas only 0.75 lakh women are employed in services while in manufacturing 30.85 lakh women are employed in unregistered sector. Likewise, in urban areas the number of women employed in services are is 1.61 lakh, in repairing and maintenance and in manufacturing the number of women employment are 7.35 lakh and 8.73 lakh.

“Women entrepreneurship” means an act of business ownership that empowers women comically as well as raises their position in society. Women engaged in business due to push and pull factor. These factors encourage women to have an independent occupation and stand on their own legs. Fade up with household duties and domestic responsibilities women want to get independence, such circumstances are called pull factor, while in push factor women engaged in business due to family force and responsibility.

### **Problems of women entrepreneurship in India**

In India women faces two sets of problems,

(a)-General problem of entrepreneurs.

(b)-Problem specific to women entrepreneurs.

### **Problem of finance**

Generally, women do not have any property on their name to use them as security for taking funds from external sources. Thus their access to external sources of funds is limited.

### **Stiff competition**

Women entrepreneur do not have organization set-up to pump a lot of money for advertisement. Thus they have to face a stiff competition for marketing their products with organized sector and also to their male counter parts.

## **Limited mobility**

Unlike men women mobility in India is highly limited due to various socio-cultural reasons. Thus the women entrepreneurs face the problem of new contracts, raw materials and so on.

## **Lack of education**

In India around 60% of women are still uneducated due to lack of education. Women are not aware of business, technology, and market knowledge. Thus lack of education creates problems for women in the setting up and running of a business enterprise.

## **Low risk-bearing ability**

Women in India have a protected life; they are less educated and non-economical. Thus all these factors reduce women ability to bear risk involved in running an enterprise. Risk bearing is an essential requirement of a successful entrepreneur.

Other than the above problems, inadequate infrastructural facility, shortage of power, high cost of production, social attitude and socio-economic constraints also force the women back from entering into business.

## **Government scheme for women empowerment**

The government programmed for women empowerment or development starts in 1954 just after the country got independence, but these programmed come into actual participation in 1974. At present the government of India successfully implemented more than 27 schemes or programme for women development and empowerment. Some of this are-

- Women's Development Corporation Scheme (WDCS).
- Working Women's Forum.
- IndiaMahilaYojna.
- RashtriyaMahilaKush
- SIDBI MahilaUdyamNidhiMahilaVikasNidhi.
- NGO's Credit Scheme.

The efforts of Government are successfully supplemented by non-governmental organizations to empower women. But the efforts of Government and NGO's do not show any positive result, still there are certain gaps. Thus we have to come a long way in empowering women.

## **Conclusion and recommendation**

India a country which now move to the developed nation from a developing nation. Indian economy faces the lack of capital and other resources, thus there is a need to be more conscious towards the labour intensive goods and services. The small scale industry is the labour intensive industry in character and play a major role in growth and development of an economy like India, as it generates large scale employment, increase production and export and also help in poverty eradication. This sector employs more people than large scale industry hence increases the per-capita income. There are some problems in SSI sector as lack of funds, unskilled worker, lack of infrastructure etc. Government should take some steps to reduce these remedies from the path of growth and development of Small Scale Industry (SSI) sector.

The SSI sector not only plays a crucial role in Indian economy but also help in women empowerment by providing employment to the unemployed women at their home place. This sector is supposed to be the route to the empowerment of women because women get financial stability, self-dependency, and also improve their standard of living. Now a day's women face many socio-cultureobstacles in their empowerment. The national govt. should alleviate these challenges by introduction an enabling some programmes, and by using awareness camp and education with a view to remove these socio-culture barriers to improve women condition in small scale industries. This goal can be achieved by improving the degree of participation of disadvantaged women in the economy.

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# **A Study on Problems of Slum Population in Varanasi District**

**Pankaj Singh**

Uma Prasad Singh DamodarDas Inter College

BahuriparBhainsa Bazar, Gorakhpur (UP)

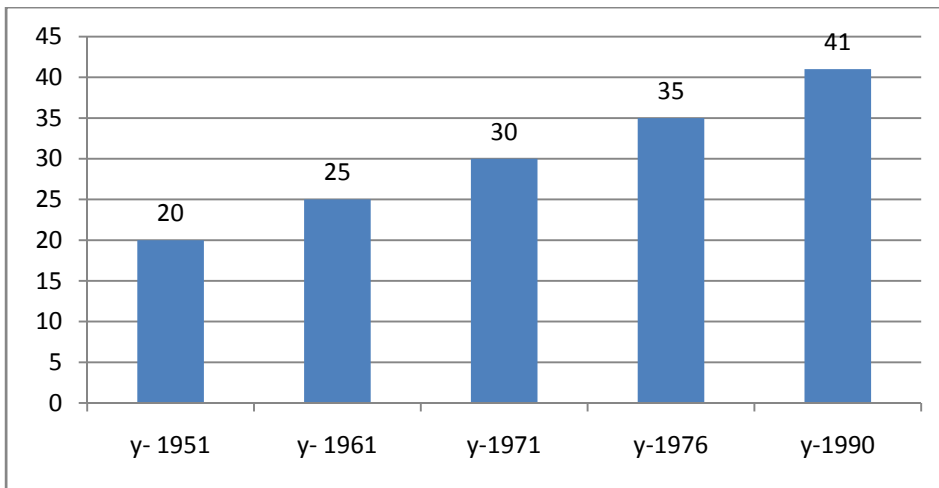
[rp9839410274@gmail.com](mailto:rp9839410274@gmail.com)

## **Introduction**

Urbanization is emerging at a very fast pace and it becomes a very serious concern for the policy makers our country today. Urban population has grown from 18 per cent in 1955 to 33 per cent in 2015. Cities and towns are the centers of investments and technology and thus for the creation of jobs. With the expansion and spread of urbanization the population in the urban areas has been growing rapidly, people have migrated from rural in search of better jobs and good life style. There are some negative consequences of urbanization such as the high population density, slums and un-notified settlements, pollution, health problems, unemployment etc.

According to the Encyclopedia Britannica slums is defined as “the residential area that are physically and socially deteriorated and in which satisfactory life style is impossible.” The NSSO defines slums as declared and undeclared slums. The declared slums are those which have been formally declared as slums by the respective governing bodies and the undeclared slums is defined as “an aerial part having twenty five or more katcha house mostly of temporary nature, or inhabited by persons with practically no private latrine and inadequate public latrine and safe water supply. India is also the home for world’s largest urban population with below poverty line incomes, and to the world’s largest population living in slums. In 2004-05, 25.6 % urban dwellers were below the poverty line and the largest concentration of urban population was in Maharashtra (14.6 million), Uttar Pradesh (11.7 million), and Madhya Pradesh (7.4 million). The latest National Sample Survey Office (NSSO) survey estimates that the number of slums in India at 33,510 with 8.8 million households in them. Census 2011 found that there are 40,309 identified slums, constituting 37 per cent of the total. Many of health problems in slums comes from the lack of access to or demand for the basic services. Lack of safe drinking water, clean environment and garbage disposal creates serious threats to the health of slum population especially women and children as they spend most of their time in and around the area.

The phenomenon of slum growth has emerged as a major problem. Around the world, one billion people live in urban slums, which are typically overcrowded, polluted and lack of basic services. One of targets set by world leaders in 2000 was to improve significantly the lives of at least 100 million slum dwellers by 2020. The magnitude of slum population needing attention has increased from about 33.1 million in 1985, to over 35 million in the early 90s and to over 40 million in 2001. According to Jagannathdam and Palvia (1977), the percentage of slum population to the total in larger Indian cities were 20% in 1951, 25% in 1961, 30% in 1971, 35% in 1976, and 41% in 1990



**Figure: Bar diagram showing slum population in % as compared to total population of the city.**

Slums are known by different names ‘katras’ ,gallies, jhuggi, jhopadi(Delhi),’chawls’ in Mumbai,bustees in Kolkata,cherries in Chennai.

Varanasi is marked by well presence of slums with about 37.69% of total population living therein which occupies about 17% of city’s land. There are about 227 slum house constituting about more than 5 lakhs of population.

### **Methodology, Objectives and Data source of the study:**

The methodology involved in order to complete the present study includes several ones. In order to know the health conditions of the urban poor and the benefits they are getting or not from the govt. policies to alleviate urban poverty, basis primary data was collected through a questionnaire. A first hand interview by field work was done face to face with people.The survey was done with 80 questionnaire and based on stratified sampling.The second hand data was collected from records of Varanasi municipal corporations ,VDA, IMA and district handbook 2005, master plan of Varanasi ,2011 and other governmental offices and private agencies. The primary objective of the paper is to examine the problems of slum population of the selected district.

### **Problems**

**Water:** Safe and pure drinking water is basic necessity for the sustenance of life. According to sample survey the water is available in both the wards from different means

(1)Hand pump

(2)Well

(3)Municipal tap

For the daily purpose, municipal tap and hand pump acts as the major source of providing water for the dwellers of slums in the study area.

S.NO	WARDS	HAND PUMP (%)	WELL (%)	MUNICIPAL TAP (%)
1	BAJARDIHA	50.33	20	26.67
2	NARIYA	76.67	0	23.33

Table: showing percentage of water for daily use from different sources.

## Sewerage

The sewerage system of Varanasi is one of the oldest one. But owing to increasing population the old sewer line is incapable of carrying huge volumes of waste water as well as storm water during heavy rains. The total length of main sewer pipe in Varanasi is about 7.4 km. The main pipeline starts from Assi which passes through thickly populated portion of the city and ultimately joins the river Ganga in the east of Malviya Bridge nearly 1.5 km downstream of Rajghat.

The sewer facility in BAJARDIHA is in a miserable condition as compared to NARIYA. The outskirts of the area close to the main road enjoy the sewer facility so that comprise 5% of households. 62% of the houses have no sewer facility. Garbage is dumped in the tanks, depressions or open spaces. Open drains comprises of 33% which has caused an unhygienic environment and spread of diseases. While in NARIYA the 26.67% of the house have sewer facility. This can be analyzed with the help of following table.

S.NO	WARDS	SEWER	OPEN DRAINS	NO SEWER
1	BAJARDIHA	5	33	62
2	NARIYA	26.67	13.33	60

Source: Sample Survey

## Health

Generally, the slum dwellers do not have easy access to medical facilities due to their low income. Though a number of hospitals and dispensaries are located in different parts of the city. Some dispensaries are by corporation some by government, a few by district board. In addition, there are charitable dispensaries but they are not properly managed by trustees. Despite of the presence of so many health centers, the slum dwellers are still deprived of free medical facilities. They are meant for economically betterment off people. This has resulted in higher mortality in slum areas.

In BAJARDIHA and NARIYA there were 5 and 4 small doctors respectively who practices in a single room (8:8 ft). A curtain is drawn from the middle of the room for checking purposes. Even if the disease is grave, people depend on these local doctors. However, the Institute of Medical Sciences (IMS), BHU has an influence on the people. For the extreme emergency condition, they preferred to go to Sir Sunderlal Hospital of BHU.

Due to lack of education, fear of unemployment, extreme poverty and lack of recreational facilities, Alcoholism, Drugs, Gambling and Prostitution etc are growing at a fast rate. It causes deterioration of the social environment. Alcoholism also led to serious fatal diseases in slums of BAJARDIHA and NARIYA

### Electricity

The electricity is considered as a parameter of measurement of development and quality of life. According to my sample survey in BAJARDIHA 93.33% of people uses electricity for lighting purpose whereas in NARIYA it accounts only for 23.33%. The reason for such low availability of electricity in NARIYA is that they have much more bills of electricity which they are not capable to pay, so the electricity board has cut down their connections.

S.NO	WARDS	AVAILABLE (%)	NOT AVAILABLE (%)
1	BAJARDIHA	93.33	6.67
2	NARIYA	23.33	76.67

SOURCE: SAMPLE SURVEY

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# School Dropouts in Underprivileged Section in Uttar Pradesh

## **Dr. M. Shahid Jamal Ansari**

Assistant Professor,  
Dept. of Economics,  
Poona College, Pune.

## **Prof. Nighat Ahmad**

Ex-Chairman, Dept. of Economics  
Aligarh Muslim University  
Aligarh, UP.

## **Dr. Farida M.G. Shaikh**

Associate Professor  
Dept. of Economics  
Poona College, Pune.

## **Introduction**

India is one of the fastest emerging economies in the world but this growth is confined to only GDP and not in terms of human development. The aim of all development efforts worldwide is achievement of human development, raising levels of literacy, improving health status of people to enable them to live with dignity. Human development is a very comprehensive phenomenon that aims at enhancing the entitlements of the people to lead a better life. It includes, apart from educational attainment, good health without which the enjoyment of a better life becomes meaningless. Human development are thus no longer restricted to per capita incomes and have been extended to composite indices of development which, along with per capita income also include measures of health and educational attainment. On income front, growth in per capita income (PCI) is somewhat appreciable but on education and health count, performance is very pitiable. Education system as whole and people's orientation towards education is not commendable particularly of poor and underprivileged section of the society. Half of the total population falls in this group and these people are not only economically poor but mentally too. They are very reluctant to education and children at their tender age start to go for odd jobs and support financially to their families in this underprivileged sections of society. So, dropouts are recorded very high among these children.

As per report, so far as enrolment in education (all levels) is concerned, in elementary education, where enrolment varies between 80 percent and 90 percent, it is the high percentage of dropout (approximately 40%) that is the cause of concern. It is the higher education sector in which an improvement is needed as barely 10 percent of the relevant age group is enrolled. This is very much below international standards as even some of the developing countries have much higher tertiary enrolments.

## **Role of Education in Development and Human Development**

Education has a direct bearing on human development and there is a very strong correlation between education and development. Primary education has very prime importance as it helps in removing the stranglehold of superstition, customs and traditions, which characterize the society in developing countries and is inimical to growth and development. Further, secondary education provides the base for higher and technical education.

Education plays crucial role in human resources in different ways.

1. It raises efficiency and productivity that enhances the quality and the occupational skills of individuals.

2. It affects the quality of human resources by diffusing of new ideas which is necessary to remove economic backwardness.
3. It brings about an inculcation of right attitudes towards life and work.
4. Expenditures on education and training yield endure return in the future and it is for this reason that it is considered best capital expenditure in an economy.

The fruits of education can be harnessed only when larger chunk of school going children do not drop their schools. But in India, the situation is very pathetic.

### **Objectives of the Study**

The present study has been undertaken with the objectives in view:

- (1) To present first-hand information on dropouts among underprivileged section of the society.
- (2) Formulation of policies/proposing appropriate measures to check high dropouts on the basis of the findings of the study.

### **Methodology and Database:**

The present work is a survey based study and data are appropriated from a UGC funded major research project. The sample of this study consisted of 1291 families (Aligarh 400, Lucknow 495, Mirzapur 300) spread over various wards of these cities. The survey was administered on more than 1300 families sample; however those forms which were found to be incomplete or gave seemingly incorrect information were rejected. The final sample comprised of 1291.

Secondary sources were also utilized in this study. A lot of recent and correct information was available on education and main sources for this are Annual Reports of the UGC, AICTE and various publications of Ministry of Human Resource Development, Government of India. The information from various Five Year Plans and Annual Plans, Plan reviews and evaluation and the findings of different Committees/sources were consulted. Proceedings of various Conferences/Seminars related to the subject were also referred as source of information. Apart from official publications a wide range of literature available on the subject has been made use of in collecting and analyzing data.

### **Dropout in Uttar Pradesh:**

Figures in the table show dark side of education among school going children. About 60 percent households having only one child cannot afford to educate their wards resulting in school drop-outs at a tender age in all the cities under survey, this figure for two-child families was around 30 percent. There were less than 10 percent families having more than 2 children in this category.

The sex-ratio of these drop-outs shows that more male children drop than their female counterpart. This may be caused by more male child enrolment or male child taking up odd jobs. The gap between male and female child ( $66.7\%-33.3\%=33.4\%$ ) was highest in Mirzapur and dropped male children were double than female children. This figure was almost same in Aligarh ( $65.5\%-34.5\%=31\%$ ). But in Lucknow it was only 16.6 percent ( $58.3\%-41.7\%$ ).

The age-composition of these children is categorized into four groups, up to 14 years of age. This is the age at which governments provide free education and it is a fundamental right of every child upto this age under Article 21A of the Indian Constitution. But around 70 percent children had dropped schools at this age. It means that majority of children are deprived of secondary and senior secondary education. Unless we control this high rate of dropouts, we cannot harness the demographic dividend and build up the human resources necessary for development. Increasing population would become a liability instead of being a productive asset. It is also clear from the table that only 12.5-15.5 percent children reached upto 12<sup>th</sup> standard after which they dropout. Highest figure of dropout children at primary level were in Lucknow (64.6%) followed by Mirzapur (46.8%) and Aligarh (39.3%), while at middle level this figure was highest in Aligarh (45.2%). For 77.4 percent of students the main cause of this high dropout is the 'fee'

which they cannot afford to pay. 22.2 percent of children in Mirzapur dropout of school on account of distance from schools.

**Table:- Dropout Children in UP**

HEADS	Sub-Heads	Aligarh		Lucknow		Mirzapur		Total	
		No.	%	No.	%	No.	%	No.	%
Number of Children	1	32	58.2	41	62.1	64	60.4	137	60.3
	2	18	32.7	20	30.3	28	26.4	66	29.0
	3	4	7.3	5	7.6	8	7.5	17	7.5
	4	1	1.8	0	0	6	5.7	6	3.1
Sex	Male	55	65.5	56	58.3	114	66.7	225	64.1
	Female	29	34.5	40	41.7	57	33.3	126	35.8
Age	5-8	2	2.4	2	2	2	1.1	6	1.7
	8-10	7	8.3	7	7.1	5	2.9	19	5.4
	10-14	18	21.4	22	22.19	45	26.3	85	24.2
	>14	57	67.9	65	65.7	119	69.6	241	68.6
Class	Primary	33	39.3	62	67.7	80	46.8	175	50.1
	Middle	38	45.2	20	20.2	65	38.0	123	35.2
	Up to 12	13	15.5	12	12.1	26	15.2	51	14.6
Reason	Fee	57	67.9	82	85.4	133	77.8	272	77.4
	Infrastructure	1	1.2	1	1	0	0	2	0.6
	Others	26	31	13	13.5	38	22.2	77	21.9

*Source: Field Survey (Data taken from the Project)*

### Conclusion and Suggestions:

From above discussion, it is apparent that dropout was very high among the underprivileged group in the cities of Uttar Pradesh taken into study. The results are in the expected lines and notable point is that dropouts of male children are about double to their female counterpart. The reasons for dropouts were recorded 'fee' and 'distance from school' in the study.

Taking into consideration all the problems in the education system, along with provision of physical and human infrastructure, we have to take more effective steps from modification of curriculum to change in methodology of teaching. With inculcating aesthetic values in the students, the entire education system must be directly linked to livelihood also. Education system must be based on the philosophy of pragmatism rather than solely on idealism especially for this section. There should be proper provision of professional education for all and after that job availability must be ensured. It will create incentives among parents as well as in students. In this way we can expect more enrolment and retention at all levels. There must also be proper and adequate system of funding at the time of need.

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# Diversity and Diversity Management: Contemporary strategies in Indian Context

**Priyanka Darekar**

Assistant Professor

Indira Global Business School, Pune

[npriyanka366@gmail.com](mailto:npriyanka366@gmail.com)

**Dr. Vijayshri Mehta**

Associate Professor

JSPM's RajashriShahu College of Engineering

[vijayshrimetha15@gmail.com](mailto:vijayshrimetha15@gmail.com)

## **Abstract:**

*In recent years, the management of diverse workforce and inclusion has become highly significant not only in developed countries but also in developing countries like India. The concept is no longer limited to social causes, but also important for business growth. Managing diversity is a complex and unique HR issue in India due to its religious and cultural diversity and the use of legislation by the Indian state to tackle societal inequities and complexities. This paper contributes to existing knowledge on diversity management and strategic HRM in the Indian context. We will begin by introducing the concept of diversity and inclusion at workplace, and describe some of the key factors that shape them. We will then discuss the Indian context associated with the broad concept of diverse and inclusive workplaces.*

Keywords: diversity, inclusion, HRM

## **1. Background:**

“If you have a diverse team, they create as per definition, a richer understanding of the kind of backgrounds of end users you will serve. So, diversity is intricately tied to financial and business success.” – Vishal Sikka, former Executive ViceChairman of Infosys.

For an organization it is very challenging to manage diversified human resources and it is a very complicated phenomenon indeed. It is a well-known fact that, to cultivate success in the present competitive business world, an organization must realize the importance of strategic diversified human resources policies and must understand the depth of the implementation necessity of those.

Due to workforce diversity it has become a challenge for the organizations that recruit diversified workforce to manage their human resources by making them loyal and growing the team sense among them. Human resources must realize that their efforts are for the growth of the company they are working for and companies should make them realize how important they are to the organization. Most importantly, each of them should get that much recognition that he/she deserves no matter from which geographical area/religion he is from, or what his race or sex is (Jain and Verma, 1996). Organizational diversity adds additional challenges to the already considerable demands on leaders (Chemers, Oskamp, and Constanzo, 1995).

Incorporating diverse people and their perspectives has become a major concern for every organization. Diverse employees allow synergetic effects to organizations, where the variety of experiences, attitudes and viewpoints lead to better team performance (Cox and Blake, 1991). The repercussions for not managing diversity would lead to lack of skills, competencies, and interests in employees, which will

ultimately increase employee turnover and reduce individuals' and organizations' performance to a great extent. Organizations that manage diversity are recipients of more commitment, and better satisfied as well as better performing employees. Interest in diversity, diversity management and implications of diversity is growing in the academic communities and in the business field (O'leary and Weathington, 2006). We will further refer diversity as workforce diversity in this paper.

## 2. Theoretical Review:

According to Kandola and Fullerton (1998) diversity means visible and non-visible differences of people such as sex, age, race, background, disability, personality and work style. Accordingly, DM starts with accepting these differences and aims to harness them to create a productive environment where everybody feels valued, their talents are being fully utilized and in which organizational goals are met (Kandola & Fullerton, 1998).

Early studies in DM focused on affirmative action plans and improving equal employment opportunities of marginalized groups such as women, racial or ethnic minorities, disabled individuals and other designated groups as well as visible minorities. It is also important to note that early research in DM usually reflected national perspectives mainly originated from a limited number of countries (Klarsfeld, et al., 2016). Diversity encompasses elements that go beyond gender, age, ethnicity, family status, and any other apparent identity reference. Subtle dimensions such as education, ideas and experience should be considered (Benschop, 2001).

Therefore, several authors have suggested comprehensive frameworks to grasp diversity construct. For instance, Ardakani et al. (2016) posit that diversity is composed of four layers:

- Personality
- Internal dimensions: Race, age, gender, sexual orientation, physical ability and ethnicity.
- External dimensions: Geographic location, recreational habits, personal habits, income, religion, educational background, work experience, marital status, parental status and appearance.
- Organizational dimensions: Management status, work content/field, union affiliation, seniority, functional level/classification, division/department/unit/ group, and work location.

There is limited evidence, indeed, on how diversity and inclusion issues are managed in emerging economies (Donnelly, 2015). Most studies investigating diversity management were conducted in Western countries using qualitative research protocols. Few of them have considered how diversity management, as part of strategic HRM has been applied in a less developed country, across different ownership forms - domestic vs multinational firms (Cooke & Saini, 2010).

Overall, a plethora of diversity management approaches has been presented in previous studies. Most commonly, companies around the world are creating diversity charters to reinforce their engagement to support diversity (Louvrier, 2014). While diversity management is explicitly mentioned as policies, some other organizations simply state diversity management as part of HRM policy. Having formal diversity management policy statement does not necessarily guarantee effective implementation in practice. Likewise, lacking those formal rules does not imply that the organization is not managing diversity issues (Cooke & Saini, 2010). Nonetheless, the adoption of a specific diversity management practice varies according to the age, sector, nationality, and form of ownership (public vs private; domestic vs multinational) of the organization. Eventually, as Cooke and Saini (2010) explained, the nature of diversity management initiatives depends also on the attitude and the background of the Chief Executive Officer. In the same vein, knowledge intensive multinationals are more expected to undertake more proactive diversity and inclusion management in order to support their competitive advantage (Donnelly, 2015).

## 3. Research Questions: The paper seeks to find answers for following questions:

- What are the successful diversity management initiatives in corporations in India?
- What barriers have hindered the implementation of diversity management initiatives in corporations?
- What can be done to prevent failure of diversity management initiatives in corporations?

#### 4. Diversity Management Initiatives:

(“Mercer’s Asia Pacific Diversity and Inclusion Study”, 2012) which reports that 60% of the participating companies in India reported having diversity and inclusion strategy at the global and regional level of which around 14.5% had a diversity strategy at country level. Among the 40% companies, who do not have diversity strategies at their organization, are looking into establishing it soon. Further, the reports states that the top three drivers behind an Indian organization’s diversity and inclusion strategy found were recruitment of talent (70%) employer brand (61.3%) and access to untapped talent pool (60%) .

Diversity management in India A study of organizations in different ownership forms and industrial sectors through an in-depth case study of 24 firms reveals the differences between Western MNCs and Eastern firms as well as the varying views of Indian managers and employees on issues related to diversity management. The CAPS 2 research 2014 newsletter indicates questions about how companies are succeeding in meeting or surpassing their supplier diversity goals and how they work with diverse suppliers to develop new business opportunities. HP believes that a diverse workforce encourages creativity and innovation and has a special ‘Diversity and Inclusion leadership Committee ‘consisting of senior leaders from all over the world. More so the Gender diversity drive has taken many organizations such as IBM, KotakMahindra, SAP labs etc by storm. In fact Deutsche bank offers a 2% additional fee to a recruiter for bringing women candidates to the bank.

Many corporate giants like, Infosys was the first Indian IT company to establish an office for diversity and inclusivity. Talent diversity is the key to propel it’s business growth engines and sustain momentum. Cognizant, Dell, Microsoft, Vodafone are working on “second career programmes“for women. Major companies like Nike, Ford, MC Donald and coca cola are going all out to win over free spending ethnic consumers by recruiting minority market experts who speak each group’s language. Hindustan lever Ltd. (HLL) Unilever is an extremely diverse organization in terms of its ethnic and cultural make-up. The Unilever Leadership Executive (ULE) comprises managers from five countries and the top 100 executives come from over 20. The company has a diversity board chaired by the CEO where there is a requirement that the shortlist for each job should contain female candidate. Accenture has been named to the 2013 Diversity Inc Top 50 Companies for Diversity list, rising to number 9, up from number 12 last year. This marks Accenture’s seventh consecutive year on the Diversity Inc Top 50 list and its fifth consecutive year in the Top 25. Diversity Inc also included Accenture in three “Top 10” lists for No. 7 for Global Diversity, No. 7 for Supplier Diversity, No. 10 for Persons with Disabilities.

Wipro Limited received the ‘NASSCOM Corporate Award for Excellence in Diversity and Inclusion, 2012’, in the category ‘Most Effective Implementation of Practices & Technology for Persons with Disabilities’. It has also been ranked 2nd in the list of Top 25 U.S. diversity councils, by The Association of Diversity Councils, a practice group of diversity and inclusion consulting and training firm PRISM International, Inc. Genpact Limited , a global leader in business process management and technology services, has been recognized at the NASSCOM Corporate Awards for Excellence in Diversity and Inclusion, in the category of best BPO company with more than 5,000 employees. Diversity is part of the DNA at Genpact and is integral to the company’s ethos.

The process includes defining and redefining diversity management strategies in Indian IT and non IT cos in broad areas such as ;

1. Recruitment and selection
2. Employee retention
3. Team building
4. Customer service and improving market shares and answering the basic questions such as : The ethnic, racial , religious and gender composition of workforce
5. The age span of the workforce
6. The percentage of top management are women, minorities or those who are disabled
7. The change in these percentages when they are applied to middle management , first line supervisors or staff
8. The uniformity in the cultural or ethnic distribution the same from top to bottom in the organization
9. The turnover rate by demographic group and age

Infosys Chairman in July 2009 quoted, as a global organization, creating an inclusive culture was a given. The workforce comprises of seventy two nationalities. Almost 72.5 % of senior roles outside India are filled with local talent. The Women's Inclusivity Network (IWIN) is the primary initiative at Infosys that has influenced the vision for creating a culture that is gender sensitive and allows for a working environment that is female 'friendly'.

In the last few years nearly 40% of the Business Leadership Trainees hired are women. This is part of a conscious attempt to increase the number of women leaders who can be groomed for the future. This is more than double the percentage of women who study at the target institutions where many of the leadership trainees are recruited from, quoted a senior executive from Unilever.

## **5. Issues faced in managing Diversity:**

India is one of the countries which have been beneficiary of the globalization process. This is evident from the considerable rise since the adoption of globalization policies in its gross domestic product, foreign direct investment, share in world trade, and the contribution of service sector to the economy. These indicators are also reflective of a Diversity Management Issues in USA and India: Some Emerging Perspectives 157 higher degree of integration of the Indian economy in the global village. Since more and more multinational companies (MNCs) have started their operations in India, they want to know the peculiarities and idiosyncrasies of the Indian workforce and how it could be motivated to contribute its best to the organizational goals. Thus, DM and organizational justice issues are bound to become more critical than before (Mor Barak, 2005). Freedom of speech and willingness to disagree are essential for fostering creativity and innovation. Since Indian human capital is known to be of high-calibre, Indian companies have to eventually realise the importance of investing in diversity management and thus go beyond legal compliance. As of today, much of the DM discourse in India is at the stage of equal opportunity. Here too, the gap between the legal promise and actual implementation is very wide. Since India has had caste system in operation for many years, there is still a high degree of overt and covert caste -based discrimination in social as well as employment matters. The position of women's rights too, is not as clearly defined as it should be and therefore women experience various forms of unfavorable discrimination from society, employers and superiors. There is little social protection against discrimination against the disabled too, who often have to face societal indifference to their peculiar needs and susceptibilities. The country has enacted some laws so as to protect civil rights of these vulnerable sections of society; but there is no law to proactively manage diversity at the workplace. Discrimination based on regionalism is also an important issue that needs to be attended. Diversity of different religious groups is yet another angle of looking



at the issues involved. Close to 17 per cent of Indian people are religious minority, many of whom have to face various forms of discrimination that are rooted in stereotypes about people from different religions. Often in business in India, DM is viewed as looking primarily at religious and state of origin issues and not the broader DM context. India is a large country and comprises 29 states and 6 union territories. Linguistically speaking, it has a variety of languages, dialects, and cultures. The cultural diversity is the hallmark of Indian society; very few other countries in the world might be as diverse as India. The population comprises six main religious groups: Hindus (83.2 percent), Muslims (11 percent), Sikhs (2 percent), Christians (2 percent), Jains and Buddhists (less than 1 percent). Amongst Hindus there are over 4000 castes. The country has 179 languages and 544 dialects. The constitution recognises sixteen languages including Hindi and English that are the two official languages. India has one of the largest English speaking populations in the Asia -Pacific region (Budhwar, 2003).

Interestingly, one of the key hurdles in the way of managing diversity in plural India is strong feeling for regionalism and casteism and stereotypes based on these beliefs. While the former may not necessarily be harmful to the social fabric, the latter has always been a major cause of concern and even societal turmoil. Hindu Indian society is divided broadly into four broad varnas: brahmins, kshatriyas, vaishyas, and shudras. Shudras are further divided into over 3000 castes. Historically, a majority of the shudra castes have been discriminated against in most social matters. The Constitution safeguards the civil rights of 158 Future of Work: Mastering Change government jobs for them by way of quota. Especially, the castes belonging to the first two varnas are known as the upper castes, those in the third varna (vaishyas) as intermediate castes, and the castes within the shudravarna as the lower castes. Some shudras are dalits who are the lowest in the caste hierarchy. They are also known as the scheduled castes (SCs) and scheduled tribes (STs) (A classification made by the Indian Constitution for proactive state action). Most of the SCs had traditionally been the victims of the practice of untouchability by the upper castes as also by the remaining castes in the shudravarna. Socially, SCs had for a long time been facing utterly inhuman treatment, which spilled over into their role as employees as well.

The rate of illiteracy among them is quite high; in some states it is as high as 95 percent. The population of the SCs is around 15 percent of the total. Through Part III titled "The Fundamental Rights" the Constitution of India confers certain basic rights on all citizens. In the context of diversity issues, the relevant fundamental rights include: the right to equality (Article 14); prohibition of discrimination on grounds of religion, race, caste, sex or place of birth (Article 15); equality of opportunity in matters of public employment (Article 16); and abolition of untouchability (Article 17). Article 17 of the Constitution declares that untouchability in any and every form has been abolished, and cannot be practiced in any part of the country. The Constitution makers were aware that to uplift the untouchables it would be necessary to provide for a kind of a positive discrimination in their favor. Such discriminatory reservations have been made in favor of the SC, STs and others. The caste system in India implied a consistent denial of equality before law, especially for the lower castes. However, the practice of untouchability is the worst category of unequal treatment to humans that one can think of. Unfortunately, the caste system has survived, despite introduction of rule of law: the influence of urbanization, industrialization, and spread of mass education; and constitutional commitment to egalitarian social order. Taking cue from the spirit of Article 17 of the Constitution, Independent India enacted the Protection of Civil Rights Act, 1955 (PCRA) and the Untouchability Offences Act (UOA) in 1955. These acts of legislation outlaw untouchability directly or indirectly. To further strengthen the protection against untouchability, a new law was enacted in 1989, which seeks to provide for more stringent punishment for such practices. It was titled the Scheduled Caste/Scheduled Tribe (Prevention of Atrocities) Act 1989 (SC/ST Act). The Civil Rights Act (CRA) does not define untouchability, but the SC/ST Act defines this term. Apart from making untouchability

punishable, the government—and other public -funded institutions and agencies provide special assistance to candidates belonging to SC/STs by allowing them preferential treatment for admission to educational institutions, including in premier ones like the Indian Institute of Technology (IITs) and Indian Institutes of Management (IIMs), Central and state universities and other similar institutions. In the year 1990, 27% reservations in governmental jobs was provided for other backward classes (OBCs) as well, which was followed by nationwide violent protests including self-Diversity Management Issues in USA and India: Some Emerging Perspectives 159 immolations by students in the country. But by now, it has largely been accepted by the Indian society, though with a pinch of salt. OBCs are not untouchables but are classes of people from the shudravarna that have remained economically and socially backward and are far behind the Indian mainstream. During the last few years many supporters of reservations of SCs/STs/OBCs have started talking of reservation of jobs for them even in the private sector, which has been worrying the supporters of meritocracy. Further, in May/June, 2006 the UPA government at the Centre showed its resolve for introducing reservation of 27 per cent seats in admission to institutes of higher learning for students belonging to the OBCs. This resulted in nationwide strikes by doctors and others belonging to the higher castes. The issue has not yet been conclusively resolved. So far as people with disabilities are concerned, Parliament has passed a legislation titled: The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act 1995. This law requires every appropriate government to reserve not less than 3 per cent job vacancies for persons or class of persons with disability. Overall, however, the economic and social system in India is not too disabled-friendly. Women too have been discriminated against in India for centuries in matters of civil liberties and economic and social matters. In fact, the Indian woman has enjoyed a paradoxical status. Although she is given high respect in Indian society (Budhwar, 2001), women are not encouraged to work outside home. Referring to the need for woman subordination, the great Hindu writer Manu in 200 BC said, 'be a young girl, be a young woman, or even be an aged one, nothing must be done independently, even in her house.' This has helped in building stereotypes against women's independence resulting in further discrimination against them. Such a philosophy still prevails to a good extent in matters of, among others, female education and nutrition which has been noted by economists and other social scientists. Thus, traditional patriarchal attitudes towards women still prevail. However, extensive efforts are being put through NGOs and the private sector to reverse these attitudes. The Constitution has provided for the right to equality to all including women and prohibits discrimination against them. For example, there is prohibition of discrimination against them as per the spirit of Articles 14, 15, 16, 39 of the Constitution. Article 15 (3) envisages favorable discrimination for women and children in certain matters. Many laws have been passed to safeguard some important rights for women. The Equal Remuneration Act 1976 talks about equal wages for the same work or work of similar nature for men and women workers; and prohibits discrimination against women in matters of recruitment. The Maternity Benefits Act 1961 and the Employees State Insurance Act 1948 provide for payment of maternity benefit to women employees. But it is well-known that rampant unfair labour practices are committed by employers in matters of women's employment. The Factories Act 1948 provides for restriction in hours of work for them so as to reduce their susceptibility to exploitation. It also provides concessions for women in matters related to lifting of weights, and special safety protection. However, the social legislation, including that envisaging women empowerment, has been poorly enforced (Saini, 1999). Some significant events in the Indian polity that can be taken as a landmark 160 Future of Work: Mastering Change in the last two decades or so from the viewpoint of women's development include the passage of the 73rd and 74th amendments to the Indian Constitution that were effected in 1992. Among others, these amendments provide for women's participation in governance through reservation of seats in 'village panchayats' (village councils), municipalities and local bodies. However, a debate is presently going on about the modalities for a similar reservation of seats (1/3 seats for women) in Parliament/state assemblies, and designing a suitable constitutional amendment to that

effect. Barriers to career progression for women have also to do with the exclusion of women from informal networks (Gupta et al., 1998). These networks are believed to be male domains. Women's virtual exclusion from the membership of these networks proves to be a limitation for them in handling the dynamics of organisational politics. The incidence of such politics becomes still higher in a diverse, multi-lingual, ethnic and caste-based Indian society. Research reveals that male managers are stereotyped to be suitable to work in the fields of production, sales and marketing; are considered as good bosses and decision makers; and carry out hard field work and challenging assignments (Khandelwal, 2002). On the other hand, female managers are stereotyped to work predominantly in HR, public relations, administration, at subordinates/junior levels, and in soft fields like fashion/clothing and beauty products. These stereotypes have adversely affected women's career prospects. Khandelwal's female respondents reported that due to such prejudices and stereotypes, requisite credit was not given to them, which had an adverse impact on their performance. This also makes it hard for them to enter the male club network. They were also not given challenging and risk-taking jobs during the allocation of jobs.

In Urban Indian business communities these trends are not as pervasive; and individual organisations (e.g. ICICI Bank) have taken dramatic steps to employ and promote women, thus building on DM as a strategic advantage. In matters of sexual harassment of women, in one of its significant judgments (known as the Vidisha judgment) the Indian Supreme Court has laid down comprehensive guidelines that must be followed by all public and private sector organisations so as to ensure prevention of sexual harassment against women. But despite the laudable efforts of the higher judiciary, the incidence of covert and unreported sexual harassment in India is quite high. Also, as many respondents in a recent study pointed out, the considerations of sexual favours are becoming important in appointment and promotion matters (Budhwar, Saini, and Bhatnagar, 2004). Recent efforts to raise awareness regarding the adverse impacts of sexual harassment in the workplace have surfaced. The SMART MANAGER ran a story in October 2003 discussing harassment in the workplace and steps for prevention and education. However, with the rise in literacy levels and betterment of the position of women due to economic and social development, the position of women in many spheres has been becoming better. For example, women are playing a significant role in the expansion of the Indian software industry, where they constitute 45 per cent of the high-tech workforce (Budhwar, Saini, and Bhatnagar, 2004).

Similar trends can be noticed in education sector and the BPO (Business Process Outsourcing) industry where women are employed Diversity Management Issues in USA and India: Some Emerging Perspectives 161 in sizeable numbers. More than 60 per cent of the employees in Pepsi and ICICI are women and both companies are known to be doing quite well; these could be interesting examples to build on. As of today, a large number of MNCs have set up operations in India. This is intensifying the investment into building the concept of "global manager" and thus will lead to practising DM more consciously. To some extent, one can expect cultural convergence in workforce utilisation practices. But at the same time the exigencies of generating entrepreneurial ideas and retaining talent will mean searching meaningful ways to respect and value diversity. Such thinking has already begun in the Indian software companies many of which have multiple locations abroad and are realising the need to develop a global workforce. Efforts are also being made to recruit employees from other countries.

The Indian software giant Infosys has announced that it will recruit 300 graduates from universities in the US in 2006 and about 25 from universities in the UK in 2007 as part of its commitment to create a diversified workforce. The new employees will develop their engineering and soft skills at Infosys Development Centre, Mysore for six months before returning to Infosys offices in the US. Another software

major, TCS, has announced plans to hire about 4,000 people from across the world in its efforts to build a global workforce.

## **6. The way ahead**

Although the above initiatives have indicated that companies in India are understood the importance of Diversity management, there is still more potential in this area. As workers are increasingly relocating and migration is on the rise, organisations need to devise retention strategies with focus on individuals, teams and groups. That is why, a good number of expatriates can be seen in India today compared to before, thus increasing yet another dimension of diversity in India, creating the need to manage more complex expectations. These developments are bound to increase the importance of DM in India. Indian law does not necessitate framing of a formal diversity policy. Yet especially MNCs have started forming a diversity committee to drive home the philosophy of DM, and have set benchmarks towards achieving the stated objectives. Thus, Indian employers' short-term approach of complying with law is likely to focus on valuing diversity in the long run.

In Present Context, Indian organizations can focus on following aspects

- 1] CSR projects that promote inclusive society and limited attention is given to addressing the leadership and organizational culture issues.
- 2] Making organizational leaders formally accountable for Diversity through the performance management system.
- 3] Having formal structures like the Diversity Council that can help to embed qualitative and quantitative measures; as well as create champions in different parts of the organization.

## **7. Conclusion**

Diversity and Inclusion is on the agenda for senior leadership teams of majority Indian firms. The drivers are different for each of the organizations. Recruiting and retaining the best talent can be considered as the consistent driver for all organizations. Indian organizations should be inspired by some global examples whose operations are expanding in India and can learn from the 'best in class' on how to leverage the business benefits of Diversity.

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# A Study of Effect of NPA on the Profitability of Indian Banks

Dr.MG Mulla, Assoc Prof,  
Abeda Inamdar Senior College, Pune  
9822843002  
mgmulla@gmail.com

## **Abstract**

*The presents paper deals with types of Non-performing Asset the Indian banking sector is facing. It also identifies the causes of NPA in Indian banking sector and what are its effects on Indian banking sectors .To study this topic few selected nationalized banks have been selected and the trends of NPA is presented and analysed. Seven Public Sector Banks has been selected for the study the relation between Gross NPA and Net Profit of seven banks. In this paper is applying the panel regression. The effects on profitability of these were also studied. is a vital factor in the examination of financial performance of a bank.Non-Performing Assets show the competence of the performance of the banks. Non Performing Assets affect not only the finance institution but the total financial system. This paper analyses the Status of NPAs in selected banks namely State Bank of India (SBI), Bank of India,and United Bank of India,Bank of Baroda,Indian Overseas Bank,Punjab National Bank and Central Bank India. It also highlights the policies followed by the banks to tackle the NPAs and suggests a multi-pronged strategy for speedy recovery of NPAs in banking sector. The result shows that except for SBI and PNB all the other banks exhibit a negative correlation between their gross Non Performing Assets and net profits.ButSBI and PNB is increased the net profitevery year not affected by Gross Non Performing Assets. Both banks are paying attention towards their NPA to recover their pending loans.The study is based upon secondary data recovered from Report of Progress of banking in India, Websites, Journals and Articles.*

**Keywords:** Non-Performing Asset; Net Profit; Doubtful Debts; Correlation; Deposit

## **1. Introduction**

With the introduction of financial sector reforms in 1991, the the banking industry has moved step by step from a synchronized environment to a decontrolled market based economy. The borrowing became very simple and large scale default in payment the borrower.

NPA broadly defined as non-repayment of interest and installment of principal amount (Das & Ghosh, 2006). According to the “Narasimham Committee Report (1991), those assets (overdraft/ cash credit) for which the interest remains due for a period of four quarters (180 days) should be considered as NPAs”. After, this period had reduced and from March 1995 onwards assets for which interest and principle remains unpaid for a period of 90 days were considered as NPAs. Thus, NPA constitutes an important factor in the banking system as it seriously affects the profitability of the banks. The NPA can broadly be classified into Gross NPA and Net NPA. Gross NPA reflects the quality of the loans made by banks whereas Net NPA shows the actual burden of banks.

### **1.1 Types of NPA**

#### **1.1.1 Gross NPA 9657929895**

Gross NPA is an advance which is considered written off, for bank has made provisions, and which is still held in banks' books of account. Gross NPA (non-performing asset) refers to overall quantity of loans that have gone bad debts. It consists of all the nonstandard assets like as sub-standard, doubtful, and loss asset. “Gross NPAs Ratio = Gross NPAs / Gross Advances”

### 1.1.2 Net NPA

Net NPAs are those type of NPAs in which the bank has deducted the provision regarding NPAs. “Net NPAs = Gross NPAs – Provisions / Gross Advances – Provisions”

### 1.2 Assets Classification

1. Substandard assets: Assets which has remained NPA for a period less than or equal to 12 months.
2. Doubtful assets: An asset would be classified as doubtful if it has remained in the substandard category for a period of 12 months.
3. Loss assets: As per RBI, “Loss asset is considered uncollectible and of such little value that its continuance as a bankable asset is not warranted, although there may be some salvage or recovery value.”

**According to RBI**, terms loans on which interest or instalment of principal remain overdue for a period of more than 90 days from the end of a particular quarter is called a Non-performing Asset.

**in terms of Agriculture / Farm Loans**; the NPA is defined as under-For short duration crop agriculture loans such as paddy, Jowar, Bajra etc. if the loan (instalment / interest) is not paid for 2 crop seasons, it would be termed as a NPA. For Long Duration Crops, the above would be 1 Crop season from the due date.

Non-Performing Assets which are notoriously called as NPA’s by the banking sector have become a pain for both public and private sector banks in India.

From a peak of 9.2 per cent in January-March 2016, GDP growth has fallen every successive quarter: First to 7.9 per cent, then 7.5 per cent, followed by demonetization which reduced it further to 7 per cent in October-December 2016, then 6.1 per cent and finally 5.7 per cent in April-June 2017.

### 1.3 Causes of NPA

- **Slowdown in Indian economy** Public sector banks lent extensively to corporate sector during good times but the profits of most of the corporate dwindled due to slowdown in the global economy, the ban in mining projects, and delay in environmental related permits affecting power, iron and steel sector, volatility in prices of raw material and the shortage in availability of. This has affected their ability to pay back loans and is the most important reason behind increase in NPA of public sector banks.
- **Relaxed lending norms** One of the main reasons of rising NPA is the relaxed lending norms especially for corporate honchos when their financial status and credit rating is not analyzed properly. Also, to face competition banks are hugely selling unsecured loans which attributes to the level of NPAs.
- **Sector Specific lending** :5 sectors Textile, aviation, mining, Infrastructure contributes to most of the NPA, since most of the loan given in these sector are by PSB, They account for most of the NPA.
- according to the findings of Standing Committee on Finance NPAs in the corporate sector are far higher than those in the priority or agriculture sector.
- As per the latest estimates by the SBI, education loans constitute 20% of its NPAs.
- The Lack of Bankruptcy code in India and slow legal system : It make it difficult for banks to recover these loans from both corporate and non-corporate in such situations
- Busines losses due to changes in business/regulatory environment.
- Lack of morale, particularly after government schemes which had written off loans.
- Global, regional or national financial crisis which results in erosion of margins and profits of companies, therefore, stressing their balance sheet which finally results into non-servicing of interest and loan payments. .

- **The slowdown in a specific industrial segment**, therefore, companies in that area bear the heat and some may become NPAs.
- **Unplanned expansion of corporate houses during boom period** a loan taken at low rates later being serviced at high rates, therefore, resulting into NPAs.
- **Wilful defaulter**: Due to mal-administration by the corporates, for example, willful defaulters.
- **Misgovernance And Policy Paralysis** Due to misgovernance and policy paralysis which hampers the timeline and speed of projects, therefore, loans become NPAs. For example Infrastructure Sector.
- **Severe competition** in any particular market segment. For example Telecom sector in India.
- **A bad lending practice** which is a non-transparent way of giving loans..
- **Cheap import** due to dumping leads to business loss of domestic companies. For example Steel sector in India.

## 1.4 Effects of NPA

- Lenders suffer lowering of profit margins.
- Stress in banking sector causes less money available to fund other projects, therefore, negative impact on the larger national economy.
- Higher interest rates by the banks to maintain the profit margin.
- Redirecting funds from the good projects to the bad ones.
- As investments got stuck, it may result in it may result in unemployment.
- In the case of public sector banks, the bad health of banks means a bad return for a shareholder which means that government of India gets less money as a dividend. Therefore it may impact easy deployment of money for social and infrastructure development and results in social and political cost.
- Investors do not get rightful returns.
- Balance sheet syndrome of Indian characteristics that is both the banks and the corporate sector have stressed balance sheet and causes halting of the investment-led development process.
- NPAs related cases add more pressure to already pending cases with the judiciary.

## 1.2. Objectives:

- To study the conceptual framework of NPA in banking industry in India
- To study the causes of NPA in Indian banking Industry
- To study the effects of NPA on Indian banking Sector

## 2. Literature review

According to Reserve Bank of India (RBI) explains the definition of NPAs, “an asset makes non-performing when it stops to generate income for the bank. Recently an asset was measured as non-performing asset (NPA) stand on the concept of 'Past Due'. A non performing asset was examined as credit in respect of which interest of principal has remained ‘past due’ for a particular time”.

**Siraj and Sudarsanan Pillai** says that “NPA is a virus affecting banking sector. The study concluded that NPA still remains a major threat and the incremental component explained through additions to NPA poses a great question mark on efficiency of credit risk management of banks in India”.

**Debarsh and sukanya goyal (2012)** emphasized “on management of non-performing assets in the perspective of the public sector banks in India under strict asset classification norms, use of latest technological platform based on core banking solution, recovery procedures and other bank specific indicators in the context of stringent regulatory framework of the RBI”. In the seminal study on ‘credit policy, systems, and culture’, Reddy (2004) raised various critical issues pertaining to credit delivery mechanism of the Indian banking sector.



**Reddy (2004)** critically examined “various issues pertaining to terms of credit of Indian banks. In this context, it was viewed that ‘the element of power has no bearing on the illegal activity. A default is not entirely an irrational decision. Rather a defaulter takes into account probabilistic assessment of various costs and benefits of his decision”. The problem of NPAs is related to several internal and external factors facing the borrowers (Muniappan, 2002). “The internal factors are diversion of funds for diversification taking up new projects, helping/promoting associate concerns, time/cost overruns during the project implementation stage, business (product, marketing, *etc.*) failure, inefficient management, strained labor relations, inappropriate technology/technical problems, product obsolescence, *etc.*, while external factors are recession, non-payment in other countries, inputs/power shortage, price escalation, accidents and natural calamities”.

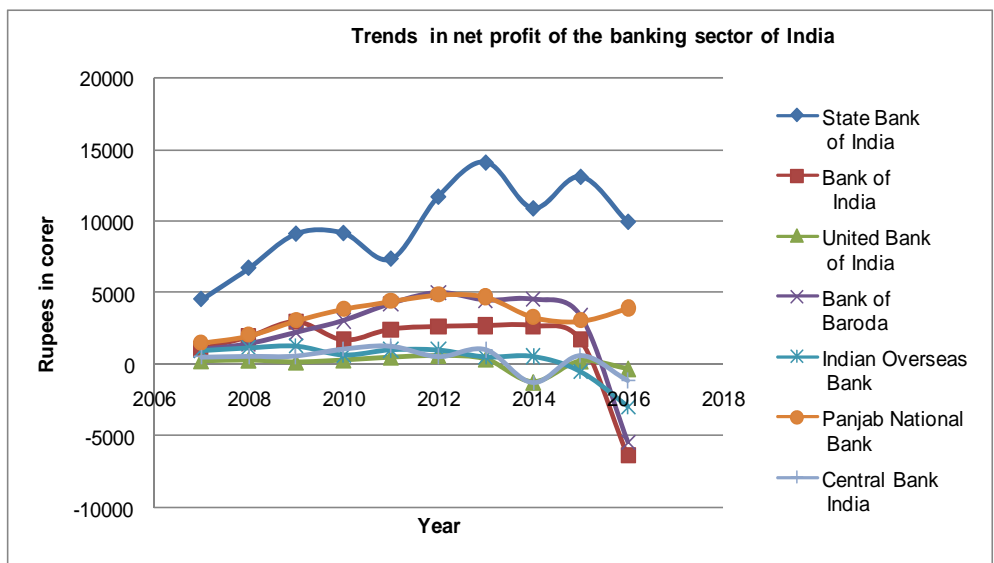
### 3. Research Methodology

The present study is a descriptive study which tries to establish the relationship between the non performing assets and net profits. The data for the study has been sourced from Reserve Bank of India (RBI) bulletins, statistical tables relating to banks in India, report on existing and progress of banking in India, issued by the RBI. The study also suggests multi-pronged and diversified strategy for speedy recovery of NPAs in commercial banks in India. The final analysis is done by Correlation and Regression using MS Excel. The paper consists of secondary data which has been collected from different publications such as the Reserve Bank of India publications, the reports published by commercial banks, various issues of the IBA journal etc. The empirical findings using observation method and statistical tools like correlation, regression and data representation techniques identifies that there is a negative relationship between profitability measure and NPAs.

#### 4. Data Analysis & interpretations

#### 4. Table and Figures

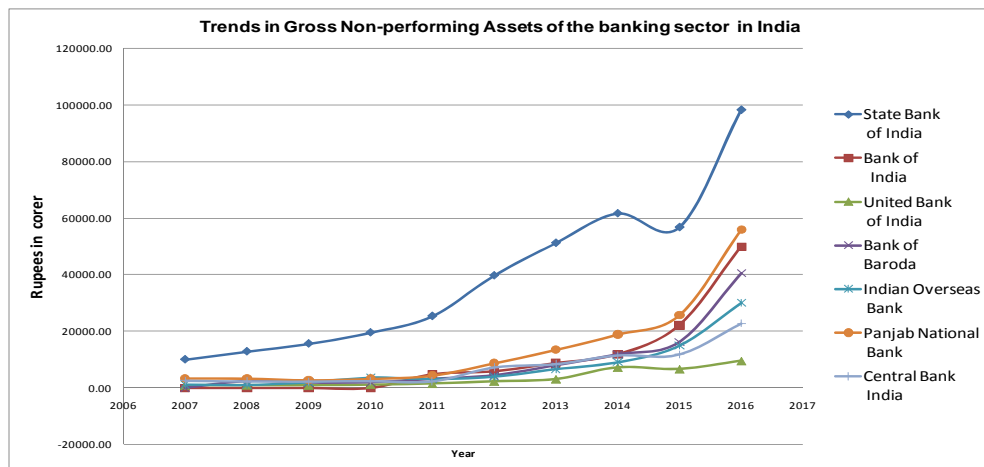
##### 4.1. Figure



**Figure 1:** Net profit of Seven Banks for Ten year

Source: Prepared by Author

This is the trend of Net Profit for the different banks for the years 2007 –2016. Almost all the banks have experienced a negative growth in the year 2016.



**Figure 2:** Non-performing assets of seven banks

Source: Prepared by Author

The gross NPA have been continuously increasing for all he banks for he specified period. As the business operations of the bank increasing the amount of NPAs have also increased.

#### 4.2. Table

**Table 1:**

Net Profit ( Rupees in corer)							
Year	State Bank of India	Bank of India	United Bank of India	Bank of Baroda	Indian Overseas Bank	Panjab National Bank	Central Bank India
2007	4541.31	1125.95	267.28	1026.46	1008.43	1540.08	498.01
2008	6729.12	1960.28	318.95	1435.52	1202.34	2048.76	550.16
2009	9121.23	3009.41	184.71	2227.20	1325.79	3090.88	571.24
2010	9166.05	1738.56	322.96	3058.33	706.96	3905.36	1058.23
2011	7370.35	2488.71	523.97	4241.68	1072.54	4433.50	1252.41
2012	11707.29	2674.62	632.53	5006.96	1050.13	4884.20	533.04
2013	14104.98	2741.91	391.90	4480.72	567.23	4747.67	1014.96
2014	10891.17	2732.65	-1213.44	4541.08	601.74	3342.58	-1262.84
2015	13101.57	1748.32	255.99	3398.44	-454.33	3061.58	606.45
2016	9950.65	-6334.98	-281.96	-5395.54	-2897.33	3944.40	-1117.67

Source: Financial results of different seven banks of ten years

A remarkable difference in the financial status of the banks was observed in the year 2016. All the banks except SBI and PNB went through a severe loss in the year. The loss percents of the banks- BOI, BOB, IOB, CBI and UBI in the year 2016 as compared to 2015 were 462.32, 258.77, 537.71, 284.30, and 210.14

respectively (Table- ....). Among the banks, only SBI and PNB could achieve profit consistently in all the years.

**Table 2:**

Gross NPA ( Rupees in corer)							
Year	State Bank of India	Bank of India	United Bank of India	Bank of Baroda	Indian Overseas Bank	Panjab National Bank	Central Bank India
2007	9998.00	0.00	744.30	0.00	1120.00	3390.72	2572.00
2008	12837.34	0.00	817.00	2400.69	997.00	3319.30	2350.00
2009	15588.6	0.00	761.00	1842.92	1923.40	2767.46	2316.50
2010	19534.89	0.00	1019.60	1981.38	3611.00	3214.41	2457.90
2011	25326.29	4811.55	1355.78	3152.50	3089.00	4379.39	2394.53
2012	39676.46	5893.97	2176.42	4464.75	3920.00	8719.62	7273.46
2013	51189.39	8765.25	2963.83	7982.58	6607.00	13465.79	8456.18
2014	61605.35	11868.80	7118.01	11875.90	9020.00	18880.06	11500.01
2015	56725.34	22193.24	6552.91	16261.45	14922.00	25694.86	11873.06
2016	98172.80	49879.12	9471.01	40521.04	30048.00	55818.33	22720.88

Source: Financial results of different seven banks of ten years

NPA of the banks went on increasing in all the years but a drastic raise was observed in the year 2016. The percentage raise of NPA of the banks in the year 2016 as compared to 2015 were SBI – 73.07, BOI- 124.75, UBI- 44.53, BOB- 149.18, IOB-101.37, PNB- 117 and CBI- 91.36

**Table: 3**Correlation between NPA and Net Profit of the selected banks

Bank	Correlation
State Bank of India	0.591125611
Bank of India	-0.863792026
United Bank of India	-0.654074198
Bank of Baroda	-0.720973007
Indian Overseas Bank	-0.985503809
Panjab National Bank	0.194168193
Central Bank India	-0.73857971

Source: Prepared by author

Table no 3 showed that correlation for SBI and PNB are equal to 0.591 and 0.194 respectively. It means that there is a positive correlation between Net Profits and NPA. It means that as profits increase NPA also increase. NPA is directly related to Total Advances given by bank and banks main source of income is interest earned by bank. But other banks are negative correlation. NPAs are increasing in every year but net profit decrease.

## 5. Findings

1. The banks have expressed correlation between Gross NPA and the Net profit.

2. SBI and Punjab National Bank have shown positive correlation, and all the other banks expressed negative correlation.
3. Bank of Baroda increasing the NPA almost 249% as compare with 2015.
4. Normally the profitability of the banking sector depends on recovery of loans on time which are disbursed to the different sectors. The performance of banking sector depends on how effectively you manage the non performing assets.
5. Except SBI and Punjab National Bank all the banks are facing problems with respect to NPAs.
6. It does not indicate that the more NPAs the more profits for SBI but the largest bank of India is able to receive more profits only because of its wide variety of financial services and effective management of NPAs. But if NPAs continue in the same manner then even large banks will also stumble like Lehman Brothers in USA which resulted in International economic crisis.

#### Suggestions to control NPA

- . Amendment in banking law to give RBI more powers

**2. Stringent NPA recovery rules** The government has over the years enacted and tweaked stringent rules to recover assets of defaulters.

The Securitizations and Reconstruction of Financial Assets and Enforcement of Security Interest Act or Sarfaesi Act of 2002 was amended in 2016 as it took banks years to recover the assets.

3. RBI's loan restructuring schemes: RBI has over the past few decades come up with a number of schemes such as corporate debt restructuring (CDR), formation of joint lenders' forum (JLF), flexible structuring for long-term project loans to infrastructure (or 5/25 Scheme), strategic debt restructuring (SDR) scheme and sustainable structuring of stressed assets (S4A) to check the menace of NPAs.

## 6. Conclusions

Bad loans are draining the banks of capital and weakening their financial strength. The huge dimension of this problem requires heavy private capital. It is also as much a political and a financial issue. Everybody in the field needs to have a greater political will and demonstrate enabling practices to contain the non-performing assets. The banks and financial institutions should be more proactive to adopt a pragmatic and structured non-performing assets management policy where prevention of non-performance assets receives priority. NPAs affect the financial performance of Indian banks as well financial growth of economy. Indian banking system is facing the NPAs problem. Public sector banks should focus on their NPA Management to grow their profitability. The financial institutions should develop new strategies planning to improve the recovery of loan. Non-performing assets (NPAs) is affecting the performance of financial institutions both financially and psychologically. The non-performing assets have become a major cause of concern. Absorbing the credit management skills has become all the more important for improving the bottom-line of the banking sector. The current NPAs status continues to disturb Indian banking Sector. Several experiments have been tried to reduce NPAs but nothing has hit the mark in tackling NPAs. To improve the efficiency and profitability, the NPAs have to be scheduled. Strict measures are needed to be taken up to combat these NPAs crises. It is highly impossible to have zero percentage NPAs.

Improvement in recovery management properly functioning of banks depends on time recovery of loan. Banks should develop a new recovery programs for over dues, monitoring accounts, keeping regular contact with borrower Management of credit is essential for proper functioning of banks. Preparation of credit planning, proper credit appraisals, disbursements, post sanction follow-up and need based credit are the some areas of credit management that needs improvement in order to reduce the NPAs.

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# A Study of Administrative Mechanism for Implementation of PPP Model in Infrastructural Sector in Western Maharashtra

**Asst. Prof. Lavakush Singh**

Abeda Inamdar Senior College, Pune 411001

lavakush.singh@gmail.com

## Abstract

*The present research paper Titled, " A Study Of Administrative Mechanism For Implementation Of PPP Model In Infrastructural Sector In Western Maharashtra" deals with difficulties faced by administrative authorities in successful implementation of road projects in western Maharashtra , comprising 5 districts of Maharashtra , Pune , Sholapur, Satara, Sangali and Kolhapur. The study undertaken is based on opinion of 12 Govt and 12 private sector official having expertise in the road projects in western Maharashtra. The statistical tools used for hypothesis were chi Square Test. The study undertaken is based on Mumbai-Pune – Kolhapur highway Pune Sholapur Highway. A Structured questionnaire for authorities was prepared and administered. The study found that The infrastructure sectors have suffered from consistent budget & schedule over-runs. Political intervention, unstable policy & land acquisition issues among others have proved to be insurmountable challenges. It is critical to note that the business of road infrastructure is about delivering essential public infrastructure over time, not simply constructing road within ex-ante estimates of time & budget. Thus, success is not about signing contracts, reaching financial closure, or putting the road in place, but about delivering the road infrastructure sustainably over time. The study recommends to strengthen lending institution, greater participation of insurance & pension funds, establishment of Infrastructure PPP Project Review Committee (IPRC) & the Infrastructure PPP Adjudicatory Tribunal (IPAT), Establishment of Mechanism to have check on aggressive bidding, Setting Up independent regulator for PPP in Road Sector, Market based Compensation to those whose land was acquired for Road Projects & Increase in the limit of Viability Gap Funding (VGF) Scheme.*

**Key Words:** PPP, Viability Gap Funding, Unstable Policy, Stakeholders and Political intervention etc

## 1. Introduction

The Success of Road Infrastructure Projects depends on the success of Public Private Partnership Projects in infrastructure. Government authorities are hell bent on covering the challenging task of Road building. Private sector is bidding for the projects at very low-price but the issues of project structuring to reduce overall risk is still unresolved. Lenders are overcautious over PPP Project financing; projects are being withdrawn before time, due toll and acquisition and Environmental clearance issues and General public is suffering due to poor performance of ongoing Public Private Partnership Projects. In fast changing social, economic, political and legal environment, Build Operate and Transfer projects are moving towards uncertain future. To address these issues, need of the hour is to call all stakeholders of the Build Operate and Transfer projects and identify the risks, allocate them to the capable partners and structure the agreement to reduce overall risks and create win-win situation to all stakeholders.

### Key definitions

**According to Nisar (2007:147) & Pongsiri (2002:489) ,**"Public Private Partnership entails the use of private sector capital and expertise in the provision of public infrastructure and/or services through a legal contract in which the private sector works collaboratively with the public sector organization privatization

**Kett in Pongsiri (2002:488)** says that “public asset sales and outsourcing, including divestiture of state owned enterprises that occurred under the privatization programmes, became a vehicle for enhancing the provision of public services in the free market economy.”

In short, Public Sector is a part of the country’s economy where the control and maintenance are in the hands of Government. The aim of the public sector is to keep the welfare of citizen as its prime motto. Private Sector is owned and managed by the private individuals and corporations. These enterprises are established with the profit motive. Private Sector enjoys less government interference. Once public assets are sold to the private sector, the government no longer has control over sold asset but in Public Private Partnership “the government retains a level of control over the service and often assumes full control at a time agreed between the parties.

## **2 Review of literature**

i) Board 2004 stated that through PPPs the public sector establishes long-term partnerships which are essentially working arrangements based on a mutual commitment between a public sector organization with any organization outside of public Sector ‘. Relationships between public enterprises and Private Service providers should be based on trust to make the system sustainable and effective in delivering quality services to recipients. However, a PPP is not simply a joint venture investment or joint decision making between parties, unless this is linked to a PPP contract through networking.

ii) Broadbent, et al., 2003 observed that PPPs are contractual arrangements between public sector organizations and Private sector investors for joint, symbiotic and collaborative provision and financing of public projects and services. They arise out of the realization that although the public sector is responsible for the delivery of infrastructure projects, it often encounters financial, technical and institutional limitations in availing such projects. Literature provides widespread evidence of a growing utilization of PPPs in the delivery of public infrastructure facilities and services to meet the numerous needs of modern economies.

iii) Hodge, 2004. There is no single definition of PPPs. The term PPP has been explained and interpreted widely in the literature to encompass any form of arrangement between the public and Private sector to deliver services to the public which was previously provided by the public sector alone. The definitions of PPPs differ in scope and formality of arrangements. PPPs vary from country to country in terms of information and operation even within the developed countries.

**3. Objectives of the studies; these are given below.**The specific objectives of this research are given as under

1. To study the political, legal, financial, policy and social barriers affecting the implementation of Public Private Partnership Projects in Western Maharashtra.
2. To suggest measures for a suitable framework for successful implementation of Public Private Partnership Projects in Western Maharashtra.

### **3.1 Hypothesis of the Study**

To conduct the study, a questionnaire was prepared to understand and the perception of authorities. On the basis of these questionnaires, different set of hypotheses were formulated to achieve the objectives of the study.

#### **Hypothesis**

Hypotheses include various hypothesis related to perception of public and Private authorities regarding different environmental barriers to Public Private Partnership. These are given below:

### **Null Hypothesis**

H<sub>01</sub>: There is no significant effect of Political environment on Public and Private Sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Alternative Hypothesis**

H<sub>1</sub>: There is a significant effect of Political environment on Public and Private sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Null Hypothesis**

H<sub>02</sub>: There is no significant effect of Legal environment on Public and Private sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Alternative Hypothesis**

H<sub>2</sub>: There is a significant effect of Legal environment on Public and Private sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra.

### **Null Hypothesis**

H<sub>03</sub>: There is no significant effect of Financial environment on Public and Private Sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Alternative Hypothesis**

H<sub>3</sub>: There is a significant effect of financial environment on Public and Private sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Null Hypothesis**

H<sub>04</sub>: There is no significant effect of Policy Framework on Public and Private Sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Alternative Hypothesis**

H<sub>4</sub>: There is a significant effect of Policy Framework on Public and Private sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Null Hypothesis**

H<sub>05</sub>: There is no significant effect of Social environment on Public and Private sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

### **Alternative Hypothesis**

H<sub>5</sub>: There is a significant effect of Social environments on Public and Private sector Authorities in implementation of Public Private Partnership Projects in Western Maharashtra

**3.2 Scope:** This study is confined to Road infrastructure in western Maharashtra constructed between 2009 and 2014 excluding other modes of transportation due to considerable opportunities for future potentiality in this Sector.

### **3.3**



### 3.3. Research Methodology

It is the standardized method to do research. It is based on statistical tools and techniques.

**A. Primary Data:** To get a comprehensive purview of the stakeholders, two separate sets of questionnaires were designed for each of these cohorts and experts from Govt as well private sector Authorities involved in planning, administration, Execution and financing of PPP Projects were asked to fill these questionnaires.

#### Secondary Data:

Secondary data was deemed critical to have a detailed and comprehensive understanding of the various constructs the study was to explore in addition to the background and barriers in implementing Road projects built under PPP Models in Western Maharashtra.:

### 3.4 Sampling Design: It is as follows

- i) **Population :** 12 Private and 12 Government authorities involved in Planning, Execution and Administration of Road Built under PPP Model in Western Maharashtra
- ii) **Sample Unit:** The sample unit for this study is the study of Pune Mumbai Highway(NH48) and Pune Sholapur Highway(NH 65)
- iii) **Sampling Frame:** There are two highways in Western Maharashtra. Government and Private authorities, Farmers, Government Employees, Private sector Employees and Self Employed are the sampling frame.
- iv) **Sampling extent:** Pune, Satara, Sangali, Kolhapur and Sholapur is the sampling ex
- v) **Time Dimension:** This was a study which collected responses from many types of respondents at one time period only and was cross-sectional in nature.
- vi) **Sampling Procedure:** Cluster sampling which is a form of complex random sampling was chosen for this study. Western Maharashtra has Two highways (NH48 and NH65 scattered across five districts namely, Pune, Satara, Sangali, Kolhapur and Sholapur. Hence, cluster sampling was found most suitable and viable.

### 3.5 Scope for Further Research

Based on findings and recommendations of the study undertaken, it would be interesting to see the recommendations proposed in this study put to trial by encouraging the Maharashtra state government to adopt the suggestions.

- Suggestions and recommendations proposed in this study are for Specific projects only. They should be further refined for different projects according to their size, type, sector and budgetary strength, etc.
- Many Public Private Partnership Projects rely on the user-pay principle, which says that Extra services are provided for a price. Stakeholders are used to the government providing services without direct charges and therefore they do not like to pay for any services programs.
- The geographical extent of this study was limited to Western Maharashtra, India

### 3.6. Limitations of the Study: The study may have some limitations listed below:

1. A large number of questionnaire surveys from public and Private sector authorities would have increased the credibility of results from the survey analysis.
2. For Questionnaire A particularly, data collection was difficult due to unwillingness of public sector authorities in Maharashtra state government to share their views.

3. The busy schedule of these authorities too was a constraint in collecting data through detailed interview.
4. Primary data may not be too realistic and may suffer from personal biases of the respondents.
5. Likert scale used in this research work for data collection may be subject to distortion from several causes.

**4. Data Analysis, interpretation and finding:** This section covers the findings.

#### 4.1. FINDINGS

- 62.19 % of the respondents were Agree with the statement that the Government of Maharashtra supports PPP Road Projects,
- 62.50% of the respondents agreed that Change in ruling party affects PPP road projects in western Maharashtra
- 54.16 % of the respondents feels that Government procurement policy is not fare and transparent.
- 58.33 of the respondents agreed that there is no political commitment to eradicate corruption in PPP road Projects in Western Maharashtra.
- 75 % of the respondents agreed that Red-Tapism interfered in Implementation of PPP Road Projects in Western Maharashtra.
- 58.33% of the respondents Agreed that Central as well as Government of Maharashtra have close coordination in Implementation of road Projects in western Maharashtra.
- 62.50% of the respondents were Agree that There exists Legal basis For Private Participation In PPP Projects In Road Infrastructure in western Maharashtra.
- 74.99 % of the respondents were agreed that There is no restriction on Participation of foreign investors in PPP projects in western Maharashtra .
- 66.67 % of the respondents were agreed that Environment protection is adequate with clear and transparent laws.
- 62.50 % of the respondents were agreed that Land acquisition for road construction is a challenging task with 62.50% Agreed.
- 62.50 % of the respondents were agreed that Government of Maharashtra makes provision in budget for cost over-run for PPP Road Projects .
- 50 % of the respondents were agreed that there is provision in budget for cost escalation, whereas 41.66% of the respondents were disagree with the statement.
- 66.57 % of the respondents were agreed that There is no developed pension and insurance market for road infrastructure.
- 66.67 % of the respondents were agreed that there is no developed equity and bond market for PPP road infrastructure
- 54.16 of the respondents were disagreed that long term loan on easy terms for PPP road projects in Western Maharashtra.
- 62.53 % of the respondents were agreed that Government of Maharashtra does not have clearly allocated Authority and Responsibility for PPP Road Projects.
- 74.99 of the respondents were agreed that there is well defined stages in PPP road projects.
- 70.92% of the respondents showed Disagreement that PPP Policy Framework generated profitable and affordable Proposals in Road Projects.

- 58.34 % of the respondents were agreed that tendering process is transparent for PPP road Projects.
- 58.34% of the respondents were agree that there is support and cooperation for PPP Road projects in western Maharashtra.
- 66.69 % of the respondents were agreed that PPP is a viable means of providing road Infrastructure in western Maharashtra.
- 70.72 of the respondents showed disagreement on the statement that Government conducts awareness Programme about importance of Public Private Partnership Projects in western Maharashtra.
- 58.34 % of the respondents agreed that Government conducts awareness program about Toll Tax payment for PPP Road Projects, 58.34 % whereas 37.48% of the respondents were disagree with the statement.

## 4.2 Hypothesis Testing Result

### Hypotheses 1

#### Null Hypothesis

$H_{01}$ : There is no significant relationship between Political **environment** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

#### Alternative Hypothesis

$H_1$ : There is a significant relationship between Political **environment** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

$$\chi^2 = 26.923, \quad df = 20, \quad \chi^2/df = 1.35, \quad P(\chi^2 > 26.923) = 0.1374$$

**Result** : Here  $p \geq 0.05$ , therefore, we cannot Reject Null Hypothesis which means that There is no significant relationship between Political environment and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

### Hypotheses 2

#### Null Hypothesis

$H_{02}$  There is no significant relationship between **Legal environment** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra.

#### Alternative Hypothesis

$H_2$ : There is a significant relationship between Legal **environment** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

$$\chi^2 = 25.062, \quad df = 12, \quad \chi^2/df = 2.09, \quad P(\chi^2 > 25.062) = 0.0145$$

Expected values are displayed in *italics*, individual  $\chi^2$  values are displayed in (parentheses)

**Result** : Since P Value is less than 0.05 therefore null hypothesis is rejected.

### Hypotheses 3

#### Null Hypothesis

$H_{03}$ : There is no significant relationship between **Financial environment** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra.

#### Alternative Hypothesis

$H_3$ : There is a significant relationship between financial **environment** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

$\chi^2 = 21.500$ ,  $df = 16$ ,  $\chi^2/df = 1.34$ ,  $P(\chi^2 > 21.500) = 0.1601$ ,

Expected values are displayed in *italics*, individual  $\chi^2$  values are displayed in (parentheses)

### Results of Chi-Square Test

The chi-square statistic is 21.5. The  $p$ -value is 0.160082. The result is *not* significant at  $p < .05$  that is Null Hypothesis can not be rejected.

## Hypotheses 4

### Null Hypothesis

H<sub>04</sub>: There is no significant relationship between **Policy Framework**: and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

### Alternative Hypothesis

H<sub>4</sub>: There is a significant relationship between **Policy Frameworks**: and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra  $\chi^2 = 24.841$ ,  $df = 12$ ,  $\chi^2/df = 2.07$ ,  $P(\chi^2 > 24.841) = 0.0156$

**Result** Since P value is less than 0.05 therefore Null Hypothesis is rejected

## Hypotheses 5

### Null Hypothesis

H<sub>05</sub>: There is no significant relationship between **Social environments** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

### Alternative Hypothesis

H<sub>5</sub>: There is a significant relationship between **Social environments** and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra  $\chi^2 = 17.558$ ,  $df = 12$ ,  $\chi^2/df = 1.46$ ,  $P(\chi^2 > 17.558) = 0.1298$  table value at 0.05 is 21.03

In this case  $\chi^2 = 17.558$ ,  $df = 12$ . The calculated value of  $\chi^2$  is 17.558 is less than table value 21.03 at the .05 level. The null hypothesis can not be rejected that is, There is no significant relationship between Social environments and Public and Private sector Authorities in relation to PPP Projects in Western Maharashtra

### 4.3: Suggestions

- i) It is suggested that public sector authorities should not be defensive towards their role and focus on the Impediments to PPP to overcome them
- ii) Political will and commitment is must for successful implementation of PPP projects.
- iii) It is recommended that all the stakeholders in PPP must be taken into confidence with the promise that government intention is very clear in providing them full support and cooperation.
- iv) It is recommended that concession period granted to various operated should not be increased.
- v) It is recommended that Government should take strict action to check corruption to instill confidence in Private sector .
- vi) It is recommended that the state government procurement policy should be fair and transparent.
- vii) It is recommended that the state government should also not keep on changing policies with the change in ruling party so that there is no effect on ongoing projects.

- viii) It is highly recommended that Red-Tapism should be minimal as it affects the timely implementation of PPP projects.
- ix) It is recommended that PPP projects should have single window clearance system as multiple clearances from different ministries and departments at the centre and state level make the process difficult.
- x) It is recommended that There should not be restrictions on participation of foreign investors in PPP projects in Road Sector. The state government should take steps to attract foreign investors in PPP by offering a sizeable pool of infrastructure concessions with a reliable stream of cash flows.
- xi) The state government should take required step to move from the present contractor-led growth to foreign investor led growth.
- xii) It is recommended that the government should develop insurance and pension markets. The investment guidelines for insurance companies should be modified to allow investment in Road Infrastructure.
- xiii) Investment guidelines for pension funds should be modified to allow them to invest in Road infrastructure projects, have a guarantee from central government or state government.
- xiv) There should be policy to develop equity market to finance Road projects in the long term.
- xv) The development of cross-cutting PPP legislation at the state level should be considered.
- xvi) The state government should ensure that PPP policy framework should generate project proposals which are profitable and affordable for Private players.
- xvii) The state government should issue a policy statement on the use and benefits of PPP.
- xviii) Government should also frequently conduct awareness programs to educate consumers about importance of PPP projects.
- xix) The state government needs to take measures to facilitate entry of Private players in roadways through PPP.
- xx) Awarding a large number of small projects may attract small and medium size contractors, but it does not create an environment to attract globalized players.
- xxi) To attract international level players in roadways projects who have the resources to build, operate and maintain a road network for 10 to 15 years, the government should award contracts of significantly longer road length.
- xxii) The government needs to educate these consumers that PPP model road comes at a cost and therefore, they will have to pay extra price.
- xxiii) A majority of respondents especially self-employed and farmers feel that compensation rate to owners for loss of land due to PPP projects is not appropriate and therefore Government should formulate land acquisition policies which include adequate compensation to owners.
- xxiv) Government should also take measures to compensate the loss of livelihood due to loss of Land because of PPP projects.
- xxv) PPP projects face a lot of opposition and misunderstanding. The public needs to be educated about the positive aspects and benefits of PPP to improve standard of living

## **5.Recommendation For Designing Framework for Successful Implementation of**

### **PPP Projects in Road Sector In Western Maharashtra**

Following are some of the important recommendatory frame work to implement successfully PPP Projects in Western Maharashtra.

### **1. Strengthening of lending institutions**

Despite the creation of other lending institutions such as IIFCL, IDFs, and IFCs, commercial banks remain a major source of debt financing of PPP projects in India. However, banks are faced with issues such as asset liability mismatch (ALM) and liquidity constraints as they have been funding long-duration infrastructure projects with their short-term deposits. Hence, strengthening of banks and other financial institutions has been long due. The Kelkar Committee has suggested that banks and financial institution be encouraged to issue Deep Discount Bonds or Zero Coupon Bonds (ZCB) in order to lower debt servicing costs during the initial phases of the project. Further, refinancing terms may be streamlined to allow automatic refinancing of infrastructure loans.

### **2. Greater participation of insurance and pension funds**

Companies need access to long-term funds for infrastructure projects with long gestation periods. there are regulatory constraints on insurance and pension funds which restricts them to invest in infrastructure sector. It is recommended that investment and exposure norms posed by the Insurance Regulatory and Development Authority (IRDA) and Pension Fund Regulatory and Development Authority (PFRDA) be relaxed in a rational way so as to encourage these funds to actively participate in infrastructure projects.

### **3. Establishment of Infrastructure PPP Project Review Committee (IPRC) and the Infrastructure PPP Adjudicatory Tribunal (IPAT)**

It is suggested that there should be a two-tier framework of the IPRC and IPAT for faster resolution of disputes relating to Private sector partnerships and public procurement. It should be chaired by a judicial member (former Judge SC/Chief Justice HC) with a technical and /or financial member. it is recommended that the a framework for establishment of the tribunal in line with the Kelkar Committee report suggestions be developed and the independent tribunal be set up through an Act of Parliament on priority basis.

### **4. Establishment of Mechanism to have check on aggressive bidding**

- It is recommended that the government develop a framework that would enable authorities to analyze the lowest bid with respect to internal estimates.
- Authorities may be given the power to out rightly reject any bid that is outside the prescribed range. Appropriate mechanism needs to be put in place to create a balance between transparency and safeguarding authorities and its officials.

### **5. Setting Up independent regulator for PPP in Road Sector**

For long, authorities in the transport sector have played dual roles of regulators and executing agencies. NHAI is a perfect example of this. Overlap in functions of regulatory authorities and executing agencies is also a major cause of concern, resulting in decisions being taken at arm's length in many cases. It is essential to establish independent sector regulators to enable faster and smoother implementation of infrastructure projects.

**6. Market based Compensation to those whose land was acquired for Road Projects** There should be payment of fair and adequate price to the individual whose land was acquired for construction of Road.

### **7. Increase in the limit of Viability Gap Funding (VGF) Scheme**

At present, the limit of the VGF scheme is 40% of the total project cost. The Government should consider increasing this limit. Further, there is a need to relook at the disbursement mechanism of the VGF fund. State governments may be allowed to disburse funds directly from their own corpus to project SPVs, which could then be reimbursed by the Central Government.

## 6. Conclusion

The lack of Proper and quality road infrastructure hinder excellent economic growth of Maharashtra. Traditionally marked by a large share of public involvement in financing and delivery, The infrastructure sectors have suffered from consistent budget and schedule over-runs. Political intervention, unstable policy and land acquisition issues among others have proved to be insurmountable challenges. Maharashtra has become a leading destination globally for Private sector investment in infrastructure in general and for the use of PPPs in specific. It ranks ahead of competing developing nations such as Brazil, China and Mexico in total Private sector investment in infrastructure. Actually, the Twelfth Plan (2012-17) accounts for the Private Sector to supply 50% of the \$1000 billion in infrastructure investment during over the Plan period. Government of India has put in place an extensive institutional framework to help formulate & develop PPP projects across sectors. States have followed suit by institutionalizing their own PPP Cells within the Finance Departments. Forms of support available to PPPs include development of standardized documents such as requests for qualification, requests for proposals, model concession agreements, etc. and financial support in the form of grants, interest free loans, and long term debt, among other efforts to create a supportive environment. Most of these levels of support, however, are limited to up-front project preparation and have paid less attention to governance of PPP projects over their long lifetimes. It is critical to recognize that the business of road infrastructure is about delivering essential public infrastructure over time, not simply constructing road within ex-ante estimates of time and budget. Thus, success is not about signing contracts, reaching financial closure, or putting the road in place, but about delivering the road infrastructure sustainably over time.

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# **Green Practices an Initiative towards Sustainability by Azam Campus**

**Farzana Valiuddin Shaikh**

Assistant Professor (Dept. of Commerce)

Abeda Inamdar senior College

Camp, Pune-1

## **Introduction**

This research paper provides a summary of the green practices followed by Azam Campus Pune an initiative towards sustainable development. This initiative includes the development of entire 24-acre campus into a model of complete sustainability and a zone of ecological balance. The project Green Campus Implemented throughout the Entire Azam Campus Under the guidance of Dr. P. A. Inamdar, President M.C.E.Society's and members of the Environmental Science Department Abeda Inamdar Senior College, keeping in mind the future of our planet and the necessity to inculcate certain values in the students studying in the campus.

In recent decades, the environment has been a hot button for many campuses. The microcosm of society, compressed into the footprint of the campus has fostered a heightened awareness of campus sustainability efforts, especially by students, of the effects of man on the environment.

It is no surprise that in this hyper-interpersonal space, the concept of operating green and sustainably has become so important.

The Azam campus is able to achieve Green and Clean Campus by the implementation of various sustainable strategies and technologies such as plastic free campaign, Rainwater Harvesting, Solar Power Generation, solid Waste management, vermicomposting, plastic free campus, E-waste management, conversion of traditional tube lights with LED lighting, No smoking zone, Horn Free Zone etc.

## **Environmental Consciousness and Sustainability Measures taken by the Campus:**

The Campus is established on 24 Acres of land with sufficient infrastructural support to run all the 28 institution. Environmental Consciousness and Sustainability is practiced through alternate and renewable energy sources like Solar panels and Rain Water Harvesting. Green practices include use of Public Transport, minimal plastic usage and use of LED fittings. The census of trees in the campus has been conducted and they have been appropriately labeled.

Living sustainably is not about going without the things that we love and enjoy doing. In fact a little thought and a few simple twists in our lifestyle can have a big impact on our environmental 'footprint', without requiring a lot of time and effort by forming new habits that are healthy for us, our family and the environment. The following sustainable practices are followed by the Azam campus.

### **1. RWH (Rainwater Harvesting) Installation:**

Azam Campus has taken up the initiative to convert itself into a complete model of sustainable development. Their attempt towards utilizing Rainwater Harvesting (RWH) by understanding its technical and scientific functionalities to maximize efficiency in the use of accumulated rainwater every year to replenish the ground water table in the area of the campus as well as surrounding vicinities is a part of the water stage in the above mentioned project. With the help of their internal team and various external agencies, specific

problem areas which are in need of ground water recharge were marked in details which help to utilize them for the replenishment of the groundwater table of the campus and surrounding vicinities.

It was concluded from this, that concentrating on these areas would be beneficial not only in terms of curbing the use of water supply from external sources such as water supply and Tanker Agencies, but also it would make the project much more efficient by the virtue of concentrating on problem areas and addressing the cause at its root.

## **2. Solid Waste Management (Composting and Vermicomposting):**

As a part of social responsibility, Azam Campus always shows enthusiasm towards sustainability to achieve this management has initiated a solid waste management. to achieve this they have provided dustbins to all departments, classrooms. The campus is also having 06 hostels and 06 canteen where lots of waste is generated which is collected time to time and sent to municipal pits for which separate cleaning staffs is hired.

Apart from this Campus has its own Vermicomposting pit in the Medical garden near the Z.V.M.Unani Medical College. The waste is collected in the Pits and enzyme is added in it. After three months, the compost becomes ready as a fertilizer. For segregation of waste, green and red bins are kept everywhere. Plant litter is separately composted most of the waste from the garden is converted into compost and used as a fertilizer for the garden itself.

The rest of the organic waste of the campus is separately composted. Mrs. Jyoti Shah, well known as Pune's Garbage Guru, visits the campus frequently and gives her suggestions for solid waste management. Scrap is given to agencies for recycling.

The campus also has a vermicomposting Pit of 15x9 Feet size in which average per day load is one Bucket of plant litter of 40 Liters which gives 12 buckets of Vermicomposting after 3 months composting .

## **3. Plastic Free Campus:**

People in Pune use millions of plastic bags every day, contributing to million tonnes of plastic dumped into the landfill. Plastic wrappers straws disposable glasses, Bottles and plates are also to blame, and are one of the most common items found on canteen all over the Campus. All of this plastic fills our landfill, harms our wildlife, and can take lifetimes to break down. The campus has taken initiative to convert the campus into plastic free zone by organizing Rallies, awareness Lectures and fine.

The Azam campus has six canteens. Each of the canteens promotes usage of degradable or washable plates rather than using any plastic material. Green bins or red bins are kept everywhere in the campus in order to keep the campus clean and segregation of waste.

Canteens operators are instructed to minimize use of plastic and use of disposable plastic is disallowed. Use of Steel and washable plates in canteen is promoted.

## **4. Food Safety and Hygiene Management:**

The workshop and lectures are also organized by the campus. The purpose of the lecture was to spread awareness about safe food management system, cleanliness, hygiene and sanitation to the people working in School canteens and the application of the same in their daily routine. The workshop implied focus on framing the structure and modalities to develop Food Safety Standards, and implementation of Food Safety and Quality Management aspects at Campus level.

## **5. Installation of Solar Panels:**

With the growing technology and the growth of the institution, management realized the importance of energy conservation for the campus under which solar panels are being installed. It has a capacity of 125kWp.

Solar-thermal panels generate free electricity by converting sunlight into electricity or transferring the sun's heat to heating and ventilation systems. The use of solar panels to generate energy provides many benefits, which include reductions in the costs associated with generating electricity. Solar panels also provide pollution-free power sources and afford new levels of independence to energy consumers.

Installation of solar panels has an impact on reducing the financial costs of electricity because solar panels convert light from the sun into heat and electricity at no cost, solar panels do not require expensive mining and fuel processing. Once a solar panel is built, it operates for free. Coal, natural gas, oil and nuclear power systems rely on nonrenewable resources to generate power. The solar panels are installed on three buildings of the campus. On Abeda Inamdar Senior College Main Building, Dental College Building and Allana Institute of Management Building.

## **6. Development of C.E.S.S. (Conservancy of Earth Sciences and Sustainability):**

The primary agenda of C.E.S.S. Eco-restoration of area alongside of PMC canal was to propagate the practical application of sustainable development and conservation practices for the various environmental elements of the Earth. It has simultaneously carried out along with educational activities regarding the Earth Sciences in such a way that they complement sustainability and the core areas of Earth Sciences such as biology, geology, chemistry, ecology, engineering and management.

This is owed to the multidisciplinary nature of the field of Earth and Environmental Science. The campus has taken initiative to completely convert the Green Galaxy into a Centre of operation for the C.E.S.S. and conduct relevant activities to promote awareness and impart education to students through paintings on the walls of the Green Galaxy on types of pollution, implantation of artificial nesting all throughout the campus to foster the lost habitat for birds in our area. This is being carried out in the name of C.E.S.S.

## **7. Replacement of Conventional tube lights by LED's:**

The campus has taken initiative to upgrade lights of all classroom, department and hostel building with light emitting diodes (LEDs) which is very cost effective than other bright lights. The light from these bulbs gives off light as bright as old bulbs, saves money and can also last up to ten times longer than traditional ones. Under this initiative the campus has replaced all conventional tube lights by LED's.

## **8. E- Waste Management:**

Our generation has experienced and gone through the transformation of a variety of electronic products and their range. We have become so much dependent on these electronic products and which leads to a new environmental challenge: electronic and electrical waste, nothing but 'e-waste'.

Solid waste management is becoming more complicated with the addition of e-waste, particularly computer and mobile phone waste. There exists an urgent need for a detailed assessment of the current and future scenario including quantification, characteristics, existing disposal practices, environmental impacts etc. Institutional infrastructures, including e-waste collection, transportation, treatment, storage, recovery and disposal, need to be established. Levels for the environmentally sound management of e-waste. The Azam Campus has also established e-waste collection, exchange and recycling centers in association with NGO's.

and private firm. E-waste is collected and handed over for safe disposal to “Anand Computer Systems”, a Maharashtra Pollution Control Board certified firm based in Pune. Old batteries are replaced by buy back scheme with specific vendor.

The management has also created awareness in the student’s staffs and people from surrounded vicinity through the use of mass media. Environmental consciousness among people has also developed through organizing rallies, street plays, poster competition, awareness survey/campaigns and workshops to highlight the need to manage e-waste and its disposal methods’ in the vicinity. Students have also made aware regarding the hazardous effect of e-waste and also the methods for disposing e-waste.

#### **9. E-administration / Paperless office:**

College executed the plan of digitization of administration at many levels which include Admission, Maintenance of Fee records and Accounts, examination, Library, Learning Management System (LMS) and Biometric Attendance. Each component of administrative process was digitized with micro planning and thorough testing procedures.

All the institutions in the Azam Campus use Tally software for maintenance of books of Accounts. The Campus has adopted the ERP software Vridhhi. This software is used for planning and maintaining the teaching schedules and upcoming events. Teachers maintain their daily teaching plan using the E-teacher diary. At PG level, MOODLE is used. All these E-administrative practices help to develop paperless office. The campus has Reduce the paper clutter with the object to save some trees by going paper free. Almost everything from circular to notices is send online. Communication between departments is through email and whatsapp, etc. Official Information is sent online and even Photographs are maintained in soft copy.

#### **10. Liquid waste management at laboratory level:**

In the campus Liquid waste is disposed off safely as per standard methods. Implementation of Micro scale Techniques at PG and UG levels degree and professional colleges has achieved scaling down of consumption.

A rotary evaporator used in all chemical laboratories for the efficient and gentle distillation and recovery of solvents samples by evaporation. Use of dilute solutions and double burette methods for titrations ensures minimum consumption of chemicals. Apart from this routine checking and repairing of Taps, Drainage and water pipelines is done.

#### **11. No Horn and Pollution Free Zone:**

In campus the Bikes and any kind of transport is not allowed unless it is essential. People park their vehicle in parking and walk in and around the campus. Which help to develop horn free and pollution free green and clean campus. Students and staff are encouraged to Walk, and use public transport whenever possible

Campus is a Horn Free zone and vehicular movement is restricted.

#### **12. Installation of Sanibins and Vending Machine:**

“Sanibins” are kept in ladies washrooms even Sanitary Napkin Vending machine are also Installed in the campus at some specific areas.

### **13. Green Landscaping for Carbon Neutrality:**

All the stakeholders along with Students and faculty are involved in campus improvements and beautification. Carbon dioxide neutrality is maintained by 449 plants that sequester 40 tonnes of carbon annually by landscaping with trees and plants around campus.

### **14. Digital Library:**

The entire Campus /institutions library has adequate number of text books and reference books scanned and available on intra net on vridhie software. It subscribes to E-journals in addition to various online resources like N-List Program and National Digital Library (NDL).my book.com etc. in order to develop on line reading habits among students and to reduce print of books. Books are accessible on inflibnet. Vridhie ERP and MOODLE software are used for sharing notes, teaching plan, notices and attendance.The study material can be accessed from the digital library through intra net.The students submit e-assignments and present their project work on LCD projectors during practical examinations.

Digitization of library has facilitated allotment of Accession Number to Books, Serial Control, Cataloguing, Acquisition, Issue- Return, Bar Code, I-Card Printing and Scanning Process through Software. The library has OPAC Facility that enables browsing of Library Resources.

Digital library has around 700 computers for the students and staff. Around 70% Students of Azam campus are registered for Wi-Fi connection. The library uses the Vridhie ERP Module to maintain the records.The campus encourages computer assisted learning in all subjects.Digital Library is an important addition for greater outreach and accessibility. List of relevant websites are provided to students for reference work.

### **15. Wi-Fi Facility:**

The college campus has secure Wi-Fi enabled with speed of 54 mbps. Students and staff are given an option of getting a secure Wi-Fi connection on their laptops, tablets or smart phones. This can be accessed from all the classrooms, laboratories and departments. Inter and Intra-Departmental communications is extensively through Emails and Whatsapp Groups Students and staff can avail of Wi-Fi connection on their laptops, tablets or smart phones, which can be accessed from anywhere in the campus.

### **Conclusion:**

The Azam campus has undertaken an initiative entitled “Green Campus” aimed at transformation of campus from dependency to sustainability with respect campus has achieved this by implementing the principles of sustainability on primarily three fronts, such as Rainwater Harvesting, Solar Power Generation, and Organic Waste conversion. This approach is much more in sync with the theme of sustainability that Azam campus and all institutions wishes to implement at all levels of possibility as an example of consciousness towards the environment, which they consider to be their responsibility as a premier educational institute for every batch of students graduating from campus.

The campus also has supporting activities for green practices Guest lectures on Waste Management and Study Visits to Soil Survey Department, Solid-Waste Management Site, Wind Mill and Solar Energy Projects, Nature Interpretation Centre, Hand Made Paper Industry and Watershed Management are organized on a regular basis. Campus has its own composting pits to manage waste from the garden, which is used as a fertilizer for the garden.The ecological balance is achieved by the development of an outdoor area of the campus through which a fresh water canal flows into a zone meant especially for environmental studies and its implementation at all levels, right from school to post graduate and doctoral studies.

Let's make sure nothing goes to landfill unnecessarily. Contact your local council or transfer station to find out what other products are accepted. The results show that stakeholders such as Management, students, faculty, alumni, and the surrounding community play the most important and consistent role in promoting sustainable practices of all types.

“Adopting ‘green’ practices to protect the environment” is “essential” or “very important”

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# Corporate Social Responsibility-An Overview of the Concept

**Amreen M.Y. Siddiqui**

Asst. Professor

AISC

amreen.siddiqui2594@gmail.com

## Abstract

*Successful businesses create an organizational culture that encourages employees to feel dedication and commitment to the company. One way to do that is through social responsibility initiatives, which allow individuals to make a difference through their jobs while they earn their paychecks. Corporate social responsibility projects give employees that invaluable feeling of making a difference, and can have other positive effects for your business as well.*

**Keywords:**Corporate social responsibility, concept , history, dimensions, types ,benefits.

## Introduction

‘CSR’ as a term came into existence in the 1930s supposedly because Prof. A.A. Berle and Prof. C.G. Means at Harvard University, USA, wanted corporations to take responsibility after the Great Depression of 1929. According to them, this event had occurred because of the irresponsibility shown by the corporations

Corporate Social Responsibility (CSR), also referred to as corporate citizenship or socially responsible business, is a form of corporate self-regulation integrated into a business model. The interest in CSR has grown with the spread of socially responsible investing, the attention of nongovernmental organization and ethics and training within organizations. Recent incidents of ethics-based corporate scandals have also increased awareness of CSR. Organizations that embrace CSR hold themselves accountable to others for their actions and seek to make a positive impact on the environment, their communities, and the larger society.

Corporate social responsibility may include philanthropic efforts such as charitable donations or programs that encourage employee volunteerism by providing paid time off for such activities. Many organizations seek to have an even greater impact through CSR initiatives that integrate social values into operational and business strategies. For example, to protect scarce natural resources, a firm may make a commitment to use only recycled materials in its packaging of consumer goods.

## Objectives

1. To understand the concept of Corporate Social Responsibility.
2. To examine the dimensions of Corporate Social Responsibility.
3. To know the benefits of CSR application.

## Literature Review

Corporate Social Responsibility means the way in which **business firms integrate** environmental, economic and social concerns into their culture, values, strategy, decision making and operations in an accountable and

transparent manner and, therefore, leading to better creation of wealth, an improved society and better *practices in business environment.*

Activists, the media and governments all over the world have become adept by holding their organizations or enterprises to account for the social impacts of their actions. It is in this response that the use of Corporate Social Responsibility (CSR) has emerged to be one of the inescapable top priorities for various business leaders or managers all over the globe. However, the fact remains that many current approaches to Corporate Social Responsibility are quite disconnected from the initial strategy of various companies or firms using it. In order for business enterprises to contribute significantly towards their key competencies, then they should treat Corporate Social Responsibility as something that is central and vital towards their business strategy.

## **Types of CSR**

**1. Economic Responsibilities:-**A company's first responsibility is its economic responsibility -- that is to say, a company needs to be primarily concerned with turning a profit. This is for the simple fact that if a company does not make money, it won't last, employees will lose jobs and the company won't even be able to think about taking care of its social responsibilities. Before a company thinks about being a good corporate citizen, it first needs to make sure that it can be profitable.

**2. Legal Responsibilities:-**A company's legal responsibilities are the requirements that are placed on it by the law. Next to ensuring that company is profitable, ensuring that it obeys all laws is the most important responsibility, according to the theory of corporate social responsibility. Legal responsibilities can range from securities regulations to labor law, environmental law and even criminal law.

**3. Ethical Responsibilities:-**Economic and legal responsibilities are the two big obligations of a company. After a company has met these basic requirements, a company can concern itself with ethical responsibilities. Ethical responsibilities are responsibilities that a company puts on itself because its owners believe it's the right thing to do -- not because they have an obligation to do so. Ethical responsibilities could include being environmentally friendly, paying fair wages or refusing to do business with oppressive countries, for example.

**4. Philanthropic Responsibilities:-**If a company is able to meet all of its other responsibilities, it can begin meeting philanthropic responsibilities. Philanthropic responsibilities are responsibilities that go above and beyond what is simply required or what the company believes is right. They involve making an effort to benefit society -- for example, by donating services to community organizations, engaging in projects to aid the environment or donating money to charitable causes.

## **Dimensions of CSR**

**1. Environmental:-**The environmental dimension of corporate social responsibility refers to your business's impact on the environment. The goal, as a socially responsible company, is to engage in business practices that benefit the environment. For example, you might choose to use recycled materials in your packaging or ad renewable energy sources like solar power to your factory.

**2. Social:-**The social dimension of corporate responsibility involves the relationship between your business and society as a whole. When addressing the social dimension, you should aim to use your business to benefit society as a whole. This could involve sourcing fair trade products, for example, or agreeing to pay



your employees a livable wage. It could also involve taking on endeavors that benefit society, for instance using your resources to organize charitable fundraisers.

**3. Economic:-**The economic dimension refers to the effect that corporate social responsibility has on the finances of your company. In an ideal world, where corporate social responsibility had no costs, there would be no reason to limit it. But in the real world it is important to recognize the financial impact that these actions have and to balance being a good corporate citizen with making a profit.

**4. Stakeholder:-**The stakeholders are all of the people affected by your company's actions. These include employees, suppliers and members of the public. When considering the stakeholder dimension of corporate social responsibility, consider how your business decisions affect these groups. For example, you might be able to increase your output by having employees work more, but you should consider the impact it will have on them, not just your bottom line.

**5. Voluntariness:-**Actions that fall into the voluntariness dimension are those that you are not required to do. These actions are based in what your company believes is the correct thing to do. They may be based in specific ethical values that your company holds. For example, you may believe that using organic products is the right thing to do even if you are not required to do so.

### **Benefits**

**1. Satisfied employees:-**Employees want to feel proud of the organization they work for. An employee with a positive attitude towards the company is less likely to look for a job elsewhere. It is also likely that you will receive more job applications because people want to work for you. More choice means a better workforce. Because of the high positive impact of CSR on employee wellbeing and motivation, the role of HR in managing CSR projects is significant.

**2. Satisfied customers:-**Research shows that a strong record of CSR improves customers' attitude towards the company. If a customer likes the company, he or she will buy more products or services and will be less willing to change to another brand.

**3. Positive PR:-**CSR provides the opportunity to share positive stories online and through traditional media. Companies no longer have to waste money on expensive advertising campaigns. Instead they generate free publicity and benefit from word of mouth marketing.

**4. Costs reductions:-**Yes, you read this correctly. A CSR program doesn't have to cost money. On the contrary. If conducted properly a company can reduce costs through CSR.

Companies reduce costs by:

- More efficient staff hire and retention
- Implementing energy savings programs
- Managing potential risks and liabilities more effectively
- Less investment in traditional advertising

**5. More business opportunities:-**A CSR program requires an open, outside oriented approach. The business must be in a constant dialogue with customers, suppliers and other parties that affect the organization. Because of continuous interaction with other parties, your business will be the first to know about new business opportunities.

**6. Long term future for your business:-**CSR is not something for the short term. It's all about achieving long term results and business continuity. Large businesses refer to: "shaping a more sustainable society"

## **Disadvantages Corporate Social Responsibility**

Now we will see why CSR is criticized in business circles.

**1. Shift from profit making objectives:-**Milton Friedman, an economist, is the biggest critic of CSR. He says that CSR shifts the focus of the company from the objective that made it a financial entity in the first place – profit-making. The company forgets about its obligations towards its shareholders that they have to make profits for them. Instead of focusing on making profits, they engage in CSR programs and use up funds for community welfare. So basically, instead of an income, the company is effecting an outflow of cash and not fulfilling its profit-making obligations.

**2. Company reputation takes a hit:-**According to CSR policies, companies have to disclose shortcomings of even their own products if they are found to violate the CSR program. For example, car manufacturing companies calling back their vehicles in large numbers when they find glitches in the model after having sold them wallops their reputation.

**3. Customer conviction:-**Initially, customers like to see the companies that they trust are engaged in social welfare programs. They like the fact that these programs are for a good cause. Later, they grow wary of it. If they don't see instant results from these programs, they think that these are nothing but PR stunts. So it becomes difficult to convince customers that the results will take some time in coming and that they should continue believing in the good intentions of the company. These attempts of convincing become fruitless day by day because some customers are impatient and have a constant desire to be appeased.

**4. Increase in cost of production:-**More often than not, CSR programs increase the expenditure of the company. This increased expenditure is reflected in the increased prices of the product for which, ultimately, the customers have to pay. Large corporations can absorb this increased expenditure. They may not increase their products' prices, but small businesses have no other option but to increase their products' prices to meet their increased expenses.

## **Conclusion**

The concept of "corporate social responsibility" has become pervasive enough that it has earned its own acronym in business circles: CSR. The term means that a corporation should be accountable to a community, as well as to shareholders, for its actions and operations. When a corporation adopts a CSR policy, it aims to demonstrate a goal of upholding ethical values, as well as respecting people, communities and the environment. The corporation undertakes to monitor its compliance with its stated CSR policy and report this with the same frequency that it reports its financial results.

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# Sustainable Development

**Dr. Retwade L.G.**

**Asst. Professor, Dept. of Economics**

S.B.B. Alias Appasaheb Jedhe Arts,

Commerce and Science College, 425, Pune 411002

[retwadelg@yahoo.com](mailto:retwadelg@yahoo.com)

## Abstract

*Since from the beginning, the phenomenon of globalization has captured world attention in various ways. The tremendous change in the countries caused erosion of environmental quality to a large extent. Hence the concept of sustainable development has gained importance since Rio Declaration. The central purpose of it is to create an enabling environment in which all human beings lead secure and creative lives.*

*The world's governments have agreed on an ambitious agenda to transform our world by 2030, adopting the Sustainable Development Goals (SDGs) that aim to ensure no one is left behind, and everyone benefits from development efforts. Agenda 2030 is unprecedented in scope and significance. The SDGs are multi-dimensional and interconnected, and the scale of the challenge at hand is vast. Realising these 17 goals will require deep commitment, trillions of dollars in investment, and innovative ideas and approaches. It will also require institutions and individuals to bring together the very best they have to offer in order to achieve this shared vision of prosperity for all. Environment is a broad concept encompassing the whole range of diverse surroundings in which one perceives experience and react to events and changes. It includes the land, water, vegetation, air and the whole gamut of the social order. It also includes the physical and ecological environment. It concerns people's ability to adapt both physically and mentally to the continuing changes in environment.*

❖ **Keywords:-** Environment, Sustainable Development

❖ **Introduction:-**

**"Sustainable development is development that meets the needs of the present, without compromising the ability of future generations to meet their own needs."**

The concept of sustainable development can be interpreted in many different ways, but at its core is an approach to development that looks to balance different, and often competing, needs against an awareness of the environmental, social and economic limitations we face as a society. All too often, development is driven by one particular need, without fully considering the wider or future impacts. We are already seeing the damage this kind of approach can cause, from large-scale financial crises caused by irresponsible banking, to changes in global climate resulting from our dependence on fossil fuel-based energy sources. The longer we pursue unsustainable development, the more frequent and severe its consequences are likely to become, which is why we need to take action now.

❖ **Objective of Study:**

1. To Study About the Sustainability Development.
2. To Understand the concept Of Types of Sustainability Development.
3. To Study about the Goals of Sustainability

❖ **Methodology:**

The data required for the present study are collected both from secondary sources. The Secondary data are collected from various published sources such i.e. magazines, newspapers, journals, books, and various other publications. Moreover, some important information is also collect from relevant websites. The present study is descriptive in nature. Importance of the study:

## ❖ Sustainable Development Goals in India

From India's point of view, Sustainable Development Goals need to bring together development and environment into a single set of targets. The fault line, as ever in global conferences, is the inappropriate balance between environment and development...we could also view the SDGs and the post 2015 agenda as an opportunity for revisiting and fine-tuning the MDG framework and sustainably regaining focus on developmental issues.”

## ❖ Need of Sustainable Development in India

This admission is of course an understatement. All available indicators point to the ecological situation being nothing short of disastrous. Natural ecosystems are under stress and decline across most of the country; some 10 per cent of the country's wildlife is threatened with extinction; agricultural biodiversity has declined by over 90 per cent in many regions; well over half the available water bodies are polluted beyond drinking and often beyond even agricultural use; two-thirds of the land is degraded to various levels of sub-optimal productivity; air pollution in several cities is amongst the world's worst; 'modern' wastes including electronic and chemical are being produced at rates far exceeding our capacity to recycle or manage. A 2008 report by the Global Footprint Network and Confederation of Indian Industries suggests that India has the world's third biggest ecological footprint, that its resource use is already twice of its bio-capacity, and that this bio-capacity itself has declined by half in the last few decades.

## ❖ TYPES OF SUSTAINABILITY

### 1. Environmental Sustainability :-

At the environmental level, sustainability prevents nature from being used as an inexhaustible source of resources and ensures its protection and rational use. Aspects such as environmental conservation, investment in renewable energies, saving water, supporting sustainable mobility, and innovation in sustainable construction and architecture, contribute to achieving this environmental sustainability on several fronts.

### 2. Social Sustainability :-

At the social level, sustainability can foster the development of people, communities and cultures to help achieve reasonable and fairly-distributed quality of life, healthcare and education across the globe. The fight for gender equality, especially in developing countries, is another aspect which in coming years will form the basis of social sustainability.

### 3. Economic Sustainability :-

Sustainability focuses on equal economic growth, that generates wealth for all, without harming the environment. Investment and an equal distribution of the economic resources will strengthen the other pillars of sustainability for a complete development.

## ❖ THE GOALS OF SUSTAINABLE DEVELOPMENT

As a part of a new **sustainable development roadmap**, the United Nations approved the 2030 Agenda, which contains the Sustainable Development Goals, a call to action to end poverty, protect the planet and guarantee the global well-being of people.

**Ratified by all member states, this roadmap seeks to:**

1. **Eradicate poverty and hunger**, guaranteeing a healthy life
2. Universalize **access to basic services** such as water, sanitation and sustainable energy
3. Support the generation of development opportunities through inclusive **education and decent work**
4. Foster **innovation and resilient infrastructure**, creating communities and cities able to produce and consume sustainably
5. **Reduce inequality** in the world, especially that concerning gender
6. Care for the **environment** combating climate change and protecting the oceans and land ecosystems

7. Promote collaboration between different social agents to **create an environment of peace and sustainable development.**

❖ **Conclusion**

To conclude, although industrialization is seen as a solution to providing economic growth and increasing economic levels, all inevitably produce discharges and wastes that are capable of polluting. Where high population and economic growth demands resources and discharges in the form of pollutants, not many industries have arrived at suitable suggestions on sustainable measures, thus putting pressure on the environment. The phenomenon of globalization has led governments and individuals to realize the international and trans-boundary dimensions of environmental issues, which later led to recognize the concept of sustainable development. The WTO, which is considered as an apex institution in matters of international trade also aims to protect the environment while encouraging the international trade. The Rio Declaration brought together some concepts like polluters pay principle; inter generational equity, etc., to reserve and preserve the environment for future generation with sustainable growth of the industries. But self awareness of protection of environment and preserving it for future generation is the need for the hour.

Shepherding the achievements of the SDGs is an enormous task that requires the involvement of every sector and each level of society. The experiences of the pilot countries illustrate the opportunities the platform can create for India to build meaningful and lasting state-philanthropy partnerships to achieve the prime minister's vision of "sabka saath, sabka vikas (collective effort, inclusive growth).

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# Growth of Social Entrepreneur in Pune and Their Impact on Sustainable Development

**Mohd Osama Ahmad<sup>1</sup>**

Research scholar  
PG & Research Centre Dept of commerce  
AISC, SPPU, Pune  
mohdosama\_ahmad@yahoo.com

**Dr. Aftab Alam<sup>2</sup>**

Research Guide  
Head, Dept. Business Economics  
AISC, SPPU, Pune

## Abstract

*This Paper will investigate about the India's perspective on growth of social entrepreneurs and their impact on sustainable development, is it a Cosmetic development that is only going on social media's, banners, and speeches or is it a real substance that changes life of people around in INDIA and in Pune in different sector. Paper will also investigate what are the impacts of social entrepreneurs on sustainable development in Pune and what work is done by different social entrepreneurs.*

**Keywords-** Sustainable development, new policy, schemes in India, Ground work, private and public firms, Social Entrepreneur

## Introduction

We need innovative solutions to social problems, and private citizens, acting in entrepreneurial ways are the best hopes for finding those solutions a global trend of blending social conscience with business savvy initiatives by certain 'unconventional' 'big thinking' and 'solution minded pragmatists,' trying to solve the problems that mar the social fabric and consequently leave a significant segment of the people marginalized called these private citizens and unconventional pragmatists by the name 'social entrepreneurs'. The terms, Social Entrepreneur and Social Entrepreneurship, emerged into common parlance in the early 1980s, this process as a form of entrepreneurship, which tried to find solutions to varied problems of humankind, especially the poor and the marginalized, in the entrepreneurial way. The 2006 Nobel Prize for Peace was awarded to Prof. Mohamed Yunus, a Bangladeshi banker, who revolutionized the economy of the poverty stricken society of his country, with his innovation called Microcredit. In the citation for the award, it was remarked, "economic security is the foundation for peaceful living". When the principles of entrepreneurship are utilized primarily to solve social problems, while maintaining the profit maximization principle as a catalyst rather than the sole objective, the field becomes social entrepreneurship. It "combines the passion of a social mission with an image of business-like discipline, innovation and determination commonly associated with, for instance, the hi- tech pioneers of Silicon Valley." They operate in all sectors and cater to small/medium/large constituencies who need this innovative approach. These persons are entrepreneurs with a social mission<sup>(1)</sup>. Their efforts are combined in a process called Social Entrepreneurship. In recent years, the term social entrepreneurship received considerable attention in the public media, as a powerful and potent means of solving many social problems which have eluded the efforts of government and other players in the field. As a field of practice and scholarly enquiry, social entrepreneurship is gaining momentum today and attracts increased attention from prestigious business schools and researchers across the globe.

## **Personal Characteristics of the Entrepreneur**

Opportunity Identification, in an entrepreneurial context, largely depends on the personal characteristics of the person. Everyone does not see the same reality in the same way, each one's perception and reaction to it differing in diverse manner. For an entrepreneur, an unsatisfactory equilibrium is an opportunity to create positive value. This has to do with one's unique nature of entrepreneurial spirit. Where an ordinary person sees an inconvenience, an entrepreneur perceives an opportunity; this makes the entrepreneur different from the ordinary person. One's personal characteristics answer to this difference, these characteristics as creativity, inspiration, direct action, courage and fortitude, which are fundamental to the process of innovation. The entrepreneurs are inspired to change the unpleasant equilibrium and think creatively and develop new solutions that often have a dramatic effect and the potential for systemic change in society. Once inspired by the possibility of a new way, the entrepreneurs act directly with substantial amount of courage and fortitude that will see their innovative solution fruitful. This is the outcome of the entrepreneurship, a new and satisfying equilibrium, a state where the unmet needs are met. "creativity, innovation, dynamism, leadership, teambuilding, achievement motivation, problem solving, goal orientation, risk and decision ability and commitment" is Social Entrepreneurship.

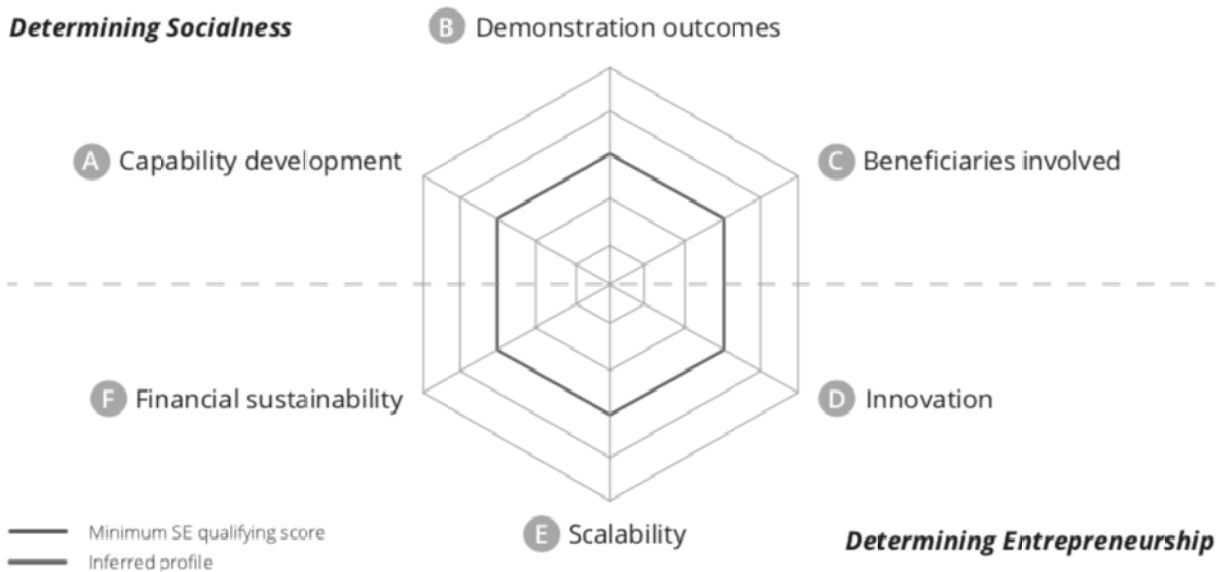
## **Social entrepreneurs in Pune**

The Social Entrepreneur of the Year For the past 16 years, the Foundation has added 20-25 social entrepreneurs annually from around the world into its network of leading social entrepreneurs. The social entrepreneurs are selected from more than 1,000 candidates that apply each year either to a national competition in collaboration with corporate partners or to the global selection process of the Foundation. Schwab Foundation has been selecting social entrepreneurs in India since year 2001. Jubilant Bhartia Foundation joined hands with the Schwab Foundation for Social Entrepreneurship in 2010 to bring together country's most coveted awards for Social Entrepreneurship. The Schwab Foundation for Social Entrepreneurship and the Jubilant Bhartia Foundation are dedicated to promoting social innovation in India. In recognizing social entrepreneurs who address the needs of under-served communities in both scalable and sustainable ways, we aim to make inclusive growth in the country a reality all work in highly competitive industries, where they have had to prove their worth with creativity and sheer guts. Read on and be inspired

Pune is India's largest education hub with renowned institutes. In the last two decades, an efficient startup ecosystem has evolved in the city, with a rise in health tech, SAAS, automobile components etc. It has become home to many noted Indian companies as well as emerging startups. Sharmila Bhide came back to Pune from the US with her husband, outsourcing was in its initial stages and internet access was not easily available. This was the situation in which, her 16-year old technology venture, which employs around 500 professionals, is a specialist in software product development services with niche expertise in storage, virtualization, cloud-computing, embedded, and networking. They started out with a capital of just Rs 4 lakhs and HP as their first client. There was no looking back from there. Sharmila is responsible for shaping all aspects of the company's business strategies and spearheading financial planning and strategy initiatives. Prior to co-founding Calsoft, Sharmila was a Product Manager at Oracle where she led the design of the Oracle Receivables application. Sharmila feels that entrepreneurship gives one the opportunity to make their own mark and is especially great for women because they get the flexibility to balance their work along with their family life.<sup>2</sup>

## Social Entrepreneurship Screen

### Determining Socialness



### Economic Background and Its Impact

The reforms in 1990s impacted the social, cultural and economic face of urban India with the advent of globalization. Globalization of the Indian Industry opened up its economy for trade, investments, talent and knowledge exchange. Major global companies continue to focus on capturing the imagination of Indian consumers. This brought large amounts of foreign investments into industries such as information technology/ business processing outsourcing (IT/ BPO), pharmaceutical, petroleum, fast moving consumer goods (FMCG) and manufacturing sectors. During this period access to television grew from 20% (1991) to 88% (2012) of the urban population, with satellite television market penetrating as deep as rural areas of the country. Albeit slow, globalization led to rural India's progress through commercialization of agriculture and expansion of agro-industries, the liberalization of international trade and marketing for food and other agricultural products, the intensification and internal labour migration, the increasing privatization of resources and services and the wider use of information, communication and technology. However, urban India has seen a paradigm shift in lifestyle through communication and consumerism, leading to large numbers of migration from rural to urban areas in search of better job and lifestyle. Urban lifestyle in India is quite different from the rural in terms of cost of living. With growing purchasing powers, there are inequalities in distribution of income/ wealth and resources. Hence, in social entrepreneurship ecosystem, target communities can be categorized as Urban/ rural poor Below/ Above Poverty Line (BPL/ APL) Those spending over INR 32 (c. US\$ 0.5) a day in rural areas and INR 47 (c. US\$ 0.7) a day in towns and cities are considered APL. India's service sector is growing exponentially in urban India, attracting the second highest foreign direct investment (FDI) in startups and businesses after China and is estimated to overtake China by 2020. There is a larger push by the government to make India a manufacturing hub for quality products by creating Special Economic Zones (SEZ) and Small/ Medium Industry Corridors across the northern and western parts of the country. India is with 356 million young people also home to the world's largest youth population (10-24 years old)<sup>6</sup> giving a unique opportunity of labor and knowledge skills. However, the



challenge lies in providing quality education and skill development to prepare the workforce for a competitive global economy<sup>3</sup>

### **Examples of Successful Social Entrepreneurship**

- Aravind Eye Hospital & Aurolab Dr. Govindappa Venkataswamy (Dr. V) & David Green started trust at Madurai, India with a mission of making medical technology and health care services accessible, affordable and financially self-sustaining. Founded in 1976 by Dr. G. Venkataswamy, Aravind Eye Care System today is the largest and most productive eye care facility in the world. From April 2007 to March 2008, about 2.4 million persons have received outpatient eye care and over 285,000 have undergone eye surgeries at the Aravind Eye Hospitals at Madurai, Theni, Tirunelveli, Coimbatore and Puducherry.
- AMUL (Anand Milk Union Limited) Dr. Verghese Kurien started a Co-operative organization AMUL. Amul has been a sterling example of a co-operative organization's success in the long term. It is one of the best examples of co-operative achievement in the developing economy. The Amul Pattern has established itself as a uniquely appropriate model for rural development. Amul has spurred the White Revolution of India, which has made India the largest producer of milk and milk products in the world.
- Grameen Bank Muhammad Yunus started Grameen Bank. Grameen Bank (GB) has reversed conventional banking practice by removing the need for collateral and created a banking system based on mutual trust, accountability, participation and creativity. GB provides credit to the poorest of the poor in rural Bangladesh, without any collateral. At GB, credit is a cost effective weapon to fight poverty and it serves as a catalyst in the overall development of socio-economic conditions of the poor who have been kept outside the banking orbit on the ground that they are poor and hence not bankable. Professor Muhammad Yunus, the founder of Grameen Bank and its Managing Director, reasoned that if financial resources can be made available to the poor people on terms and conditions that are appropriate and reasonable, these millions of small people with their millions of small pursuits can add up to create the biggest development wonder. As of May, 2009, it has 7.86 million borrowers, 97 percent of whom are women. With 2,556 branches, GB provides services in 84,388 villages, covering more than 100 percent of the total villages in Bangladesh.
- Shri Mahila Griha Udyog Lijjat Papad Shri Mahila Griha Udyog Lijjat Papad is a Women's organization manufacturing various products from Papad, Khakhra, Appalam, Masala, Vadi, Gehu Atta, Bakery Products, Chapati, SASA Detergent Powder, SASA Detergent Cake (Tikia), SASA Nilam Detergent Powder, SASA Liquid Detergent. The organization is wide-spread, with its Central Office at Mumbai and its 67 Branches and 35 Divisions in different states all over India. The organization started off with a paltry sum of Rs.80 and has achieved sales of over Rs.300 crores with exports itself exceeding Rs. 12 crores.<sup>4</sup>

### **Challenges**

High drop out rates: Nationally 29% of children drop out before completing five years of primary school, and 43% before finishing upper primary school. High school completion is only 42%. 1.4 million children aged 6-11 in India are not even going to school<sup>13</sup>. Inadequate school infrastructure: only 53% of schools have functional girls' toilets<sup>14</sup> and 74% have access to drinking water<sup>15</sup>.

Inequality amongst schools: At the top end are English-language schools affiliated to the upscale CBSE (Central Board of Secondary Education), CISCE (Council for the Indian Schools Certificates Examination)

and IB (International Baccalaureate) examination boards, offering globally recognized syllabuses and curricula. Those who cannot afford private schooling attend English-language government-aided schools, affiliated to state-level examination boards that struggle to maintain quality standards and do not focus on an allround development of the child.

Teacher shortage: Teachers are paid low salaries and are not supported with incentives. The Student-Teacher Ratio in developed countries stands 11, while in case of India; the ratio on an average is as high as 22.0 leading to teacher absenteeism and large number of teacher vacancies. There is a teacher shortage of 689`000 teachers in primary schools.

Quality of learning: The quality of learning in classroom is a major challenge too. Several reports show children are not achieving class-appropriate learning levels. According to Pratham's Annual Status of Education 2013 report, close to 78% of children in Grade 3 and about 50% of children in Grade 5 cannot yet read Grade 2 texts.

## **Opportunities**

Affordable private schools: A number of social enterprises are venturing into affordable private schools, creating a pipeline of budget schools which are well managed and can deliver optimal or basic quality learning environment in K-12 education ecosystem. Partnering and supporting such initiatives at different levels is one of the areas of opportunity for Swiss entrepreneurs.

Curriculum development and pedagogy tools: Technology and other mediums are now actively used to deliver quality-learning material with digital pedagogy tools by social enterprises. There is scope for innovation in creating robust models to provide, monitor and assess the curriculum material provided to schools. Teacher-centric approach: Teacher training, teaching modules, improved pedagogical tools are some of the areas of intervention for social enterprises.

Infrastructure: This is one of the most untapped areas of opportunity in current K-12 education system. Solutions can range from providing basic hygiene & safe environment such as boundary walls, working clean toilets, safe drinking water to basic furniture, storage and other interior infrastructure for schools.

Corporate companies/ CSR: Majority of corporations in India are investing CSR funds in education as a portfolio. The CSR funds can be invested across various themes and can provide mentorship and other capacity building support to social enterprises in the education sector.<sup>5</sup>

## **Conclusion**

We should reduce the traffic and pollution. Pollution is a grave problem in Pune. The city roads are crammed with vehicles, and hazy air all around. The mounting amount of pollution is not just harmful to the citizens but is also undoubtedly hazardous for the entire environment of the city. For lessening this, we can take a few small yet significant steps:

- Bicycling, walking, or using public transport are the best ways to commute sustainably.
- Driving slower, switching off the cars/bikes at red lights can help you save petrol/diesel and reduce pollution.

We should use organic products in our daily lives. Say no to the chemical products and bring home the eco-friendly alternatives. Nowadays, the market is full of eco-friendly products, so there is a variety available for making a choice. Right from the organic chemical free food & skin and home care products like soaps, shampoos, cosmetics, kitchenware, furnishing, decor to toiletries and disposables, everything has an eco-friendly alternative; opt for them and go green!

We should conserve water-An estimated 50% of household water in Pune goes into the drainage. This is a high time when we start conserving the most crucial element; water. Water wastage and the shortage is the issue which is widely spoken and written about. Now is the time that people in the Pune city should collectively try and act towards water conservation in residential and industrial areas. This is a massive step towards sustainable development.

We should reduce our wastage-Reducing wastage is the best way towards achieving a sustainable lifestyle. We should reduce the wastage of food, avoid filling the trash with plastic, and non-degradable products and try to take collective steps for recycling the garbage. Several societies in Pune have brought this thought into reality.<sup>6</sup>

We should grow more and more trees. Trees are the source of life. Chopping them off is like inviting a hazard. In Pune, there are several big and small open spaces, roadways, small hills for planting trees. By planting more trees, we will make our city look more beautiful and ensure that it moves towards sustainable development.

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# **A Study of “Sarvajal” Water ATM under the CSR Initiative of the Pune Cantonment Board to Meet the Sustainable Development Goal-6: Clean Water and Sanitation**

**Raisa A .H. Shaikh**

Research Scholar

Abeda Inamdar Senior College

Mobile : +91-9823451850.

raisa753@gmail.com

**Dr.Nehaal Mayur**

Representative To The United

Nations Publicinformation

The United Nations , N.Y. N.Y.

mayurnehaal@gmail.com

## **Introduction**

Pune City is the District head quarters and also famous as the ‘Oxford of the East’ The city is the eighth largest city in India and the second largest in Maharashtra. It has grown into a huge metropolis with a population of at least 6,275,748.(According to the 2018 census report). Day by day population of Pune city is increasing. With rapid urbanization, population and growing economy and industry of the region have placed an enormous strain on the city’s infrastructure. This growth has also given rise to problems of increase in urban slums, solid waste, health and hygiene and access to clean water.

This research represents a study of Corporate Social Responsibility (CSR) initiatives undertaken by The Pune Cantonment Board in Pune Cantonment (Camp) by installing “SARVAJAL” (Water for All) ATM machines within its vicinity to meet the United Nations **Sustainable Goal #6 for Clean water and Sanitation.**

## **AIMS AND OBJECTIVES OF THE STUDY**

- i. To study the alignment of the United Nations Sustainable Goal#6 (Clean Water And Sanitation) with The CSR activity the Pune Cantonment Board.
- ii. To study the benefits of “SARVAJAL” water as compared to the other water resources in Pune Cantonment.
- iii. To study the impact of Technology in shouldering CSR activities.

## **SCOPE OF THE STUDY**

The Study focuses on CSR initiative of a Government body and it will make data available for policy makers and researchers. The proposed research will specifically contribute towards the following:

- CSR (Corporate Social Responsibility) practices by a Local government.
- Steps taken by Government body towards sustainability.
- Impact of Technology used in a CSR activity.
- The Scope of the study is limited to Pune Cantonment only.

## **What Is Corporate Social Responsibility?**

CSR is viewed as a complete set of policies, practices, and programs that are integrated into business operations, supply chains and decision making processes throughout the company and usually includes issues related to business ethics, community investment, environmental concerns, governance, human rights, the marketplace as well as the workplace. In India, the concept of CSR is governed by clause 135 of the Companies Act, 2013, which was passed by both Houses of the Parliament, and

had received the assent of the President of India on 29 August 2013. CSR is derived from the concept of sustainable development which is defined by the Brundtland Commission as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. Corporate sustainability essentially refers to the role that companies can play in meeting the agenda of sustainable development and entails a balanced approach to economic progress, social progress and environmental stewardship

## **THE UNITED NATIONS SUSTAINABLE GOAL #6**

The UNITED NATIONS 17 Sustainable Goals – which range from halving extreme poverty, water shortages to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2030 – form a blueprint agreed to by all the world’s countries and all the world’s leading development institutions. They have galvanized unprecedented efforts to meet the needs of the world’s poorest.

1. By 2030, achieve universal and equitable access to safe and affordable drinking water for all
2. By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations
3. By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally
4. By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
5. By 2030, implement integrated water resources management at all levels, including through trans boundary cooperation as appropriate
6. By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes
7. By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies
8. Support and strengthen the participation of local communities in improving water and sanitation management

### **Statement of Hypothesis**

- **H01** : “Use of SARVAJAL water has no significant health benefits to the local community in Pune Cantonment area”
- **H02** : “Use of SARVAJAL water does not address water shortage problems in Pune Cantonment area”

## **Research Methodology**

For the purpose of this research, both Primary data and secondary data collection methods were used. A Questionnaire was constructed and different stakeholders in Pune Cantonment area were interviewed.

### **Secondary Data**

The secondary data .was first obtained from already published materials such as books, journal articles, the internet (web search), academic dissertations, etc. available in the libraries including virtual libraries Google Scholar.

### **Primary Data**

The primary data for this study was obtained through questionnaire and interview to gather the information from respondents.

A structured questionnaire was designed , It consists of Three parts viz. Questionnaire for The Pune Cantonment Board Officers , Questionnaires for the Public and HouseHold Members and The Engineer / Operator for collecting technical information.

### **Sample Frame: Pune Cantonment Area**

#### **Sample Size**

Sample sizes of 50 respondents consisting of Officers , Public , HouseHold members and Operators / engineers were taken.

#### **Sampling Technique: -**

Simple Random sampling and Convenience sampling method was used in this research project.

### **Questionnaires**

A structured questionnaires was formulated and then applied to gather information with the aid to solve the objective of the study. The Questionnaire constructed was in 3 parts viz Part I for the Officers , Part II for the Public and Household members Part III for the Engineer

The type of Questions were both open ended and closed ended. Some open ended questions were framed to collect data like suggestions and the perceptions of the Respondents towards the installation of Water ATMs .

### **Findings**

The inferences were based on the present study and the following were the findings as given below:

- Water received through the Pune Cantonment Board pipelines and community taps are found to be of average quality, it is muddy during the monsoons and some of the people interviewed are using water filters for potable water.
- The Initiative undertaken by the Pune Cantonment Board by installing “SARVAJAL” provides access to clean and pure drinking water.
- It also provides clean water access to the Public in the areas where there is water shortage or during summers when there is a shortage of water.

## Limitation of the Study

The study on Water ATM for the benefit of Pune Public, Dryland and Urban Slums have a much wider scope. This study is limited to Pune Cantonment area only.

## Conclusion

- A growing number of social scientists are turning their attention to investigation into topics related to CSR in different industries. CSR related research has been reported from a number of companies. However, not much of such study has been conducted related to Government bodies undertaking CSR activities. Therefore, the planned work will be of great significance.
- The installation of SARVAJAL water ATM has health benefits to the local community in Pune Cantonment area, especially to the “Urban Poor” where there is less access to clean water.
- Use of SARVAJAL water installed by the Pune Cantonment Board in Cantonment area provides clean and pure drinking water, which has reduced the incidences of water diseases and also reduced plastic waste problems. It is suggested by the public that more of such facilities should be installed by the government.

**The conclusions based on the present study as revealed by the collected data are given as below:**

- SARVAJAL Water ATM is a cost effective solution and beneficial to the Public , as it is free of cost right now. Even if the Government charges in future i.e. Rs1/- per literwater , the SARVAJAL water will yet be beneficial to the Public . In comparison , the cost of 1 litre of packaged drinking water ranges from Rs.12 - 20.
- SARVAJAL Water ATM also addresses the Problem of water shortages during Summers , as the input source for SARVAJAL WATER ATM is a borewell or a RO Plant. Thus the initiative by the Pune Cantonment Board has received a positive response.
- SARVAJAL Water ATM also sees a good future for eliminating the Plastic waste disposal problems posed by Packaged drinking water.
- The Installation of SARVAJAL Water ATM meet the United Nations Sustainable Goal#6 (**i.e. Universal and equitable access to safe and affordable drinking water for all**)

## SUGGESTIONS

Though the Members of PCB have taken the CSR initiative of installing 8 SARVAJAL Water ATMs in Public places and Urban Slums of Pune Cantonment area , more of such Water ATMs need to be installed in other areas like Kondhwa , NIBM , Undri , Pimpri-Chinchwad by the other Government Bodies. These areas are the dry areas which face water crisis and have very little access to clean water.

The city of PUNE has been selected for the “SMART CITY” initiative by the Government , and therefore addressing the need to access potable water by the Public , SARVAJAL is a cost effective solution.

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# The Compatibility of Islamic Financial Principles with Corporate Values and Sustainable Development Goals

**Dr. Shahana Khan,**

**Abeda Inamdar Senior College**

## **Abstract**

*Islamic finance is based on Islamic law or Shariah .The basic source of Shariah are the Quran and Sunnah. Shariah is defined as Islamic law or Law of Allah. It shows one of many ways that humanity strives to harmonize and maintain internal and external belief systems in a holistic approach to life. Hence Shariah covers not only religious rituals, but also many aspects of day-to-day life, politics, economics, banking, business or contract law and social issues. Islamic finance is as old as the religion but has gained importance only a few decades back. Though it is centuries the principles of Islamic finance are in harmony with the recent sustainable goals put forward in the year 2015 and corporate values like equality, equal distribution of wealth and income, justice , peace, entrepreneurship. The goals put forward by the UN would require huge amount of resources including financial resources and a lot of innovation. Islamic financing is one of the solutions to meet these millennium development goals. The present paper discusses the principles of Islamic finance and how they could help in meeting the goals of sustainable development by conceptual analysis.*

Key words: Islamic, finance, sustainable, equitable distribution of income, principles.

## **1. Introduction**

In the year 2015 the UN came up with the agenda to meet sustainable goals. The sustainable development goals of the UN focus on removal of poverty, zero hunger, sustainable jobs, equality, industry, innovation and infrastructure. To meet these goals there is a need to mobilize resources and that also includes financial resources. Therefore there is a need to look at innovative ways of financing, tapping all possible sources of finance. One of the alternative ways of financing is Islamic finance. Islamic banking and finance is not a new concept but it has been prevailing since centuries. Islamic banking business means banking business whose aims and operations do not involve any element which is not approved by the religion *Islam*. Islamic finance is as old as the religion itself .Though it is centuries old the practice and principles of Islamic financing are compatible with the millennium development goals set by the UN in the year 2015.

The practice of Islamic finance has gained prominence since the 1960's with the setting up of the first Islamic bank in Egypt in 1963. Since then the Islamic finance sector has undergone a tremendous transformation and spread throughout the world .The present day Islamic finance sector has evolved over the years and is an important part of the world financial system and it is presented to contemporary society in a form which is both modern and innovative. Islamic finance is distinct from conventional finance in many respects but has a common goal in achieving the same economic benefit as conventional finance offers to society. This paper explores the Islamic financing principles and their compatibility with meeting the millennium development goals as well as corporate values.

## 2. What is Islamic Finance?

Islamic finance is based on Islamic law or Shariah. The basic source of Shariah are the Quran and Sunnah. *Shariah* is defined as Islamic law or Law of Allah. It shows one of many ways that humanity strives to harmonize and maintain internal and external belief systems in a holistic approach to life. Hence *Shariah* covers not only religious rituals, but also many aspects of day-to-day life, politics, economics, banking, business or contract law and social issues. Financial transactions are one of the more important dealings controlled by Sharia and ensure the more equitable distribution of income and wealth. What makes Islamic finance distinct from the conventional mode of finance is the many principles of Islamic finance like prohibition of *riba* or interest, keeping away from speculative activities, *gharar* or avoiding investing in activities where there is uncertainty.

Contract in Islam are deemed valid only if they are free from *Riba*, *Gharar*, Speculation. Iqbal (1997) the conventional financial system focuses primarily on the economic and financial aspects of transactions, the Islamic system places equal emphasis on the ethical, moral, social, and religious dimensions, to enhance equality and fairness for the good of society as a whole. The Islamic financial system is founded on the absolute prohibition of the payment or receipt of any predetermined, guaranteed rate of return. This closes the door to the concept of interest and precludes the use of debt-based instruments. The system encourages risk-sharing, promotes entrepreneurship, discourages speculative behavior, and emphasizes the sanctity of contracts. Thus the Islamic financial system promotes ethical values and a just society which is necessary for sustainable development.

### 2.1 Literature Review

Zaher, T Hassan, M Kabir (2001) Islamic finance is a financial system, the fundamental aim of which is to fulfill the teaching of the Holy Quran, as opposed to reaping maximum returns on financial assets.

Warde (2000, p. 5), defines Islamic finance as follows: "Islamic financial institutions are those that are based, in their objectives and operations, on Quran's teachings." Islamic financial firms are not just banks, but also other types of financial intermediaries that employ Sharia principles. Islamic financial contracts are based on the principle of profit loss sharing, leasing, sale.

Kammer, Norat, ET al(2015), Islamic finance refers to the provision of financial services in accordance with Islamic jurisprudence (Shari'ah) Shari'ah bans interest (*Riba*), products with excessive uncertainty (*Gharar*), gambling (*Maysir*), short sales, as well as financing of prohibited activities that it considers harmful to society. It also requires parties to honor principles of fair treatment and the sanctity of contracts. Transactions must be underpinned by real economic activities, and there must also be a sharing of risks in economic transactions.

According to Chapra, 1985, 1992; Ahmad, 2000; Chapra, 2000, 2000a; Siddiqui, 2001; Naqvi, 2003) the many prohibitions (e.g. interest, gambling, excessive risks, etc.) are to provide a level playing field to protect the interests and benefits of all parties involved in market transactions and to promote social harmony.

Kahf (2004) point out that Islamic banks are profit oriented organizations with the differences they have enjoined on themselves to conduct their affairs within the limit of rulings of Shariah and to comply with its overall objectives of customer satisfaction, protect capital, provide humanitarian and social services as well as work towards the other factors that raise profit margin.

Dr. Salihu, Adelabu , Zakariya Man , Babatunde ,Jubreel, (2011) say that the Wahbah Al-Zuhayli, a renowned Shari'ah scholar in his book *Al-Fiqh Al-Islami wa- Adillatuh*, also endorses that the “*The primary goal of Islamic financial institutions is not profit-making, but the endorsement of social goals of socio-economic development and the alleviation of poverty*”

Ghafar(2010) one of the primary objective of Shariah is to ensure the preservation and the growth of community's wealth it also aims at fair and equitable distribution of community's wealth ,circulation of wealth among all sections of society ,thus enabling the poor and destitute of the nation to also take benefit from it Thus it is of importance for the Islamic bank system to bridge the gap between the rich and poor by modifying the distribution of wealth and economic resources in favour of the less fortunate.

According to Chapra(1992) the capitalist and Marxist system strive at social and human welfare but they have been unsuccessful. Islamic *Shari'a* provides rules that cover the allocation of resources, property rights, management, production, consumption, the functions and working of markets and the distribution of income and wealth. It also defines, in broader terms, the framework for the design of monetary and banking systems.

### **2.3 Principles of Islamic Finance and their compatibility with sustainability and corporate values.**

The section below discusses the various Islamic principles and how they meet the sustainable development goals of the UN as well as corporate values. The principles Islamic finance are:

#### **1. Riba and the rationale for the Prohibition of Riba**

Riba in Arabic or interest in Islam is defined as any excess or over and above the principal amount. Riba in Sharia'h implies a compensation without any due justification or reasonable consideration or a reward without any efforts. Algoud and Lewis(2008) define riba as a monetary advantage without a counter value which has been stipulated in favour of one of the two contracting parties in an exchange of two monetary values Thus it means that riba favours one of the parties while the other does not get any compensation. Metwally (2006, p. 17) links the concept more closely to usury: “Usury is translated to mean *Riba* which literally means an excess or addition above the principle lent. Since interest, however small, is an excess over the capital lent”.

#### **Rationale for the prohibition of Riba**

Riba is strongly prohibited in Islam as The Holy Qur'an clearly states:  
- { But Allah Has Permitted Trade and Prohibited Usury }- (2:275)  
- { If the Debtor is in a difficulty, Grant him time till it is easy for him to repay }- (2:280).

The reason cited for the prohibition of interest by scholars in Islam is that interest in Islam is prohibited as interest based financing may lead to exploitation of the poor who need to borrow from the rich creditors or banks. It also has harmful effect on the society or nation as a whole. It increases the gap between the rich and the poor. Therefore a need to avoid these harmful effect. Money according to Islam has no intrinsic utility: it is only a medium of exchange: each unit of money is 100% equal to another unit of the same denomination, there is no room for making profit through the exchange of these units. Sharia scholars recognize time value in relation to real transactions only Finance in Islam is based on illiquid assets which create real assets and inventories. In riba transactions postponement of liability increases return to capital. Capital involved with time may grow or reduce in real transactions. In riba transactions capital increases with

time. Those who spend their time energy resources, capacity efforts make a business thrive are not guaranteed profit at a fixed rate whereas those who merely lend funds are fully secured against risk of loss and guaranteed a return. Rate of return should vary in accordance with valuations of return of whole enterprise. This will be possible with profit and loss principle. .

## **2. Gharar**

The second principle of Islamic finance is Gharar means too much risk ,hazards or uncertainty in transactions. More simply, El-Gamal (2000, p.7) defines *Garar* as "... the sale of probable items whose existence or characteristics are not certain, due to the risky nature which makes the trade similar to gambling".

Evidence for the prohibition of contracts containing gharar comes in the hadith of the prophet Muhammad (pbuh) who prohibited the sale of fish in water on the grounds that it is a gharar sale. One can sell fish only after it has been caught by the fisherman. Hence, it seems clear that if an object of sale is not owned by person A, then it cannot be sold.

Another example of gharar can be seen where a contract document is not drawn up in clear terms. For example if a contract of sale states in one place that the price of the object of sale is £100 and in another place £200, then there is uncertainty as to the price at which the parties have agreed to trade.

This principle supports completely ethical values for investing and complete honesty which is very important for sustainable development.

## **3. Prohibition of investing in products deemed as unlawful or haraam in Shariah**

Islam is based on ethical or socially responsible investing , it prohibits investment in sectors classified as inappropriate on moral grounds by Sharia law i.e industries involved in gambling , alcohol, drugs, porn and any other illegal activities. Islamic funds would never knowingly invest in companies involved in gambling, alcoholic beverages, or porcine food products.

With this principle both the goals of corporate values, socially responsible investing are met these principles if strictly followed can lead to sustainable development by freeing the society from evils and corruptions.

## **4. Prohibition of Maysir (gambling and other games of chance) speculation**

**Maysir is defined as any activities in Islam which involve speculation or game of chance like lotteries, racing of animals like horses, betting, lotto , casinos etc.** Alsadek H. Gait(2007) Further, Metwally (2006, p.15) argues that "*The Holy Quran* says (chapter 2, verse 219); they question thee about alcoholic drinks and games of chance (speculation). Say: in this is great sin and some utility for men; but its sin is greater than its usefulness". Iqbal and Molyneux (2005) provide some reasons underlying the prohibition of games of chance and gambling. They argue that because of the high risk available in these types of transactions, some people win a large amount of money, but others suffer from a loss of their money, and sometimes face bankruptcy. This could lead to greater financial and societal problems. In addition, these games and gambling are unnecessary for society because they cannot add any surplus to societal wealth and lead to loss of productivity. Though gambling is not considered illegal by most of the countries it does leads to many social evils and losses to the society or a societal cost and well being of people and their families. Gambling can lead to social crimes as well as create bad debts and harm the society. The prohibition of gambling in Islamic finance can improve the societal health and well being and is compatible with the millennium goals like reduction of inequality.

## 5. Profit and Loss Sharing Principle

Islam on the contrary does not recognize capital and entrepreneur as two separate factors of production. Every person who contributes capital to a commercial enterprise assumes the risk of loss and should therefore also earn a share in the actual profit. Capital is an intrinsic element of business therefore instead of fixed return it derives a profit. More the profit of the business more the return on capital. In this way profit generated in a commercial enterprise is distributed to every person who contributed the capital. Banks and financial institutions provide capital out of public deposits, therefore actual profits earned by the society may be directed towards the depositors in equitable proportions which may distribute wealth in wider circles and may hamper concentration of wealth in the hands of the few.

According to Ariff (1988) a common thread running through all these discussions is the exploitative character of the institution of interest, although some have pointed out that profit (which is lawful in Islam) can also be exploitative. One response to this is that one must distinguish between profit and profiteering, and Islam has prohibited the latter as well. It is the general view that it is considerations of equity and protection of the poor that lie behind the strong condemnation of interest-based transaction. Therefore, for Islamic banks, while making profit from the business is acceptable, the accumulation of profit without utilisation for the betterment of the community is forbidden. With this regards, Islamic banks are likely to be sensitive to the needs of the society, promote more social welfare programs and activities, and make more contributions towards the needy and the poor.

The profit sharing principle and the instruments based on this principle like Mudarabah and Musharakah give equal economic and employment opportunities to all sections of society. Those who have capital can invest in business whereas those who do not have enough financial resources can contribute their labour and talent be partners in business. Islamic finance thus tries to bridge the gap between the rich and the poor through this principle and alleviate poverty, encourage entrepreneurship.

**6. Asset Based Financing:** All transactions in Islamic finance are asset based that is there is an underlying asset like food grains, land, property, oil etc. The financing is based on real economic activities directly linked to flow of goods and services in the economy unlike the conventional finance which are mere paper based finance. Interest based financing does not create real assets therefore supply of money through the loans advanced by the financial institutions do not normally match with the real goods and services produced in the society, because the loans create artificial money through which amount of money supply is increased and sometimes fuels inflation

Islamic finance can significantly contribute to economic development, given its direct link to physical assets and the real economy. The emphasis on tangible assets ensures that the industry supports only transactions that serve a real purpose, thus discouraging financial speculation.

## 7. The Principle of Zakat

Zakat is one of the five pillars of Islam. Zakat is alms giving or charity to the poor. It is an obligatory payment that every adult Muslim whose has the means to make towards society. Every Muslim has to contribute 2.5% of his income when a certain amount of money, called the nisab is reached or exceeded. Zakat is not obligatory if the amount owned is less than this nisab. Thus Zakat helps to alleviate poverty, helps in equitable distribution of income and wealth. Zakat is a form of corporate social responsibility which helps to create equal, just, institutions that coincides with the sustainable goals of creating peace justice and strong and stable institutions and fulfilling duties to the society.

### 3. Conclusion

According to Islam individuals will acquire wealth but he has to spend it judiciously, he should not hoard or keep it idle he has to spend his wealth for the welfare of the community. It forbids accumulation of wealth in a few hands, inequality in distribution of wealth as well as strives to bridge the gap between rich and poor. It encourages productive activity and pursuance of wealth in an ethical manner. In essence, it aims to eliminate exploitation and to establish a just society by the application of the Shari'ah or Islamic rulings to the operations of banks and other financial institutions Islamic finance may be viewed as a form of ethical investing, or ethical lending, except that no loans are possible unless they are interest-free.

The principles of Islamic finance have strong ties to financial stability and corporate social responsibility within the global business context. They offer mutuality, sustainability, interest in the business of all parties concerned and interest in the success of the end result. Islamic finance principles serve to insulate the financial system from excessive leverage, speculation and uncertainty, which in turn contributes toward promoting financial stability and long-term sustainability. The Islamic financial system will help to build strong and just institutions that coincide with the millennium goals.

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# A Study on Overview of the Rights of Minority Managed Educational Institutions in India

**Ms. Shirin Naaz Shaikh**  
Asst. Professor  
Dept. of Commerce AISC.  
Skhshirin.2010@gmail.com

**Dr.M.G Mulla**  
Associate Professor  
Dept. of Commerce AISC  
mgmulla@gmail.com

## Abstract

*The research project is entitled “A study on overview of the rights of minority managed educational institutions in India.” It explains the meaning of the word “Minority” and different rights under the different of categories of minorities – religious and linguistic. It also shows the redundancy of Article 29, and 30 that are supposed to be the constitutions safeguards for minorities. It tries to overview various rulings of the Supreme Court regarding minority educational institutions. The paper deals with various instances showing how the affluent minorities have an edge over the needy minorities.*

Keywords: Minority Managed educational Institutions, Rights, Minority

## Introduction

It would be proper at the outset, to pose a question as to who are the inheritors or scions of right under Article 301 of the Indian Constitution. It is a sad commentary on our constitution that it nowhere defines minority nor does it prescribe sufficient guidelines to determine a group as minority. Perhaps the founding fathers of our constitution and member of Constituent Assembly presumably left it to the wisdom of the cauldron of Courts of Law to supply the omission. It was believed that, in the claptrap of the democracy, if we don't solve a problem it will go away. Indeed it has been the practice to ignore the problem if we do not solve it. The next step is to create division so as to sow the confusion and hope that the problem will be forgotten. If the problem remains and the majority refuses to sell their dreams for peaces of silver or get lost in the maze, then the negotiations start and a trade-off is set up. Why it cannot be done in the first, the answer lies in the escapism that we all feel is a valid exercise.

That expression ‘minority’ needs to be discussed in details in order to pierce the miasma of confusion and misunderstanding. The expression “minority” has been derived from the Latin word “minor” and the suffix ‘ity’, which means “small in number”. According to Encyclopedia Britannica minorities means “group held together by ties of common descent, language or religious faith and feeling different in these respects from the inhabitants of a given political entity”.

## Objectives of the study

1. To study the overview of the Minority managed educational institutions in India.

2. To study the rights of the Minority managed educational institutions in India.
3. To Study the growth of the minority educational institutions.
4. To Study the rules levied by National Commission for minority educational institutions.

### **Definition of Minority Communities**

The following communities have been notified as minority communities by the Government of India, Ministry of Minority Affairs;

1. Sikhs
2. Muslims
3. Christians
4. Zoroastrians
5. Buddhists
6. Jains

### **Socio Economic Status of Minority Educational Institutions in India:-**

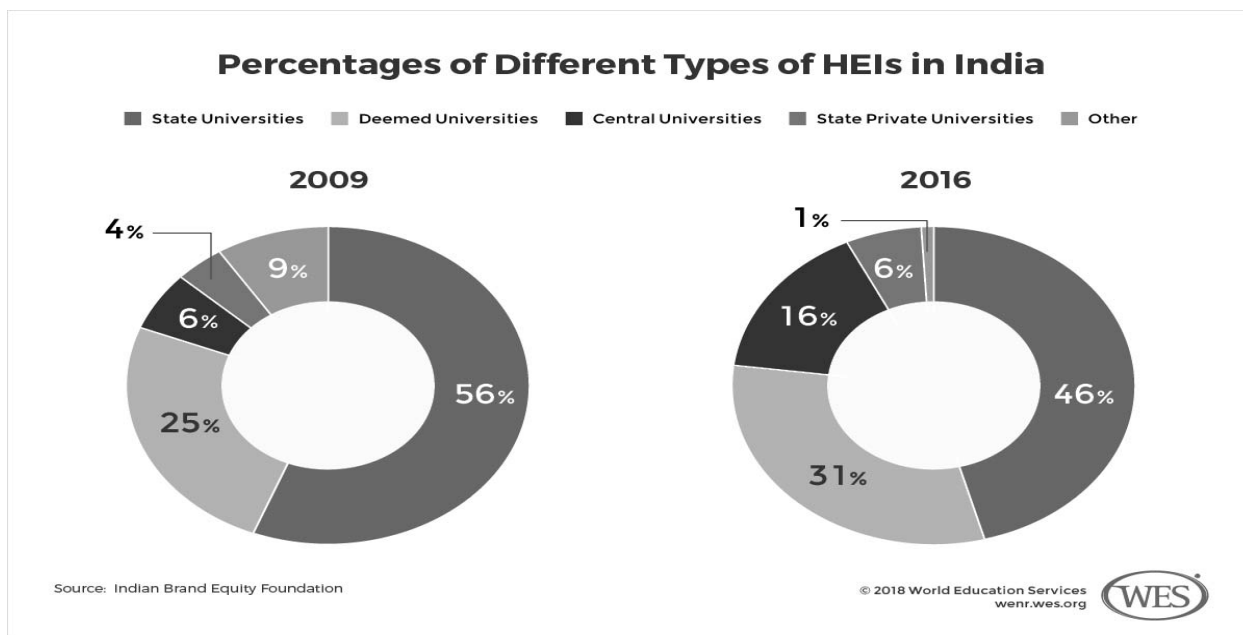
#### **Minority Educational Institutions:**

The term 'minority' isn't defined in our Constitution. It is derived from the *Latin* word 'minor' and suffix 'ity' meaning in small number. In regards to the Kerala Education Bill, the Supreme Court noticed that while it was anything but difficult to state that the minority means a community which is numerically less than half (50%) isn't in relation to the whole legislation. If it is a State law, a minority would be determined in relation to the number of inhabitants/citizen in the State. Minority under Article 29 and 30 would be determined according to the population of that State. As accordingly, it was held in regards Kerala Education Bill, that Christians, Muslims, and Anglo Indians would be minorities in the State of Kerala. The word 'linguist minority' according to the purpose of Article 30(1) is one which must have separate spoken language and the language that does not have a distinct script. In India, there are various languages which are spoken but do not have any script of their own. But still, they are spoken by the individuals. To protect them, Article 30(1) was introduced in the Constitution of India. A linguistic minority must be considered in accordance with the language spoken by them and not according to the language which they want their youngsters to study. The word 'religious minority' means 'that the principal basis of the minority should be in adherence to one of the many religions and not a sector or part of the religion. Jains and Sikhs have been held to be counted as minorities based on religion within the meaning of Article 30(1) in the Union Territory of Delhi.

National Commission for Minority Educational Institution Act, 2004 has defined 'minority' as a community which is defined as according to the central government and 'Minority institution' as an educational institution which is administered and set up by the minority.



## Growth of Minority Educational Institutions in India:



### Protection of Interests of Minorities (Article 29):

1. Every section of citizens of India residing in the territory or any part of India and having distinct script, language, and culture of their own must have a right to conserve the same.
2. A citizen should not be denied admission into any educational institution which is maintained by the State or getting aid or supports out of State funds on grounds of religion, race, caste, language or any of them.

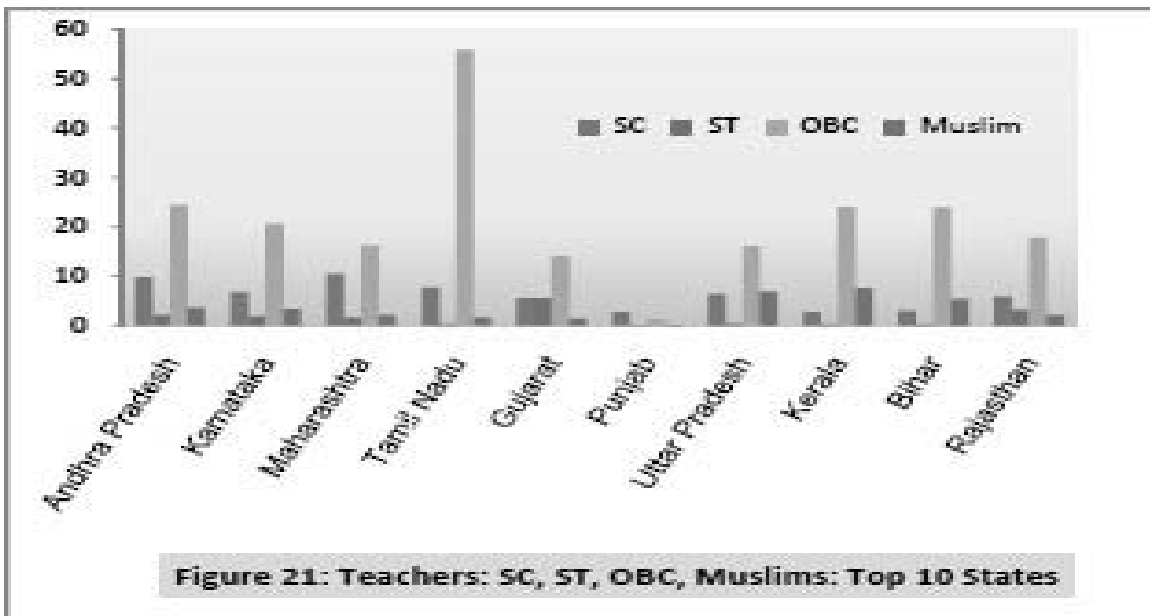
### Rights of Minorities to establish and administer Educational Institutions (Article 30):

- All minorities should have right to set up and govern educational institutions according to their own choice.
- If the government is having an acquisition on any property of minority educational institution then the government should keep this in mind that a fixed price should be settled in a way that does not deter the rights minorities
- The State shall not, differentiate among any educational institution on the ground that it is under the administration of a minority whether in terms of a religion or a language.

➤ **Top 3 judgments on the Right given to Minority to Set Up and Govern their Educational Institutions: Refusal to give recognition or affiliation by the statutory authority without just and adequate grounds is a breach of Article 30(1)**

In *Managing Board of the Milli Talimi Mission Bihar and Ors. vs State of Bihar and Ors.* 1984 (4) SCC 500 – The Supreme Court has clearly held that running a minority institution is a fundamental right and as important as other rights presented to the citizen of the nation. If the State Government declines to give acknowledgment or a university declines to concede affiliation to a minority educational institution without just and adequate grounds, the immediate outcome is to crush the very presence of the institution itself. In this manner, refusal to give recognition or affiliation by the statutory authority without just and adequate grounds is an infringement of the right ensured under Article 30(1) of the Constitution.

**Appointment of Staff in Minority Institutions-**



In *State of Bihar vs Syed Raza*, AIR 197 SC 2425 – It has been held that for the formation of the post in a minority institution for appointment earlier approval of the Vice-Chancellor isn't important and the people so appointed would be qualified for allowing to help in view of Article 30(1) of the Constitution. Proviso (2) of Article 30 says that the State should not, in allowing aid to educational institutions, differentiating any educational institution on the ground that it is under the administration of a minority, regardless of whether it is based on religion or language.

**Rights and obligations of private unaided institutions run by minorities:**

In the case of *T.M.A. Pai Foundation vs the State of Karnataka*, (2002) 8 SCC 481 AIR 2003 SC 355 - Supreme Court was not concerned with the rights of the aid of minority and non-minority institutions and

limitation imposed by the states upon them but was concerned only with the rights and obligations of private unaided institutions run by minorities and non-minorities.

### **National Commission for Minority Educational Institution:**

It was established on 11th November 2004 which later got replaced by the new act passed on December 2004. Its main function is to provide protection to an interest of minorities in terms of minorities educational institution. Functions of National Commission for Minority Education Institution –

- Giving advice to state government and central government on any query related to the education of minorities.
- Interfering in any proceeding related to deprivation or violation of the educational right of the minorities before the court.
- Measures to protect the minority status and character of the institution.
- Take decision for all questions concerning the status of any minority educational institution.
- It recommends to the government to implement schemes for the minority educational institution

### **The National Commission for Minorities Educational Institutions Act, 2004:**

Under this certain provisions are laid down for the establishment and administration of the minority educational institution.

### **AICTE guidelines on Minority and Non-minority educational institution, Handbook 2018-19:**

There are certain guidelines which are provided by the AICTE. These guidelines are mandatory for all the colleges which come under AICTE whether it is Minority or Non-minority colleges. All the colleges which are under AICTE should follow certain guidelines which are given by AICTE for its colleges.

### **Benefits available to Minority Institutions:**

- There are, comprehensively, three advantages accessible to a minority educational institution that is not accessible to other institutions-
- Minority educational institutions don't need to keep up a reservation in work or affirmations for SCs, STs, and OBCs as required to be done by other educational institutions.

- In respect of control over representatives, minority educational institutions have substantially more prominent power than other institutions. For example, in the selection of teacher and principals, the minority educational institution can have a choice advisory group which does exclude the university representatives. Thus, while in customary schools the headmaster ordinarily must be appointed based on seniority, minority administrations can choose a headmaster according to their own choice.
- In case of admission of the student, minority educational institutions can have a reservation of up to 50 percent for the student of their own community.

### **Rights of Minority Educational Institutions:**

The National Commission for minority Educational Institutions Act 2004 (2 of 2005) as amended by the NCMEI (Amendment Act 2006) Lays down rights of Minority Educational Institutions under; Rights to establish a Minority Educational Institution:-

1. Any person who desires to establish a Minority Institution may apply to the Competent authority for the grant of no objection certificate for the said purpose.
2. The Competent authority shall:-
  - On perusal of documents, affidavits or other evidence, If any; and
  - After giving an opportunity of being heard to the applicant, decide every application filed under sub-section (1) as expeditiously as possible and grant or reject the application, as the case may be:

Provided that where an application is rejected, the Competent authority shall communicate the same to the applicant.

3. Where within a period of ninety days from the receipt of the application under sub-section (1) for the grant of no objection certificate:-
  - The Competent authority does not grant such certificate:or
  - Where an application has been rejected and the same has not been communicated to the person who has applied for the grant of such certificate,
  - It shall be deemed that the Competent authority has granted a no objection certificate to the applicant.

After obtaining minority status certificate, the institutions have the following rights in terms of Articles 30 (1) of the Constitution and Section 2 (g) of the NCMEI Act. To choose its governing body in whom the founders of the institution have faith and confidence to conduct and manage the affairs of the institution.

### **To appoint teaching and non-teaching staff.**

- To admit the students of its community. Non-minority students cannot be forced upon it. Neither the policy of reservation on admission can be enforced by the State nor any quota or percentage of admissions can be carved out to be appropriate by the State in a minority education institution. But if the institution is receiving any financial aid from the State then Sub-Article (2) of Article 29 of

Constitution obligates the management to admit non-minority students to a reasonable extent.

- To receive a reasonable fee structure of its own.
- To take disciplinary action against any member of its erring staff.

It has been held by the Supreme Court in Case of P.A. Inamdar Vs. State of Maharashtra (2006(6) SCC 537) that:

1. The policy of reservation in admission cannot be made applicable to a minority institution.
2. The policy of reservation in employment can not be made applicable to a minority institution.

Further, a minority educational institution covered under Article 30(1) of the Constitution including a Madarsa is exempted from the purview of the Right of Children to free and Compulsory Education Act.

### **Conclusion:**

The idea to make the provision for minorities to protect their educational right is not inequality towards the privileged classes but it definitely gives the sense of security to the minority class people. It is clear from the census that the minorities in India are well-off when compared with the privileged class. Therefore, it is important to give the minorities certain legal rights, thus helping them uplifting their position in the society. The idea behind implementation of article 30 of the Indian Constitution is to provide the minorities with the Fundamental Right to establish and govern their own educational institution thus providing benefit to the people of their community. The provision laid down under the constitution allowing the minority to establish and set up their own institution has been proved beneficial to the minority community in terms of educational growth 1) Institutes conducting definable and verifiable activity for promotion of minorities

### 2) Minority language is taught as a language subject of study

From the sunshine of the facts that emerged out of research, I came to the upshot that every successive government since Independence has paid best service to the causes of the amelioration of the fate of the minority. The enactment of Article 29 and 30 was also designed and contrived as a part of electoral politics and minority appeasement. Behind the facade of minority upliftment flows the subterranean current of divisive politics and a desire to perch oneself as the cockpit of power.

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- <http://ncmei.gov.in/index1>

# Understanding the Development of Capitalist in the Global India and Caste System before vision India 2030

**Prof. Dadarao Yashwant Ingle**

ingledadarao@gmail.com

S.B.B Alias Appasaheb Jedhe College Pune.

## **Abstract**

*Due to the lack of capital with the capitalist class here and in order to lessen the pressure of foreign capital, it utilized people's hard earned money to erect the edifice of basic and infrastructural industries so that the development in private sector is expedited. When we have to pay attention to the character of the globalised Indian capitalist class evolved in the historical conditions in such a manner that it could not make a decisive blow on the interests of the small and big land-owners by carrying out radical land reforms.*

## **Objectives of Paper:**

- 1) To study the Development of Indian Capitalist before vision India 2030
- 2) To know the relationship between caste system and the Development of Capitalist
- 3) To understanding the distribution of Capital and caste system

## **Introduction:**

Strategizing of corporate values towards sustainable development for the vision Indian 2030, We have to understand development of capitalist in the global India and caste system. Capitalist class of global India born as it was from a old colonial socio-economic structure and brought up as it was in the imperialist world, could not hamper the interest of imperialism beyond a point nor could it bring out the bourgeois land reforms in a radical manner. From the British, it had inherited the administrative machinery and constitutional system of a unified country. It had also prepared a feeble constitution. Initially, the British colonial imperial capital had more influence on it, but slowly it expanded its economic alternatives by taking advantage of the inter-imperialist rivalry and attempted to gain capital and technology on better conditions. Subsequently, it developed its own technology by Indian using the same technology. Due to the lack of capital with the capitalist class here and in order to lessen the pressure of foreign capital, it utilised people's hard earned money to erect the edifice of basic and infrastructural industries so that the development in private sector is expedited. This was the path of 'import substitution industrialisation'. The banks were nationalised to facilitating more and more capital to the capitalists. The path of raising huge sum of capital from the share market was paved along with the growth of the well off middle-class strata. When the strength of the capital of the capitalist class in India was enormously increased, the process of selling the state enterprises at paltry sums ensued. This era of privatisation-liberalisation of global Indian capitalism was indicative of its necessity, compulsion as well as its increasing confidence. In this era of neo-liberalism, even the crisis-ridden international capital had put pressure to end the protectionist policies. Indian capitalism on the one hand gave the open opportunity to the imperialists to take its share in the vast and continuously expanding global Indian market and on the other hand it also gradually began to invest more and more outside the country in the globalised world market. The condition of the global Indian capitalist class in the global capitalist system is that of a Junior Partner of the imperialists. It manages to get a small portion of the surplus extracted at the global level, but at the country level it remains the big stakeholder

even today. It has stood in the ranks of such post-colonial countries that possess relatively sustainable devolvement with different productive sources.

When we have to pay attention to the character of the globalised Indian capitalist class evolved in the historical conditions in such a manner that it could not make a decisive blow on the interests of the small and big land-owners by carrying out radical land reforms. Hence it implemented an Indian edition which was a mix of Germany's Junker-type transformation and Russia's Stolypin-type land-reforms. It gave opportunity to the old exploiters to change the modus-operandi of exploitation. The estates of the old kings and princes were taken over but their immeasurable wealth, forts-bunglows and landed-property were left out. Besides, they were given privy-purses for two decades. It was on account of this wealth that the kings joined the ranks with the big capitalists as sleeping-partner either as the owner of the hotel or as big share-holder in the industries, or they became the capitalist landlords. The abolition of Zamindari was carried out at slow pace and the feudal landlords were given opportunity to transform their character from being rent dependent to bourgeois landlord who produces for the market, could save most of their land from ceiling or join the ranks of urban upper middle-class. A large section of even the earstwhile rich and medium tenants also became capitalist farmer-kulak after becoming land owner. Most of them belong to the middle castes such as Reddy, Kamma, Thever, Maratha, Jaat, Kurmi, Kushwaha, Sainthwar etc. As their economic condition improved, their Sanskritisation process moved forward.

In the bourgeois parties, the blocks of kulalcs-farmers were formed and their parties came into existence at regional level. The caste played the most important role in preparing the mass base of such parties. In terms of oppressing the Dalits, the farmers of these middle castes were much ahead of the bourgeois landlords belonging to upper-caste who were successors of the old dictatorial landholders.

The global Indian's so called green and white revolutions on the one hand prepared the fertile ground for the entry of capital into villages and agri-business and on other hand provided ample opportunity to the capitalist landlord-kulaks of surplus appropriation as per the strength of capital. The agro-based and allied sector developed throughout the country. Even the urban rich invested the accumulated capital into agriculture. The tendency of capital-intensive modern agriculture moved forwards. The differentiation of the peasant population was Intensified. The remaining traces of natural economy and local markets were finished and even the remotest corners of the country got attached with the national and international market. Even the old system of land-tenure which was prevalent in some places, did not become an obstacle in the path of capitalist development. It is clarified by Marx and Engels too. If we see the character of rent, it has become totally capitalistic. The capitalism in agriculture has either broken various capitalist structures or it has co-opted them. The sphere of the existence of the pre-capitalist remnants has been shrinking. This tendency has given way to labour migration from villages on a large-scale. For the industrial capitalists it become easier to buy labour-power at lower price. The hell-like labour colonies of the industrial metropolitan cities were flooded with adhoc, casual, daily-wage, contract and piece-rate workers.

The distorted-skewed capitalism was developed in global India through an excessively painful path which either broke the various pre-capitalist formations in a gradual manner or subordinated and co-opted them. Such a capitalism was totally incapable of creating healthy democratic values and beliefs. Its democracy was itself extremely limited and distorted-skewed. This was the reason why it did not touch the pre-capitalist values and institutions. The Khap Panchayats and the Caste Panchayats continued to exist and the shackle of orthodoxy continued to prevail in society. If they are weakened to some extent, it was not due to the conscious attempt by the state or the provisions of the constitutions but the independent objective motion of the capitalist development had a role in it. The interference of religion has not ended, it was merely loosened a bit. On the other hand some modern sects have arisen which are not only an effective



medium of propagating superstitions and status-quoism but a medium of capital accumulation and investment as well. In the capitalist system the objective basis of religion is the invisible power of commodity production and even today religion is an extremely effective superstructural instrument aiding the political hegemony of the ruling class. But the question of the caste-system is not only linked to the superstructural plane. It is deeply entangled and articulated with the capitalist production-relations. The issue is not confined to being a feudal remnant or continued effectiveness of the feudal superstructure. A new economic base of caste-based values-beliefs and segregations-prejudices has been prepared. It's a very big challenge to the global India.

There are the number of reasons of this situations because capitalist production and distribution system has established its hegemony without breaking the casteist equation of the different sections of population. For instance, today the old upper caste people almost dominate the bureaucracy and the independent intellectual professions and caste becomes a bond for their unity for protecting their shared interest. As a reaction the officers-clerks and independent intellectuals belonging to the Dalit and backward castes organise themselves by making caste-based blocks. In the villages, the upper-caste capitalist land-owners and the middle caste Kulaks- farmers carry out caste-based mobilisation for suppressing the Dalit labourers and poor peasants. The biggest advantage they get from this caste-based mobilisation is that even the poor belonging to upper castes actively or passively tend to take side of the exploiters belonging to their caste. The Dalits too tend to stand behind the leader of a party inheriting Ambedkar's legacy for defensive unity on the question of their identity and self-respect and the non humiliate atmosphere.

The positions of the cities is slightly different. But the caste-based segregation exists there as well and also its material basis. The proportion of Dalits in the organised working class population having better living condition is quite less. Among the unorganized workers they have significant presence and even there they have a monopoly over all the works considered to be unhygienic. Besides, they have to do most of the burdensome and low-paying jobs. Even in the government jobs, the sanitary workers are Dalits. The reservation has benefitted thirteen percent of the Dalit population but as one goes upwards in the job hierarchy their percentage gets reduced to one to two percent. Administration, army, police, judiciary and independent intellectual profession — everywhere the condition remains the same. If there is any community which stands at equivalent position, it is the muslim community whose majority is poor and most of them are involved in independent poorness.

When we have to study the situation of factory-workers then we have been concluded the hazard thing. Among the factory-workers, those belonging. To upper and middle castes who have not yet been uprooted completely are in huge numbers. Whatever little farms they are left with, they somehow manage the loss-making agriculture through their wages. The shade of peasantry is clearly seen in the proletariat character of such workers and it also blunts its class-consciousness and maintains the casteist prejudices. Most of the Dalit workers are either completely uprooted from the villages or even if they are attached their family's condition in the village is that of rural proletariat or semi-proletariat. But the caste-based segregation and humiliation creates the consciousness of uniting on caste-basis even among them. Even in the cities, the residential apartheid of the Dalit castes is clearly visible although not to the extent as that in the villages. It is seen not only in the working class but in the middle class as well. In the residential co-operative societies it is almost impossible for Dalits and Muslim to become their members. Even in getting house on rent the biggest obstacle is that of caste even in the metro cities and as well as all of the cities in global India.

## Conclusion:

The real position we have to understand before the vision India 2030. After the Study of bourgeois parliamentary politics in India then its seen the different phenomena bourgeois parliamentary politics in India does not work on the a socio-economic programme but with the help of the open game of capital and some cheap populist promises or the wave of prevailing mood, but caste-based polarisation remains its most important pillar today. The bourgeois parties, through policies, do not serve any caste, but to the whole ruling class. They consist of small and big capitalists, blocks of kulaks and landlords, the kulaks and regional capitalists have their own regional parties as well, their class-interest also clash with each other, but they have consensus on general bourgeois economic policies and the parliamentary system. But every big bourgeois party has leaders from various castes in order to take advantage of caste equations and candidates in the constituencies are chosen by looking at proportion of their caste in the population. Insofar as the parties representing the interests of the regional capitalists are concerned, their main vote bank rests with the middle castes. All the parliamentary parties which claim to represent the Dalits are extremely opportunistic parties at the policy level, the well-to-do Dalit middle class gets its place in their leadership, the Dalit bureaucrats and intellectuals give support to this or that party among them and they make the Dalit population which has been oppressed for millennia as their vote-bank on caste basis. These parties raise new hopes by adopting radical posture and are ready to make an alliance with the Congress, BJP or any party an opportune moment. In the bourgeois politics of coalitions they play the role of weighing-stone of weighing machine to be put on this side or the other side. The logic of overcoming the social status of oppression and humiliation on the basis of share in power has reached to this level in the last sixty years; let the ideological vendors of identity politics celebrate as much as they want in the auditorium, the ordinary toiling Dalit masses are not going to achieve anything. It has not achieved so far, nor will it achieve anything in future it is not only challenge but the dangerous thing for global India.

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