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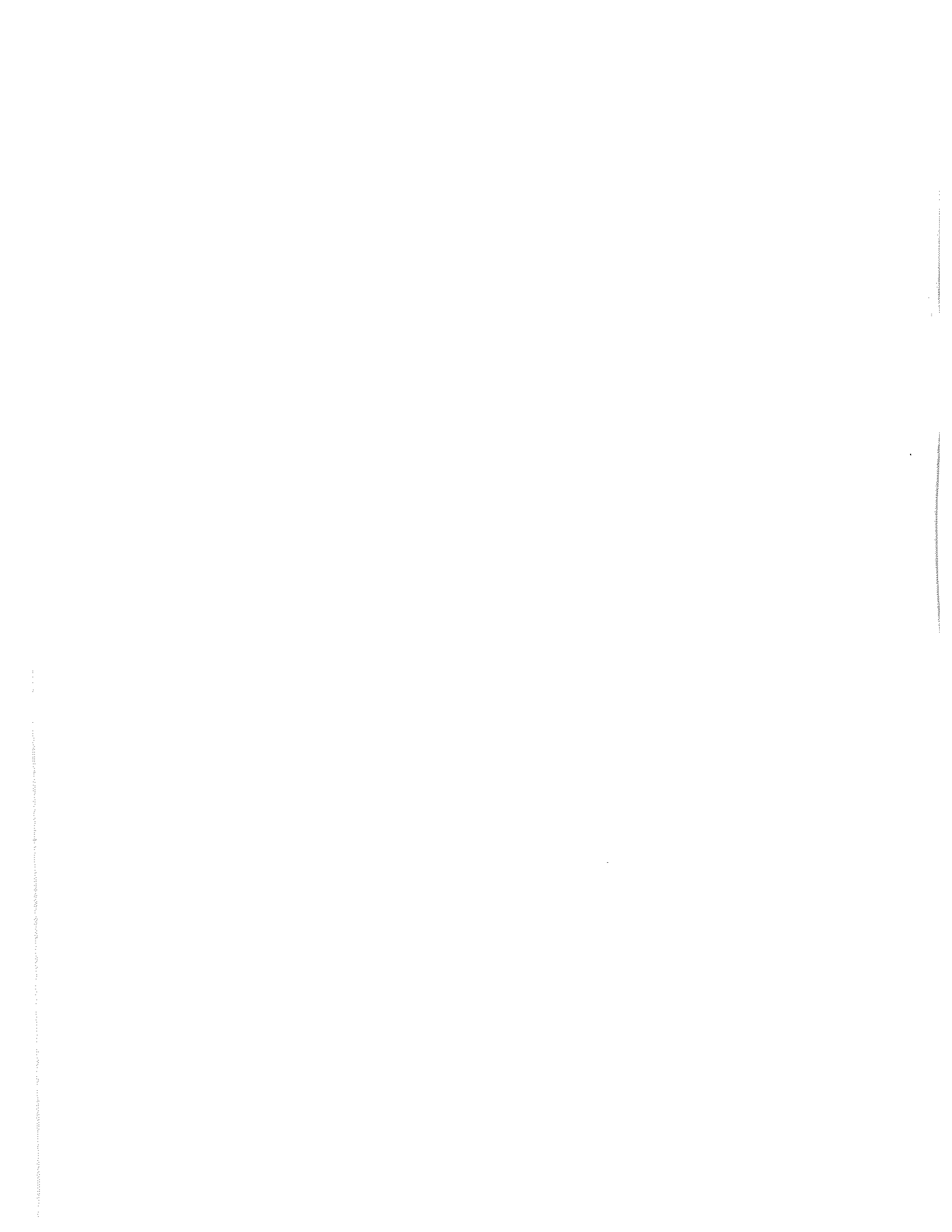
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Editorial

The surge of capitalism has become a reality in contemporary India. The free competitive economy has started having its impact on the policy framework of the country. The President of India has signed the GST Bill and many of the states have also passed it in state assemblies. How far will it support the industrial growth will be seen with the passage of time but one thing is clear that the ruling parties be it BJP or Congress, have full faith in this proposed Act. Congress opposed it as a customary political practice of opposition in a parliamentary system. However, its insistence on a cap of 18% on GST did not get the nod of the parliament.

The new Jio initiative of the Reliance Digital has brought in a new wave of upheaval in communication industry. Those who are the users of data are going Gaga over the new tariff plans offered by the Reliance group but nobody is conscious of the tail end of Mukesh Ambani's speech which very surreptitiously stated that the profit of this initiative will start flowing after five years. Today the small players of the communication industry have started feeling congestion. The biggest public player BSNL is also seeming alarmed and has shown response by announcing big relaxation in the price of data use. The fear is that in Communication industry Reliance might emerge as a monopoly player either through ouster of other competitors or through mergers. The biggest public player might also be disinvested in time to come and there after the prices of data use might shoot up. The present regime is all set for such an action as is evident in its decision to allow hundred percent FDI in several sectors including defense.

Similar trend is witnessed in the new pricing policy of railway tickets. The flexi- pricing of railway tickets is as good as auctioning of tickets which had already started in terms of Tatkal tickets. One who can and is willing to pay more will get the berth. The estimate is that the new initiative of the railways will add revenue of nearly Rs. 600 crores annually. But the irony is that First Class and Executive class have not been included in this flexi system. This is the first time in the history of Indian Railways that the highest class is not taxed in a price hike attempt.

It is also very unprecedented that a huge amount of pulses are being imported from Mozambique without any sense of guilt. Often imports were used as emergency options. The emphasis had always been to attempt self - reliance in food grains and other agricultural products. But there is a major policy shift in the field of agriculture also. Equally unprecedented is the way in which RBI Governor Raghuraj Raman exited just after his first term in the office. It might be said that his term was over and he had to go but the truth is what everybody knows. An atmosphere was built to defame him by the leaders of ruling party and the PM did not intervene. No man of a little self - respect would have continued in office.

The moral of the lesson is that the present Indian economy is dictated not by just economic considerations but is largely governed by right winged political thought. A new approach is therefore needed to study Indian economy now. Research in Indian economy has become a research in political economy. The scholars of economics need to keep track of the political priorities of the government as much as the international relations which mould the domestic policies as well.

Research on local issues, local markets and local economic activities also requires an understanding of the national policies and the occasional shifts therein. Theoretical frameworks also need to be revised. It is ironical that a government allows FDI in almost all retail sectors and a businessman turned Baba who is a supporter of the same regime successfully runs a large retail business selling hundreds of products in the name of Swadeshi. This dichotomy is difficult to resolve.

The journal of economics should focus on these new trends of Indian Economy and help people understand the mechanics of the economic system. I hope this issue will help resolve some of these debates and attempt at a greater understanding of Indian economic system.

The editorial team does not own the responsibility for the data presented in the individual articles nor for the interferences made. The responsibility of the entire information and thought in the articles rests with the authors. However, new ideas are always welcome to improve the quality, content and authenticity. We would welcome opinions, suggestions and corrections, if any by the readers.

Prof. Suman Pamecha

Contents

Sr. No.	Paper Title	Author	Page No
1	An Empirical Analysis of Affecting Factors the Demand for Housing Finance	Apurva Shrivastava Vishal Soni Gyan Prakash	1
2	A Comparison of Consumption Pattern of Rural Families (India) (according to various round of NSSO)	Dr. Ashok Dass Vaishnaw	7
3	Factors Influencing Investment Decision of Individual Investors in Stocks (With reference to Indore City)	Dr. Akanksha Singhi	16
4	A Study on Mobile Banking Services and its Impact on Customer Satisfaction	Dr. Jayant Sonwalkar Mrs. Ekta Rokade	25
5	Tribal Women Empowerment and Their Role in Decision Making	Dr. Shashi Sanchiher Dr. Neha Paliwal	32
6	Agricultural Marketable and Marketed Surplus of Food Grains in India	Dr. Shekhar Maidamwar	42
7	Non-Government Organizations Functioning in India	Ms. Sephali Pradhan	48
8	BRTS – Key to Urban Public Transport(With special reference to Indore City)	Dr. Vishakha Kutumbale	54
9	Retail Marketing and Horticulture in India: Some issues	Sunil Kumar Kushwaha Prof. Tapan Choure	65
10	Role of Service Sector in India	Dr. Laxmanlal Salvi Manoj soni	71

An Empirical Analysis of Affecting Factors the Demand for Housing Finance

Apurva Shrivastava*

Shakti Prakash†

Gyan Prakash‡

Abstract

Own house is a dream of every people. Each people want to have at least shelter. It is a basic need of human beings for their survival. Most of the people are still deprived from shelter in this country. The Government of India has made its best effort to give a own house to all citizens of the country have a house of his/her own. The study has been conducted in Indore city of Madhya Pradesh. Primary aim of the study was to ascertain factors those affect demand for housing finance. And further it has been examined whether such variables like occupation, disposable income, EMI and interest rate, would play a part in ascertaining the demand for housing finance. The outcomes of the study reflect that all variables except occupation are important and are the drivers of demand for housing finance in the study area. On the basis of outcomes, government and bank should make advancement procedures of housing finance more elastic and simple. Housing finance on less rate of interest and tax rebate on housing should be promoted and enhanced.

1. Introduction

Starting with the basic human needs it is very important for a human to have food, clothing and shelter for their survival. In this section shelter need of human is being focussed. Shelter in other words can be said as house, home, etc. but to have a house people have to invest some amount of their hard earn money to build a house.

Major problem with this country is that people need their privacy, space, and security in their house i.e. they need economic and social security which leads to environmental degeneration. The constant strife for house ownership has lead to personal social disorganization.

It is been stated that real estate business or housing is the second major employer of the people in our country India after agriculture. India in the past decade has seen the growth in the real estate business because of the citizen of the country are investing their money in the housing sector whether it is for personal use or for rent or as an asset.

In order to fulfil these desires people have to take loan from the banks or from any other financial institutions. So there are several kinds of housing loan offered by the banks or the financial institutions which are given

* *Research Scholar, Institute of Management Studies, D. A. University, Indore*

† *Associate Professor, IINTM, Janakpuri, New Delhi*

‡ *Professor, School of Economics, D.A. University, Indore.*

according to the requirement of the person. People in order to make their dream come true apply for house loans, this not only fulfils their wishes but also provide the tax benefit too.

Recently, RBI the Central bank of India has cut down 50 basis points from the repo rate so that banks are able to provide loans to the customers at cheaper interest rate. This step is taken because people due to high inflation rate (4.95%) at time had stopped purchasing or investing money in the housing sector.

Within India, the demand for housing is increasing day by day because of various reasons but majorly because of the increasing population of the country. Housing requires a huge amount of investment and a major constraint for the development of housing is lack of finance. But with the help of government policies commercial banks have come with various schemes for lending loans to them. Due to these various steps India has seen the real boom in housing sector but now the market is becoming stagnant that is becoming the issue of concern. Thus to understand this problem of mismatch of demand and supply housing finance in India it became necessary concern to study the topic.

Objectives of the Study

The major objective of the study is to examine the non-demographic factors viz., Monthly income, EMI, Tenure those determine the demand for housing finance.

The paper is organized as follows: section I deal with introduction. Section II presents review of literature whereas; section III speaks about research methodology. Section IV provides empirics of the study, followed by the conclusion and policy implications to section V

II. Literature Review

Bandyopadhyay and Shah (2009) stated the further fact after inspecting the 13,487 housing loan accounts (been sanctioned between 1993-2007) in India housing loan demand is mainly driven by the accessibility and credit availability , changing income level, increasing GDP growth rate, changing family patterns and age demographic effect. An increase in house price by 10%, ceteris paribus, results in 4.59% decrease in housing demand. A 10% monthly income leads to increase in housing demand area by almost 6%.

Dong et al (2010) have pointed out the factors affecting house prices are like per capita income, government policies and actual interest rates and they found in the study that these factors helped in lowering the price.

Boyd W. et al. (2011) have conducted a study to understand the major factors affecting the housing finance decisions of customers and have found out that reputation, interest charged on loans, interest charged on savings accounts are of more importance rather than other criteria like friendliness of employees, modern facilities and driven- in- services.

Mishra (2011) revealed in his study that there is a need for improved housing stock through urban renewal, in city slum improvement and development of new housing stock in existing cities as well as new townships. Furthermore, the Bharat Nirman Program has also recognized the need to have shelter. The program has set a target to construct 60 lakh houses from 2005 to 2009.

Machauer A. and Morgner S. (2012) have stated that segmentation to be preferred by expected benefits and attitudes that could enhance a bank's ability to address the conflict between individual's services and cost

saving standardisation. Using cluster analysis, segments were formed based on combinations of customer rating for different attitudinal dimensions and benefits of bank services.

Devlin (2013) investigation states that the importance of choice criteria according to the consumers and also analyses the difference in the importance of choice criteria with respect to number of demographic difference and relative factors. The study reflects that choosing a home loan institution on the basis of professional advice is the most frequently cited choice criteria, closely followed by interest rates. Difference in the importance of choice criteria with respect to demographic variables like gender, class household income, educational attainment, ethnicity and financial maturity are apparent.

J.K. Brar and J.S. Pasricha (2014) state that from immemorial shelter was considered as the basic need of human but to a modern world no other problem is that intriguing and mind boggling as the housing problem.

III. Research Methodology

The study has been conducted in South part of Indore city. It is based on primary information. 200 those people, who have taken housing loan from any financial institution, were selected by convenient sampling method.

The following hypothesis have been formulated for the study -

H₀: Occupation has no positive influence on customers' demand for housing finance

H₁: Occupation has positive influence on customers' demand for housing finance

H₀: Disposable income has no positive influence on customers' demand for housing finance.

H₁: Disposable income has positive influence on customers' demand for housing finance

H₀: EMI has no positive influence on customers' demand for housing finance.

H₁: EMI has positive influence on customers' demand for housing finance

H₀: Rate of interest has no positive influence on customers' demand for housing finance.

H₁: Rate of interest has positive influence on customers' demand for housing finance

The tool used for studying is Multiple Regression Model

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \mu_i$$

Where,

Y_i = Demand for housing finance

X₁ = Occupation

X₂ = Disposable Income

X₃ = EMI

X₄ = Rate of interest

β₀ = Intercept

β₁ ... β₄ = Coefficient of variables

μ_i = Error term

IV. Empirics

The study has been conducted in Indore city. Only those persons, were considered, who had taken loan for housing from any financial institution. An effort has been made to investigate factors affecting demand for housing finance. In this context the loanees were given a set of questionnaire related to occupation, disposable income, EMI and interest rate for recording their opinions. With the help of multiple regression approach, an effort has been made to identify the demand for housing finance that is significantly driven by the factors related to occupation, disposable income, EMI and rate of interest.

The following result was derived from the multiple regression

$$Y_i = 545.41 + 0.974 X_1 + 109.63 X_2 + 21.36 X_3 - 31.93 X_4 \quad R^2 = .53$$

(37.53) (1.88) (73.51)* (19.87)* (2.98)*

Note- *- t- value significant at 1% level.

Dependent Variable

Demand for housing finance is measured by value of house purchased by the house owners.

Independent Variables

Occupation

Occupation does not keep any matter whether person belongs to upper stratum of the society or lower. Everybody wants a house for his shelter. As coefficient has been found positive but it is not statistically significant. On the basis of this it can be inferred that people want house irrespective of their occupation..

Disposable Income

There is relationship between disposable income and demand for goods and services. In other words, disposable income directly influences demand for goods and services, Housing finance is not exception. Ozanne and Thibodean (1983) and Abelson et al. (2005) have also mentioned in their studies that there is direct relationship between disposable income and housing finance. If, disposable income increases, demand for housing finance will increase, otherwise vice versa. The result shows that there is positive relationship between demand for housing finance and disposable income. The t value (as it is significant at 1% level) reflects that it is one of the important determinant factors for demand for housing finance.

EMI

EMI is a series of monthly payments that are made to the lender for the fulfilment of loan obligations. This amount stays fairly constant over the tenure of the loan unless there is a major change occurs in the interest rates EMI is a combination of principal and the interest on loan. Always lender expects to repay loan before the retirement. if lenders come in the job late 20s or early 30s, he/she can be an advantageous condition for opting longer tenure to repay the loan. EMI basically depends on the quantum of disposable income. If liability is much more, a person can not spare much amount for repaying the loan amount. The result shows that there is positive relationship between demand for financing and EMI. It is one of the important factors also. Reason why such result?- the government housing policy is motivating to people and majority of house owners are

young not more than 35 years old. In the study it has been observed one of the significant variables. And it affects significantly demand for housing finance.

Interest rate

It directly influences demand for housing finance. Peek and Wilcox (1991), Bourassa and Hendersholl(1995), Wilson et al. (2007) have inferred from their studies that interest rate is one of the determinant factor of demand for housing finance. As result shows that rate of interest has been observed statistically significant at 1 percent level but there is inverse relation between rate of interest and demand for housing finance. It can be explained in other words if rate of interest is high the demand for housing finance will decrease otherwise vice versa the result also shows that there is inverse relationship between demand for finance and rate of interest. On the basis of result, it can be concluded that interest rate plays a decisive role in demand for housing finance.

Thus hypothesis H_1 is accepted and H_0 rejected except in the case of rate of interest. In case of rate of interest, null hypothesis has been accepted In other words, it can be inferred that there is relationship between demand for housing finance and other variables like occupation, disposable income, EMI and rate of interest. R^2 is found 53 percent. It means 47 percent other variables; those were not considered in present study, also influence the demand for housing finance. Occupation, disposable income, EMI and rate of interest only explain 53 percent.

V. Conclusion and Policy Implications

The outcomes of the study reflect that disposable income, EMI and rate of interest have been identified important factors those influence the demand for housing finance. No doubt occupation was not found important factor but it could not be denied that nobody wants shelter in his/her life. It is fact that disposable income directs future amenities and to fulfil necessities of life. If salary is handsome without liabilities may afford good house in good location with higher EMI. Besides this, rate of interest is also important factor which allures loanees. Buying a house has become right now easier. The government has made necessary changes not only in the policy but also instructed all financial institution to advance finance at cheaper rate of interest with less paper formalities. The government has also set a target to have a house to all by 2022 AD.

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A Comparison of Consumption Pattern of Rural Families (India) (According To Various Round of NSSO)

Dr. Ashok Dass Vaishnav*

Abstract

After 67 years of independents, there is need to review our developmental strategy to grow inclusively and sustainably for a strong future of the country. NSSO surveys are conducted at regular intervals to collect consumption data of rural and urban families of India. In this paper results of various NSSO rounds are evaluated to find out the trends in consumption pattern in Indian rural families. This paper aims to study the change total per cent expenditure per person per month of rural families. The results of this paper show a significant shift in total per cent expenditure per person per month on food items to non-food items in rural families of India. This study also reveals that 68th NSSO round is a breakthrough in Indian rural economy where is the first time that total monthly per capita expenditure on non-food items exceeds over food item, which is a good sign for developing countries like India.

Keywords:-consumption pattern, NSSO, expenditure, food, non-food.

1. Introduction

Every country is trying their best efforts to make comfortable and easy life of their citizens and develop the country as favourable place for easy life condition. Since independent, Indian government takes various measures in developmental process. After 67 years of the period, Indian economy shows a significant indication of the developmental change.

Consumption is a main indicator of the every economy that reflects the state and condition of the economy. Consumption level and pattern is a very strong indicator of the health of the economy. As we know that the consumption is depend on the income and its level. In general people don't share their income information, but consumption data can be obtains from many sources. And by study of the consumption data we can easily reach on a conclusion about the living standard of an individual. Centre point of Keynesian economic thinking is also about income consumption relation. Keynes's fundamental psychological law implied that the marginal propensity to consume was higher than the average propensity to consume. But other economist also study the consumption and they added some important other factor that effects the consumption of an individual. Overall we can say that consumption reflects the economic health of the consumer.

National sample survey organization (NSSO) conducts surveys in India on various level and subjects about Indian economy. Its reports on conducted surveys had published in rounds form. In this paper, I am writing down my finding on consumption pattern of rural families in India by studying NSSO round 50 (1993-94), 52(1995-96), 60(2003-04), 61(2004-2005), 63(2006-07), 64(2007-08) and round 68 (2011-12) on consumption data in rural India.

* *Research Scholar, Jai Narain Vyas University Jodhpur, Raj.*

2. Review of Literature

Studies on the rural development are an interesting area of research in economic field. Some of the important studies have been done by the very prominent economist in India. Chatterjee (1962) on the basis on NSS consumption expenditure data for rural and urban areas and six zones has been estimated for elasticity on expenditures on food.

Gupta (1968) has compared the differences in overall consumption patterns in the state of UP and Tamil Nadu for the reason of their known and distinct economic, social and cultural differences.

In 1968 a cross section data study had done by Balvir Singh on 'The Role of Occupational Factors in Household Consumption Pattern'. He explained the occupational factors in the determination of consumer behaviour, occupational classification and various problems involved in and then he presented the data its technique of collection, definitions and concepts, then he discusses the problem of choice by Engel function. He used the NSSO data of the 15th round relating to the rural and urban sectors of the western U.P.

Bhattacharya and Chatterjee (1971) stated the major limitations of the price differential indices, the exclusion of item-groups like education and durables from the scope of the index in their report on consumer prices and per-capita household consumption in rural India: variation between states.

Mukhopadhyay (1987) examined the nature of interstate differences in the expenditure patterns of rural households. The analysis has covered three item groups i.e. cereals substitutes, all food and all non-food.

Some of other studies like, food consumption patterns are not static, although it has been found difficult to change them (Ivens et al., 1992). Consumption patterns develop over the course of generations and can differ strongly between communities (Jobse-van Putten, 1995). They depend on several factors: e.g. personal preference, habit, availability, economy, convenience, ethnic heritage, religion, tradition, nutritional and cultural requirements (De Wijn and Weits, 1971; Ivens et al., 1992; Whitney and Rolfes, 1999; Van der Boom-Binkhorst et al., 1997; Vringer and Blok, 1995; Von Braun and Paulino, 1990; Musaiger, 1989; Wandel, 1988; Von Braun, 1988) are show that consumption pattern study is a good tool to find the country's progress and growth level Kumar and Aggarwal (2004) determined the extent of poverty in Delhi slums through consumption patterns, employment and educational status of the slum population.

Another study by Shubhashis Gangopadhyay and Wilima Wadhwa in 2004 had been presented on the topic "Changing Pattern of Household Consumption Expenditure". This was much broader study on consumption data had used of about 2 decades time period (1983 to 1999-00) which is collected by NSSO.

Dr. Vinod Kumar Bishnoi Bharti (2005) had conducted a study on 'Awareness and Consumption Pattern of Rural Consumer towards Home and Personal Care Products'. And they collected the primary data from all four administrative divisions of Haryana.

Pavithra et al. (2009) studied on the food consumption pattern in Karnataka taking NSSO data conducted in 1993-94 and 61st round 2004-05.

Debjani Banerjee and Dr Shraddha Shivani (2011) in their paper entitled "Analysis of literature review of consumption pattern – An Important indicator of economic development" analyses a broad literature review of study conducted by researchers at different parts of world to establish a relationship between human quality of life and its impact reflected through their consumption pattern.

3. Objectives of the Paper

1. To study the change in total percent expenditure per person per month on food and non-food items in 50th, 52nd, 60th, 61st, 63rd, 64th and 68th NSSO rounds.
2. To study the change in percent expenditure per person per month on various food and non-food items in 50th, 52nd, 60th, 61st, 63rd, 64th and 68th NSSO rounds.

4. Research Methodology

To study the change in percent expenditure per person per month, seven NSSO rounds viz., 50th (1993-94), 52nd (1995-96), 60th (2004), 61st (2004-05), 63rd (2006-07), 64th (2007-08) and 68th (2011-12) are selected for the study. Consumption data of these NSSO rounds have collected from various reports and analyzed to find out changes in consumption pattern in rural India. The consumption data are categorised in food and non-food items. In the food items category total 13 main items and in non-food category 6 main items are included in the study. All these items include almost all the expenditure normally a rural Indian family spends.

5. Data Analysis

(a) Food consumption expenditure item wise: - A comparison of total per cent expenditure per person per month on food in various NSSO Rounds at India (Rural) level is shown in the below table and graph (No. 1).

Expenditure on food items constitute a significant part of total expenditure incurred by a family. Expenditure on food items helps us to better understand the living standard of a family. Thus, it is an important data to study consumption pattern.

India's rural consumption data is available at NSSO. And I used it to do my study. Here we can see the particular time period (from 1993-94 to July 11–June 12) data studied for the Indian rural consumption pattern. The food basket has 13 articles (named cereals, gram, cereal substances, pulses & products, milk & products, edible, oil, meat, egg, fish, vegetables, fruits and nuts, sugar, salt, spices, beverages etc.) in it. These are used mostly by the rural families. And it represents the Indian rural family budget.

Table and Figure (No. 1) shows that monthly per capita expenditure on cereals is continuously declining from 50th round (1993-94) to 68th NSSO Round (2011-12) in the budget of Indian rural families. Per cent expenditure on cereals shows a sharp decline from 64th to 68th NSSO round, from 30.69 per cent to 24.62 per cent at India level and from 60th to 64th NSSO round it shows a steady decreasing trend. It is also clear from above table that per cent expenditure on cereals in rural India is substantially higher than on other articles from 50th to 68th NSSO rounds. This trend we can see in meat, egg, fish and Beverages etc. This comparison also shows the gradually change in the food basket and its pattern. This is very significant for the food pattern and the income level of Indian rural families. But the cereals do remain the higher part of the expenditure in the vertically comparison throughout the rounds.

(b) Food consumption expenditure overall: - A comparison of per cent expenditure per person per month on different food items in various NSSO Rounds at India (Rural) level is shown in the table and graph (No.1).

The above table and figure (No.2) also depicts that in seven NSSO round selected for the study, there is significant decline in expenditure on food items except 61st round where it shows a slight increase. Total per

cent expenditure per person per month on food items decreased from 63.18 per cent in 50th round to 53.94 per cent in 60th round and then it slightly increased to 55.05 per cent in 61st round, then it shows a regular declining trend and reached to 48.63 per cent in 68th NSSO round. It is interesting to note that due to consistent decline in per cent expenditure per person per month on food items in rural families of India there is around 15 per cent overall decline in monthly percent expenditure per person per month on food items from 50th to 68th NSSO round. This comparison shows us a very significant change in rural family budget pattern. This is another evidence of rising Indian rural family income level and budget.

(c) Non-food consumption expenditure item wise :- A comparison of per cent expenditure per person per month on different non-food items in various NSSO Rounds at India (Rural) level is shown in the below table and graph (No.3).

Expenditure on non-food items also constitute a significant part of total expenditure incurred by a family. Below comparison shows us that, not only food basket as showed in above analysis but also non-food basket is taking the changing course.

Table and figure (No. 3) depicts that monthly average per cent expenditure per person on Pan and Tobacco at India level first shows significant decreasing trend from 50th to 60th NSSO round and then it shows a slight decreasing trend up to 68th NSSO round. The same pattern can be seen in the clothes. But the durable goods are in the opposite pattern. This is a clear evidence of changing pattern and level of the rural Indian families. But the vertically comparison the masculine goods & services are the greater part of the expenditure throughout the comparing rounds.

(d) Non-food consumption expenditure item wise: - A comparison of total per cent expenditure per person per month on food in various NSSO Rounds at India (Rural) level is shown in the below table and graph (No.4).

The table and graph (No.4) depicts the total per cent expenditure per person per month on non-food items in various NSSO Rounds at India (Rural) level. The data reveals that total per cent expenditure per person per month on non-food shows an increasing trend from 50th to 68th round except 61st round. The total per cent expenditure per person per month on non-food items increased from 36.82 per cent in 50th round to 46.06 per cent in 60th round and then it decreased to 44.95 per cent in 61st round then onwards it shows regular increasing trend and reached to 51.37 per cent in 68th round.

Breakthrough changes in consumption pattern of India (rural) families

The analysis of above data reveals that in the time period of 1993-94 (50th round) to 2011-12 (68th round), there is significant shift in total per cent expenditure per person per month from food items to non-food items. Total per cent expenditure per person per month on food items decreased from 63.18 per cent in 50th round to 48.63 per cent in 68th round on the other hand total per cent expenditure per person per month on non-food items increased from 36.82 per cent in 50th round to 51.37 per cent in 68th round. It is interesting to note that in 68th NSSO round for the first time total per cent expenditure per person per month on non-food items exceeds total per cent expenditure per person per month on food items. Thus results of 68th round shows a clear shift in total per cent expenditure per person per month from food items to non-food items and this is remarkable breakthrough in Indian economy.

It is noticeable that a higher income level family spends less on the food and more part of the expenditure goes to the non-food. If the level of income goes up than a consumer will save more and the consumption shifts from food to non-food. So this pattern of consumption of Indian rural economy is also shows a good sign of development and it also reflects the growth of an economy. It is the changing point, where the economy will go faster pace of development.

6. Conclusion and suggestions

The goal of the economic planning is the overall development of the economy and every growing country make best efforts to achieve the upper stage of the developmental process. The above study shows that in 68th NSSO round total per cent expenditure per person per month on non-food items exceeds over expenditure on food items and it shows a clear significant shift from food to non-food items. It is good sign for the developing country like India and especially Indian rural economy. This paper also reflects that Indian rural economy is in very positive and healthy condition. This paper is based on the NSSO surveys and there are some limitations of the survey data. So to find out real picture of Indian economy all NSSO round may be critically evaluated.

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List of Tables

Table No. 1

A Comparison of Average Monthly Expenditure (%) per person on Food items – India (Rural)
(As per 50th to 68th NSSO Round, from 1993-94 to July 11-June 12)

S.N.	Items	1993-94	1995-96	2004	July 04 – June 05	July 06-June 07	July 07 – June 08	July 11 – June 12
1.	Cereals	38.30	38.61	38.61	32.72	31.59	30.69	24.62
2.	Gram	0.28	0.28	0.28	0.24	0.32	0.28	0.35
3.	Cereal Subst.	0.17	0.12	0.12	0.13	0.13	0.12	0.14
4.	Pulses & Prod.	6.02	6.20	6.20	5.59	6.24	5.86	6.39
5.	Milk & Prod.	15.02	15.58	15.58	15.38	15.47	14.88	18.67
6.	Edible Oil	7.03	7.59	7.59	8.36	7.49	8.23	7.75
7.	Meat, Egg., Fish	5.29	5.27	5.27	6.05	6.69	6.51	7.33
8.	Vegetables	9.56	9.41	9.41	11.08	11.85	12.00	9.95
9.	Fruits and Nuts	2.76	2.42	2.42	3.39	3.43	3.35	3.98
10.	Sugar	4.84	4.31	4.31	4.31	3.86	3.05	3.80
11.	Salt	0.28	0.35	0.35	0.36	0.37	0.37	0.40
12.	Spices	3.88	3.76	3.76	4.15	4.12	4.04	4.63
13.	Beverages etc.	6.58	6.12	6.12	8.25	8.44	10.61	11.99
	TOTAL	100	100	100	100	100	100	100

Source: NSSO reports, 50th to 68th NSSO Round, from 1993-94 to July 11-June 12

Table No. 2
A Comparison of per cent Expenditure on Food in Various NSSO Rounds at India (Rural) Level

S. No.	Year	NSSO ROUND	Per cent Expenditure on Food Items
1	1993-94	50 th	63.18
2	1995-96	52 nd	60.34
3	2004	60 th	53.94
4	2004-05	61 st	55.05
5	2006-07	63 rd	52.28
6	2007-08	64 th	52.35
7	2011-12	68 th	48.63

Source: 50th, 52nd, 60th, 61st, 63rd, 64th and 68th round NSSO report

Table No. 3
A Comparison of Average Monthly Expenditure (%) per person on Non-Food Items - India (Rural)
(As per 50th to 68th NSSO Round, from 1993-94 to July 11-June 12)

S.N.	Items	1993-94	1995-96	2004	July 04 – June 05	July 06- June 07	July 07 – June 08	July 11 – June 12
1.	Pan & Tobacco & Intoxicants	8.59	6.91	6.91	5.98	5.34	5.15	4.58
2.	Fuel & Light	19.98	17.98	17.98	22.63	19.92	20.39	18.00
3.	Clothing	14.58	19.52	19.52	10.08	12.79	13.31	12.23
4.	Footwear	2.41	2.87	2.87	1.69	1.97	1.98	2.56
5.	Misc. Goods & Services	47.01	41.48	41.48	51.96	52.10	51.63	50.74
6.	Durable goods	7.43	11.25	11.25	7.66	7.89	7.53	11.89
	TOTAL	100	100	100	100	100	100	100

Source: NSSO reports, 50th to 68th NSSO Round, from 1993-94 to July 11-June 12)

Table No. 4
A Comparison of per cent Expenditure on Non-Food in Various NSSO Rounds at India (Rural) Level

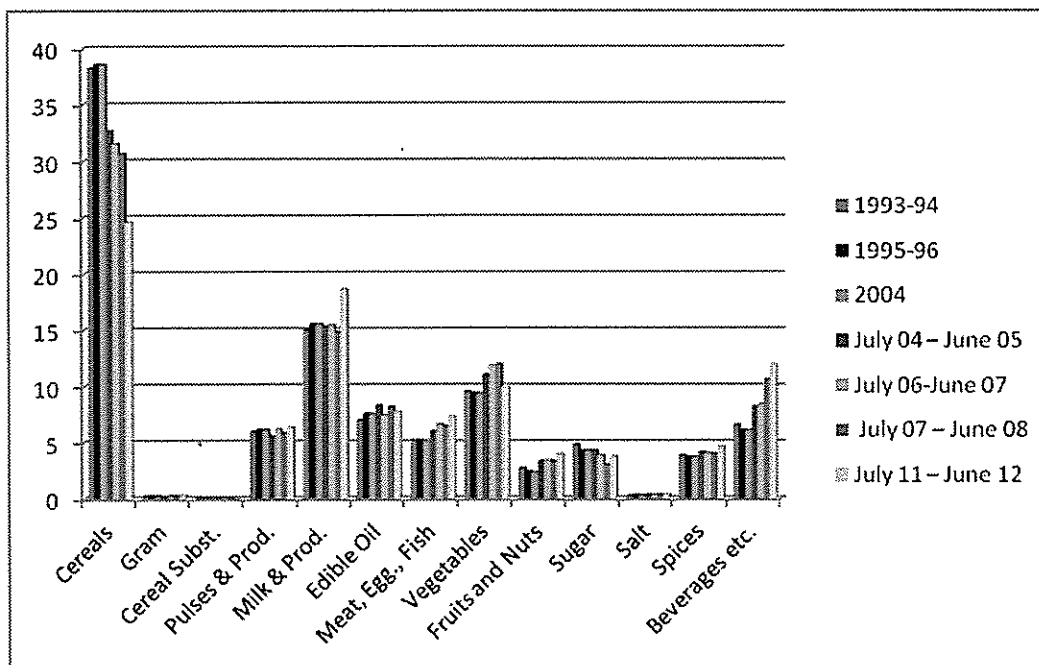
S. No.	Year	NSSO ROUND	Per cent Expenditure on Food Items
1	1993-94	50 th	36.82
2	1995-96	52 nd	39.66
3	2004	60 th	46.06
4	2004-05	61 st	44.95
5	2006-07	63 rd	47.72
6	2007-08	64 th	47.65
7	2011-12	68 th	51.37

Source: 50th, 52nd, 60th, 61st, 63rd, 64th and 68th round NSSO reports

List of Graphs

Graph No.1

A Comparison of Average Monthly Expenditure (%) per person on Food Items – India (Rural)
(As per 50th to 68th NSSO Round, from 1993-94 to July 11–June 12)



Source: NSSO reports, 50th to 68th NSSO Round, from 1993-94 to July 11–June 12

Graph No. 2

A Comparison of per cent Expenditure on Food in Various NSSO Rounds at India (Rural) Level

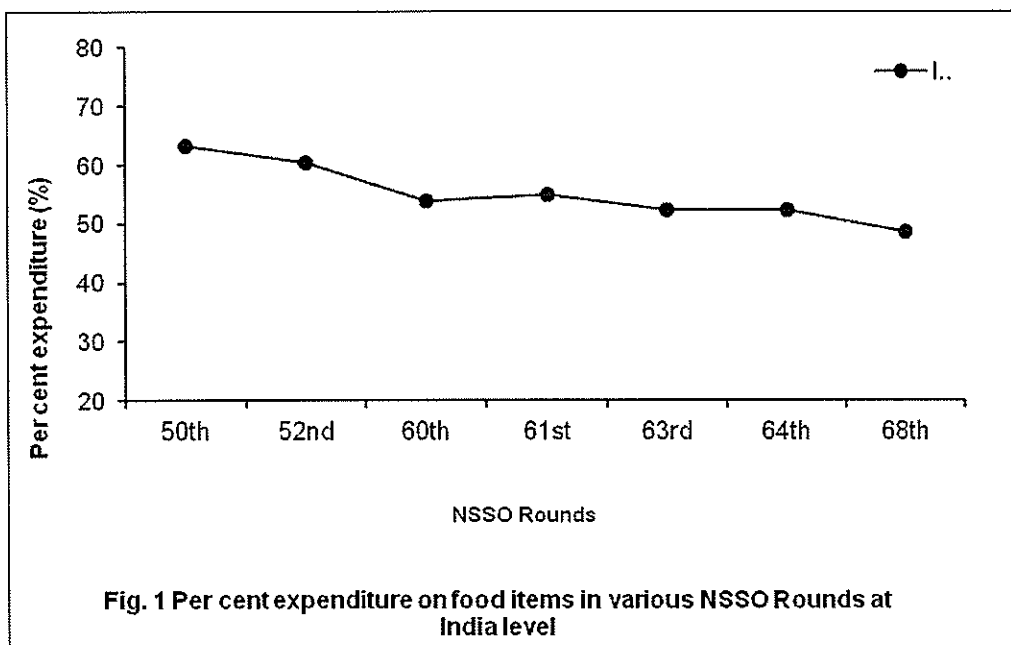
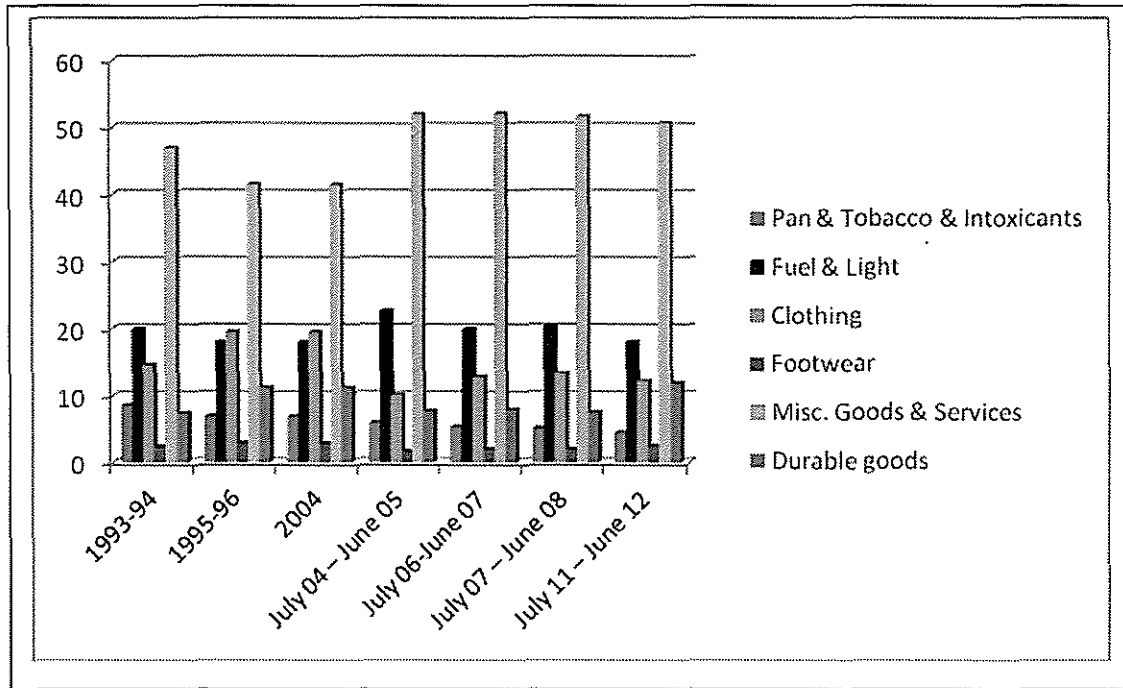


Fig. 1 Per cent expenditure on food items in various NSSO Rounds at India level

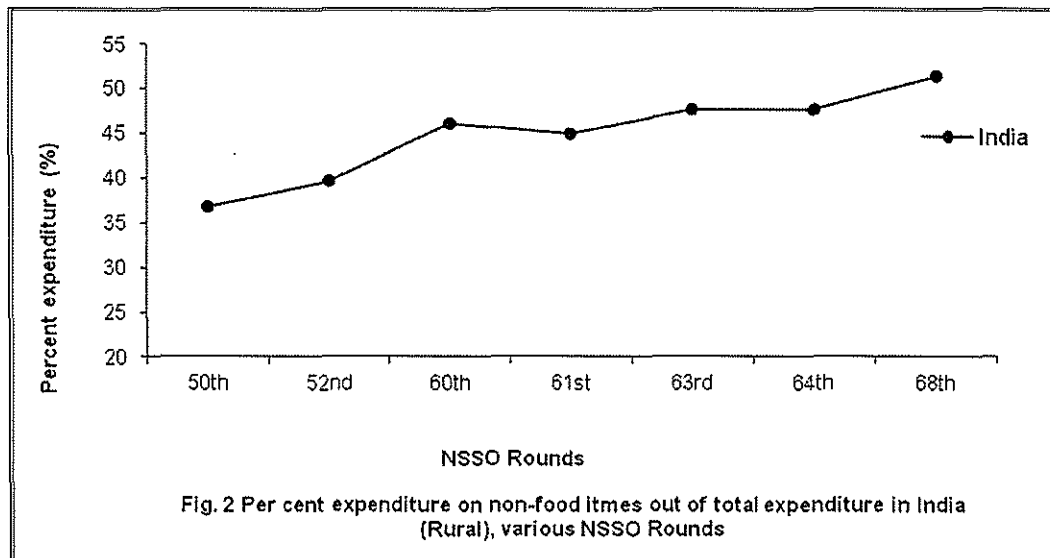
Source: 50th, 52nd, 60th, 61st, 63rd, 64th and 68th round NSSO reports.

Graph No. 3
A Comparison of Average Monthly Expenditure (%) per person on Non-Food Items - India (Rural)



Source: NSSO reports, 50th to 68th NSSO Round, from 1993-94 to July 11-June 12)

Graph No. 4
A Comparison of per cent Expenditure on Non-Food in Various NSSO Rounds at India (Rural) Level



Source: 50th, 52nd, 60th, 61st, 63rd, 64th and 68th round NSSO reports

Factors Influencing Investment Decision of Individual Investors in Stocks (With reference to Indore City)

Dr. Akanksha Singhi*

Abstract

The investor plays a very important role in the stock market because of their big share of savings in the country. The Regulators of the stock market never can ignore the behaviour of individual investor. This study aims to understand the behavior of individual investor in stock market, specifically their attitude and perception with respect to the stock market. A survey is conducted to collect data relating to the above subject. Respondents were classified into different categories like income, profession, education status, sex and age in the city of Indore. The study attempts to find the factors affecting the investment behavior of individual investors such as their awareness level, duration of investment etc. The study analyses the rationality of the investors of Indore during different market expectations, dividend and bonus announcements, and the impact of age, income levels and other market related information on investment decisions of investors from Indore.

Keywords: Investors Behaviour, Stock Market, Attitude, Perception, Awareness Level

Introduction

An investment is an asset or item that is purchased with the hope that it will generate income or appreciate in the future. In an economic sense, an investment is the purchase of goods that are not consumed today but are used in the future to create wealth. In finance, an investment is a monetary asset purchased with the idea that the asset will provide income in the future or appreciate and be sold at a higher price i.e. The building of a factory used to produce goods and the investment one makes by going to college or university are both examples of investments in the economic sense. In the financial sense investments include the purchase of bonds, stocks etc.

Stock market is an important part of the economy of a country. The stock market plays a pivotal role in the growth of the industry and commerce of the country that eventually affects the economy of the country to a great extent. That is reason that the government, industry and even the central banks of the country keep a close watch on the happenings of the stock market. The stock market is important from both the industry's point of view as well as the investor's point of view.

Stock market is a market where stocks are bought and sold. In an economy, besides playing the role of a source for financing investment, stock market also performs a function as a signalling mechanism to managers regarding investment decisions, and a catalyst for corporate governance.

However, stock market is best known for being the most effective channel for company's capital raise. People are interested in stock because of "long-term growth of capital, dividends, and a hedge against the inflationary

* *Senior Lecturer, School of Economics, Devi Ahilya Vishwavidyalaya, Indore*

erosion of purchasing power. The other feature that makes the stock market more attractive than other types of investment is its liquidity. Most people invest in stocks because they want to be the owners of the firm, from which they benefit when the company pay dividends or when stock price increases.

The shares of company are movable property and are transferable in the manner provided in the Articles of Association. A share is undoubtedly a movable property in the same way in which a bale of cloth or a bag of wheat is a movable property. With stocks and shares it's possible for investors to create wealth in three different ways:

- To receive an income from them in the form of dividends
- To hopefully see a growth in their value and sell them at a profit
- A combination of the above, known as balanced

Understanding investors' behaviour starts from the investigation of its forming factors. Recognising that economic behavior is not limited only to qualitative analysis of market events and quantitative analysis of data, but it also reflects the understanding and evaluation of these events as well as data awareness of economic participants. At the same time the importance of subjectivity in making investment decisions is also been noted.

Global financial markets pose new challenges for investors, and activities of all investors are based on continuous decision-making, which is not always rational, unexplained by the traditional economic theory (assuming that all investors operating in the market are rational, and the capital market is efficient). That is why behavioral finance theory, contrary to traditional financial theories in their core provisions, was started to be actively developed. It holds that prediction of investment decisions cannot be based only on rationality, as far as significant influence on the investor's decision is made by his/her provisions and subjective assessment of the situation.

Factors Affecting Investment Decision

1. STOCK AFFORDABILITY
2. MINIMIZING RISK
3. RELIGIOUS REGION
4. FINANCIAL STATEMENT CONDITIONS
5. CURRENT ECONOMIC INDICATORS
6. PAST PERFORMANCE OF COMPANY STOCK
7. EXPECTED BONUS ISSUE
8. DIVERSIFICATION OF INVESTMENT
9. GOODWILL
10. DAILIES / PERIODICALS
11. RUMOURS
12. GOVT. HAS A SHARE IN COMPANY
13. FRIENDS RECOMMENDATION
14. RECOMMENDATION OF FINANCIAL ADVISOR / ANALYSTS

15. CHART PATTERN
16. FIRM STATUS IN INDUSTRY
17. EXCHANGE LISTING
18. LOCAL OPERATIONS
19. TAX EFFECT

Literature Review

A literature review is an evaluative report of information found in the literature related to your selected areas of study. The review should describe, summarize, evaluate and clarify this literature. It should give a theoretical base for the research and help you (the author) determine the nature of your research.

JEKETERINA KARTAŠOVA (2013) has identified basic factors forming Lithuanian individual investors' behavior on the stock market and illustrate the logical relationship between these factors and individual investors' personal characteristics such as gender, age, investment experience and profession. The author combined psychological biases into closed-end questions without stating the bias itself and checked whether the investors felt the influence or not. According to the results, women are more overconfident investors than men. In addition, the direct connection between investment experience and influence of over confidence was noted. The purpose of the research was to identify the irrational behaviour of individual investors, its forming factors, and to assess their impact on the decisions of investors made in the stock market.

Ambrose Jagongo (2014) have analyzed that the most important factors that influence individual investment decisions were: reputation of the firm, firm's status in industry, expected corporate earnings, profit and condition of statement, past performance firms stock, price per share, feeling on the economy and expected divided by investors. Results of factor analysis revealed that the most important factors were: Firms position and performance; Investment returns and economic conditions; Diversification and loss minimisation; Third party opinion; The goodwill of the firm and accounting information; Perception towards the firm; Environmental factors; Firms feeling and Risk minimization. Friedman's ranking was used to identify the most important individual factors that influence investment decision in NSE. The factors were reputation of the firm, firm's status in industry, expected corporate earnings, profit and condition of statement, past performance firm's stock, price per share, feeling on the economy and expected divided by investors. In conclusion this study tested the tenets of the behavioral finance theory on the factors that influence investment decisions under conditions of uncertainty.

Dr. Syed Tabassum Sultana and Dr S Pardhasaradhi (2012) have taken factors Individual Eccentric, Wealth Maximisation, Risk Minimisation, Brand Perception, Social Responsibility, Financial Expectation, Accounting information, Government & Media, Economic Expectation and Advocate recommendation. The emphasis is on thinking things and also on weighing the outcomes and alternatives before arriving at a final decision. They came to conclusion that the Investment decisions made today often are critical for financial security in later life, due to the potential for large financial loss and the high costs of revising or recovering from a wrongful investment decision. Most of the equity investors do not have the sufficient knowledge of basic economic concepts required to make investment decisions. Thus, there is a need to conduct research on factors, other than knowledge, that could influence investment decisions.

Khoacuongphan, Jian Zhou have identified the existence of psychological factors having impacts on behavioral decisions made by individual investors in the stock market (Phan and Zhou 2014). Accordingly investors' decision-making is not always based on rational factors but also influenced by the psychological ones (Sehgal/Singh, 2012; Murgea, 2008). In fact, psychological factors may leave significant impact on their attitude and behavior; namely when people are in good mood, they become more optimistic in their judgments but when they are not, they turn more pessimistic. Study has also provided strong evidences for the existence of psychological factors which supports the hypothesis that four psychological factors (overconfidence, excessive optimism, psychology of risk and herd behavior) do have significant impact on the individuals' attitude towards investment

Dr. Taqadus Bashir have analysed that behavioral finance assumes that characteristics of market participants and information structure systematically have an influence on individuals' investment decisions. This research paper aims at identifying the factors that influences the Pakistan's individual investor behavior. Frequency table of significantly influencing variables shown that out of the total 33 items the 6 most influencing items which belongs to the self-image/firm's image and accounting information like dividend paid, reputation of firm, feelings for a firm's products and services, get rich quick, firm's involvement in solving community problems, and firm's status in industry On other side factors that were found to be least influencing with respect to order of importance were friend or coworker recommendations, opinions of the firm's majority stockholder, recent price movement in the firm's stock, Religious Reason, Family member opinion and Broker recommendation related to other variable categories. In this study researcher investigates does the market over react? Study gave the evidence that most of the people overreact to the dramatic news. Investors' reaction to the bad news creates the mispricing of the stock traded on the NYSE. (Bondt, 1985)

Tomola Marshal Obamuyi ,2013 in his study seeks to determine the main factors influencing investment decisions of investors and how these factors are related to the investors' socio-economic characteristics in the Nigerian Capital Market. The study covers individual investors using convenient sampling method to obtain information from 297 respondents through a modified questionnaire developed by Al-Tamimi (2005).Independent t- test, Analysis of variance (ANOVA) and post hoc tests were employed. The results indicate that the five most influencing factors on investment decisions of investors in Nigeria are past performance of the company's stock, expected stock split/capital increases/bonus, dividend policy, expected corporate earnings and get-rich-quick. Also, the five least influencing factors include religions, rumors, loyalty to the company's products/services, opinions of members of the family and expected losses in other investments. The study finds that the socio-economic characteristics of investors (age, gender, marital status and educational qualifications) statistically and significantly influenced the investment decisions of investors in Nigeria.

Mark Grinblatt and mattikeloharju; (2001) ; presents a comprehensive analysis of the determinants of buy and sell transactions. With a variety of tests, it shows that past returns, reference price effects, the size of the holding period capital gain or loss, tax-loss selling, and, to a small extent, the smoothing of consumption over the life cycle all are determinants of trading.

Samreen Lodhi ;(2014); This research study intends to examine the impact of financial literacy, accounting information, openness to experience and information asymmetry on individual investors. The obtained results show that financial literacy and accounting information helps investors in lowering information asymmetry and allows investors to invest in risky instruments. But as age and experience increase investors preference changes

to less risky investments, it does not mean that investor does not prefer to invest in shares, he will but with the intension of getting dividend return rather than capital gain.

Objectives of The Study

To analyze whether the following affects the behaviour of individual investors in investment decision in shares of a company :-

- A) With reference to fundamental and technical analysis.
- B) With reference to colleagues , rumours and taxation.
- C) With reference to dailies/periodicals and views of the experts.

Research Methodology

Both primary and secondary data are used in this research project work "A STUDY ON FACTORS INFLUENCING INVESTMENT DECISION IN SHARES OF A COMPANY WITH REFERENCE TO INDIVIDUAL INVESTORS".

Questionnaires got filled by applying convenient random sampling through 100 people from indore for the conduct of study and secondary source data are collected from different reports, bulletins, websites and literatures, E- journals which are relevant to the theme of the study.: Appropriate statistical tools would be used for the research work .Some are as follows:

- T test : look at differences between two groups on some variable of interest
- One way ANOVA : test the significance of group differences between Two or more groups

Factors taken in the study

1. Stock Affordability : It means the price of script per share .The higher is the price lesser is the affordability of the investor and vice versa.
2. Minimizing Risk : Since the movement of prices are highly uncertain, therefore its wise not to invest only in one particular security instead invest in two or more securities in order to hedge risk.
3. Religious Reasons: It has also been noticed that sometimes the investment decision in scripts also get influenced by religious reasons. Though it is not a reasonable factor but still some people consider it before investing.
4. Financial Statement Conditions: The financial statements also affects the decision to invest in shares of the company. Generally the Balance Sheet and Profit and loss statement helps in taking the right decision.
5. Current Economic Indicators : The current economic indicators like the GDP , inflation rate etc can help in taking the decision that whether it is the right time to invest or not.
6. Past performance of company stock and dividend distribution : Generally help in determining the trend of future price and thus affects the decision.
7. Expected bonus issue: Sometimes the company in its AGM announces bonus issue. This may seem lucrative to the investors and thus can affect decision.
8. Diversification of investment : In order to hedge the risk diversification is necessary. So this may also affect the decision.

9. Goodwill : A company which has a better goodwill among the investors , the more the investors feel secure.
10. Dailies/Periodicals : These also affects the decision. Ex. The news related to mergers and acquisitions , expansion etc affects the decision.
11. Rumors :They are deprived of scientific tools. And hence the decisions can be wrong.
12. Govt. Share in company :This gives a pre - notion to the investors that the company will not liquidate in the near future.
13. Friends recommendation: This can be another factor in purchase/ sell of shares.
14. Recommendation of financial advisor : Referring the financial advisors or experts can greatly help in maintaining the accuracy.
15. Chart pattern : It helps in predicting the future prices and hence it is a better medium to invest in short term
16. Firm status in industry :Goodwill also affects the decision criteria while investing.

Independent Samples Test

		Levene's Test for Equality of Variances		T-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Investd	Equal variances assumed	4.543	.036	1.769	98	.080	2.540	1.43610	-.30989	5.38989
	Equal variances not assumed			1.769	96.217	.080	2.54000	1.43610	-.31055	5.39055

Group Statistics

	GENDER	N	Mean	Std. Deviation	Std. Error Mean
Investd	MALE	50	36.4400	7.65362	1.08239
	FEMALE	50	33.9000	6.67389	.94383

17. Exchange Listing: Exchange listing increases the trust among the investors for investment decisions.
18. Local Operations : Local level of operations and its profit margin also have a significant impact on investors.
19. Tax Effect : The period of holding also determines the nature of capital assets

Statistical Analysis

Statistical tools such as T test (on gender wise investment decision), One way Anova (on occupation and age) have been applied to know the impact of the factors on the investment decisions of the investors

T Test

H0: There is no significant difference between the score of factors influencing the investment decision taken by male and female investors.

H1: There is significant difference between the score of factors influencing the investment decision taken by male and female investors.

Interpretation: it is clearly visible that sig. Value is .036 which is less than .05 so equal variances not assumed. Finally sig. (2-tailed) value is .080 which is more than .05 so null hypothesis will be accepted i.e. There is no significant difference between the score of factors influencing the investment decision taken by male and female investors.

One Way ANOVA

H0: Age wise there is no significant difference in the score of factors influencing investment decision.

H1: Age wise there is significant difference in the score of factors influencing investment decision.

Descriptives

Invested

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
20 to 25	19	32.0526	2.77836	.63740	30.7135	33.3918	30.00	40.00
25 to 30	15	39.6667	7.01699	1.81178	35.7808	43.5525	27.00	48.00
30 to 35	24	39.3750	6.92703	1.41397	36.4500	42.3000	27.00	48.00
35 and above	42	32.5714	7.13337	1.10070	30.3485	34.7943	26.00	48.00
Total	100	35.1700	7.25726	.72573	33.7300	36.6100	26.00	48.00

Test of Homogeneity of Variances

Invested

Levene Statistic	Df1	Df2	Sig.
7.465	3	96	.000

ANOVA

Invested

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1195.919	3	398.640	9.524	.000
Within Groups	4018.191	96	41.856		
Total	5214.110	99			

Multiple Comparisons

Dependent Variable: invested

Tukey HSD

(I) AGE	(J) AGE	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
20 to 25	25 to 30	-7.61404*	2.23458	.005	-13.4566	-1.7715
	30 to 35	-7.32237*	1.98670	.002	-12.5168	-2.1279
	35 and above	-.51880	1.78872	.991	-5.1956	4.1580
25 to 30	20 to 25	7.61404*	2.23458	.005	1.7715	13.4566
	30 to 35	.29167	2.12942	.999	-5.2759	5.8593
	35 and above	7.09524*	1.94602	.002	2.0072	12.1833
30 to 35	20 to 25	7.32237*	1.98670	.002	2.1279	12.5168
	25 to 30	-.29167	2.12942	.999	-5.8593	5.2759
	35 and above	6.80357*	1.65547	.000	2.4752	11.1320
35 and above	20 to 25	.51880	1.78872	.991	-4.1580	5.1956
	25 to 30	-7.09524*	1.94602	.002	-12.1833	-2.0072
	30 to 35	-6.80357*	1.65547	.000	-11.1320	-2.4752

Interpretation: Since the value of Sig. Is .000 which is less than .05 thus alternate hypothesis will be accepted i.e : Age wise there is significant difference in the score of factors influencing investment decision.

One Way ANOVA

H0: Occupation wise there is no significant difference in the score of factors influencing investment decision.

H1: Occupation wise there is significant difference in the score of factors influencing investment decision.

Descriptive

Invested

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
EMPLOYED	81	35.9012	7.78397	.86489	34.1801	37.6224	26.00	48.00
OTHERS	19	32.0526	2.77836	.63740	30.7135	33.3918	30.00	40.00
Total	100	35.1700	7.25726	.72573	33.7300	36.6100	26.00	48.00

ANOVA

Invested

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	227.953	1	227.953	4.480	.037

Within Groups	4986.157	98	50.879		
Total	5214.110	99			

Interpretation: Since the value of Sig. Is .037 which is less than .05 thus alternate hypothesis will be accepted i.e. Occupation wise there is significant difference in the score of factors influencing investment decision.

Conclusion

In the study it is reflected that fundamental (financial statements) and technical analysis (chart patterns) along with the dailies /periodicals do affect investors behaviour in shares of a company with reference to individual investors whereas Rumours, Friends recommendation don't have any significant influence to the individual investors while investing in shares of a company. On the other hand tax effect has a significant influence as depicted by the graphical analysis earlier.

From the study it was found that apart from religious reasons, rumours

And friends recommendation other factors like stock affordability, minimizing risk, financial statement, current economic indicators, past performance of company stock, expected bonus issue, diversification of investment, firms commitment to csr, dailies, govt. Share in company, recommendation of financial advisor, chart pattern, firm status in industry, exchange listing, local operations and tax effect do have significant influence on individual investors decision.

5. The application of T –TEST on the “score of factors influencing the Investment decision and gender” stated that there is no significant difference between the score of factors influencing the investment decision taken by male and female investors.

6. The usage of one way anova tool on “age and score of factors influencing the investment decision” stated that age wise there is significant difference in the score of factors influencing investment decision.

7. Moreover one way anova test also interpreted that occupation wise there is significant difference in the score of factors influencing investment decision.

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A Study on Mobile Banking Services and its Impact on Customer Satisfaction

Dr. Jayant Sonwalkar*

Mrs. Ekta Rokade†

Abstract

The last decade has seen many positive developments in Indian banking sector. The major development in banking sector is internet banking and mobile banking, these two created drastic changes in banking services and products. Internet banking helped give the customers anytime access to their banks. Customers could check out their account details, get their bank statements perform transactions like transferring money to other accounts and pay their bills sitting in the comfort of their homes and offices. However, the biggest limitation of Internet banking is the requirement of a PC with an Internet connection, not a big obstacle if we look at the US and the European countries, but definitely a big barrier if we consider most of the developing countries of Asia like China and India.

But in case of mobile banking services , reason that Mobile Banking scores over Internet Banking is that it enables 'Anywhere Banking'. Customers now don't need access to a computer terminal to access their banks, they can now do so on the go – when they are waiting for their bus to work, when they are traveling or when they are waiting for their orders to come through in a restaurant. Mobile banking addresses this fundamental limitation of Internet Banking, as it reduces the customer requirement to just a mobile phone.

The purpose of this study is to measure the accessibility of mobile phones across the developing world and its impact on the level of customer satisfaction. Buoyed by prepay cards and inexpensive handsets, hundreds of millions of first-time telephone owners have made voice calls and text messages part of their daily lives.

Keywords: Mobile Services, Value-added services, customer satisfaction, Advancement of Technology

Introduction

Liberalization and globalization of Indian economy provided new horizon to the banking system in India. India is the second largest growing economy in the world, results in high level of per capita income which is again reflects through higher level of education and more techno-savvy Indian .Now Indian are willing to booked their tickets and pay their EMI by using internet. Therefore, in this way Indian wants most of the services at their doorsteps. Mobile banking services is one more addition in this context. By using mobile banking services customers can operate from anywhere to access their saving accounts, debit cards, credit cards, to make payment for payment of utility bills, renewal premium, fund transfer etc. In this way, mobile banking services are becoming very important features of Indian banking system. That is why most of the foreign and Indian banks would like to serve their customers at their fingertips, by providing mobile banking services. Banks are adding VAS (Value added services) and offering wondering services to their customers to create

* *Director & Professor, Directorate of Distance Education, D.A. University, Indore*

† *Assistant Professor. School of Economics, D.A. University, Indore*

excitement and persuade them to increase the usage of mobile banking services. By doing so, banks are trying to make them delight with cutting of their operational cost. Therefore, it is essential to understand customers' response and their expectation from mobile banking services, which ultimately help bankers to offer a complete service package, which will suit, and fit as per customer requirement and expectations and ultimately leads to the success of the banks in the system.

As we know that in the field of services customers are co-producer the quality of services output is also depends on the performance of customers, Our study scientifically explains, what kind of mobile banking services are available to customers and how customers responds towards these services? What are the customers' expectations and how banks can tab new techno friendly customers to increase their market share. This study helps to make customers to be more aware about the usage of mobile banking services and also tells, weather the mobile banking services are in favour or not, and suggest them to enjoy the new era of banking services on their fingertips.

With the rapid growth in the number of mobile phone subscribers in India (about 261 million as at the end of March 2008 and growing at about 8 million a month), banks have been exploring the feasibility of using mobile phones as an alternative channel of delivery of banking services. A most of the foreign and Indian banks have started offering information based services like balance enquiry, stop payment instruction of cheques, record of last five transactions, location of nearest ATM/branch etc. Now a day's mobile banking services offered by banks are : Account Balance Enquiry , Cheque Status Enquiry, Cheque Book Requests, Fund Transfer between Accounts, Credit/Debit Alerts and their linkages in mobile, Minimum Balance Alerts, Bill Payment Alerts, Bill Payment, Recent Transaction History Requests, Information Requests like Interest Rates/Exchange Rates, etc.

The Reserve Bank of India (RBI) has been trying to push mobile banking in a big way across the country as a medium for financial inclusion. Given the convenience and the number of mobile phone users in India, mobile banking is bound to pick up. The central bank has been very active in trying to take advantage of the reach and penetration of mobiles in the county. Last month, the RBI increased the amount of money that can be transacted through mobile phones to Rs50, 000 every day, up from Rs5, 000 per day .In India, out of the 32 banks which have been given approval to provide mobile banking facilities, only 21 have started providing these services. The number of telephone subscribers in India increased to 543.2 million at the end of November from 525.65 million in October 2009, thereby registering a growth rate of 3.34%. With this, the overall tele-density in the country had reached 46.32, said Telecom Regulatory Authority of India (TRAI), in its latest report. When you compare this figure with the total number of bank customers across the country, there is a wide gap.(Yogesh Sapkale with Aaron Rodrigues, January06, 2010, 05:39PM, (mobile banking needs regulatory framework for growth)

As mobile networks are upgraded with WAP, GPRS and UMTS to deliver next-generation multimedia services, the banks are getting ready to unleash services on mobile phones. Customers will be able to view their account statement, transfer funds between accounts, be notified of large payments or get notified of transactions above a pre-defined threshold, and will have immediate and full control over their finances. Next-generation mobile banking services will deliver significant improvements with user-friendly icon driven instructions, instant access, security and immediate transaction processing all at a lower session cost. Banks will attain higher levels of customer satisfaction and increased loyalty by providing anywhere, anytime banking. They will benefit further from lower administrative costs, lesser number of branches, reduced headcount, streamlined call centres and lower handling charges - savings which, hopefully, will be passed onto customers.

Mobile phones, with their wider reach and depth, would definitely play a very big role in financial inclusion, provided there is a regulatory framework that can allow secure and safe transactions. So to attain objective such as increasing banking habits, easier access of banking services, lower the operational cost, and thereby increase customer satisfaction with higher degree of convenience via mobile banking services and increase the market share. Most of the Indian and foreign banks are providing different Mobile banking services to their customers. Therefore, it is essential to analyze basic structure of MBS offered by foreign and Indian banks, their evaluation of performance and customer behavior towards mobile banking services in India.

Review of Literature

Barnes, S.J., and Corbitt, B. (2003) this study emphasis on the internet and the mobile phone – two technological advancements that have profoundly affected human One area of activity is mobile (m-) banking (one of the first areas of commercial transaction on the wireless internet). Banking is an area that has extended in many different ways in recent years, including telephone and online banking. M-banking provides some possibility for becoming a primary channel. This paper examines the strategic implications of m-banking and the strategic positioning of m-banking services in different markets. The paper concludes with a discussion of the future for m-banking services.

Garrity, Jim (2010) this study discusses the application and benefit of automated teller machine (ATM) locators in banking sector. these smart phones applications enables customers to conveniently find the surcharge –free, linked ATM network that the local banks belong to as well as helping banks in terms of comprehensive mobile banking services.

Shih, Kuang Hsunl Hung,, Hsu Feng Lin (2010) this study tells us that M-banking is a channel through which banks interact with customers via mobile devices. M-banking is an emerging mobile commerce application. It is a challenging task for banks to encourage customers to continue using m-banking services, and attract new customers to the service. This study clarifies the differences in the thinking paths of users of m-banking services, and consumers who have not yet used m-banking services, in terms of their involvement. We prove that consumers equipped with more product knowledge tend to pay more attention to the information in relation to product attributes, rather than the peripheral information, which does not consider the advantages and disadvantages of products. These findings can serve as reference for banks in the formulation of different marketing strategies and promotional campaigns targeted at both existing users and consumers who have not adopted m-banking services.

Weber, Rolf H; Darbellay, (2010) this article focuses on the legal issue of MBS. The growth in mobile financial services not only depends on technological advances, but also on consumer confidence in the provided services. Mobile financial services can be divided into mobile banking and mobile payment; therefore, legal certainty must be established as to what supervisory regime applies to the various activities involving banks and non-banks.so, the legal aspects also play a role in the evolution of mobile banking as far as the need to enhance customer trust in the offered services is concerned. Major issues arise in relation to data security and consumer protection.

Deng, Zhaohua Lu, Yaobin; Deng, Shimin; Zhang, Jinlong (2010) this study applies technology acceptance model (TAM) and other three constructs to examine the factors that influence the adoption of mobile banking in China. The proposed model was empirically evaluated by using survey data collected from 209 users concerning their perceptions of mobile banking. In this article findings indicate that TAM can predict

consumer intention to use mobile banking. Specifically, trust-based construct, perceived credibility, has significant effect on user's attitude toward mobile banking.

Objectives of the Proposed Study

- To study the impact of the mobile banking services on customers satisfaction.
- To suggest appropriate measures and strategies to enhance the use of mobile banking services and its usage in M.P.

Research Methodology

Research Approach: In this study descriptive research method has been applied to measure the impact of mobile services on the customer satisfaction. The researcher has measured the variables of mobile services such as network, reasonable pricing, easy accessibility, trust, time saving etc. and its impact on the customer satisfaction. The paper will be being conducted to get a deep insight and understanding about the satisfaction on mobile banking services.

Universe: For this study total 300 respondents were selected on random sampling basis and these respondents were students and Professionals. Total 200 students and 100 Professionals were selected in Indore region for this study. Mostly students are Graduates from various management Institutes.

Data Collection Tool: A self-structured questionnaire was constructed on the 5 point Likert Scale and consisted of 25 questions which were based on the various factors of mobile banking services.

Data analysis: For the data analysis, correlation and regression was carried out to check the consistency among the variables and the % variance is explained by regression analysis.

Hypothesis:

H_{01} : There is no significant impact of Mobile banking Services on customer satisfaction.

H_1 : There is a significant impact of Mobile banking Services on customer satisfaction.

Analysis

Table 1: Descriptive Statistics

	Mean	Std. Deviation	N
Customer Satisfaction	215.5400	26.45919	300
Mobile Services	40.9933	7.75934	300

Table 2: Correlations

		Customer Satisfaction	Mobile Banking Services
Pearson Correlation	Customer Satisfaction	1.000	.916
	Mobile Banking Services	.916	1.000

Sig. (1-tailed)	Customer Satisfaction	.	.000
	Mobile Banking Services	.000	.
N	Customer Satisfaction	300	300
	Mobile Banking Services	300	300

The value correlation coefficient between Mobile Banking Services and Customer Satisfaction is 0.916, and it is significant at 5% level of significance thus, it may be concluded that Mobile Banking Services have significant role in sustaining the Customer Satisfaction. Furthermore, since the value of correlation coefficient r suggests a strong positive correlation, we can use a regression analysis to obtain a relationship between the variables.

Customer Satisfaction is taken as a dependent variable and Mobile Banking Services is taken as independent variable. Model summary shows the values of R^2 , adjusted R^2 and R^2 change, which are all same in this case. Here R^2 is 0.839 (As given in annexure table 4)with standard error of estimate equal to 10.618. We can interpret this as 83.9% of the variation in customer satisfaction is explained by mobile banking services. This value of coefficient of determination (R^2) is significant and therefore the association can be considered as significant. ANOVA table gives results of Analysis of variance. Since the p value is less than 0.01 and 0.05(As given in annexure table 5) it is significant at both the levels of significance and it lead to reject the hypothesis of all model coefficients being zero or we can say that variation explained by the model is not due to chance. And we should conclude that all the model coefficients differ significantly from zero and Compensation can be used to judge the customer satisfaction.

The regression equation, which can be formed using coefficients table, is

$$\text{Customer Satisfaction} = 87.463 + 3.124 * \text{Mobile Banking Services}$$

Since p-value is less than 0.05 the hypothesis that the slope of the regression line is zero is rejected. The model is considered to be statistically acceptable.

A Residual is the difference between observed and model predicted value of the dependent variable. A histogram is used to check the assumption of normality error term or residuals. Since the shape of the histogram for regression standardized residuals is approximately normal. Thus the assumption of regression analysis about the normality of residuals is fulfilled.

Suggestions & Conclusion

From the findings it was concluded that They ought to convince its customers of their ability to disseminate value adding services that are guaranteed of security, their ability to provide services with ultimate honesty especially with regard to customer's expectations, and prove without reasonable doubt that they really have good intentions towards empowering its customers. Considering that consumer trust does impacts on their loyalty to a banking facility, the study brings out a positive relationship for the hypothesis tested, When designing a mobile product, banks should customize their product and services according to customer requirements and consider usefulness, ease of use, relative advantage and risk level to make the service successful. According to the finding that affects customer satisfaction is lifestyle and needs of customers. Mobile banking has a higher potential and opportunity in rural areas. However this research focused on

customers' from urban areas only and therefore, a future research could be carried out with a population of balance representation from both rural and urban communities.

In line with the global industries 'move in acquiring the latest advanced technology to stay ahead of competitors, banks throughout the world and India have notably been moving in the same direction. Evidently, Mobile banking is considered a new era in banking, in which banks are spending considerable amount of money to have it available to their customers and to cut their operations costs. Vast majority of Mobile Banking users agrees that the service is more convenient than Traditional banking; transactions can be done faster and allows easier maintenance of transaction however It may be said that current Mobile Banking users are overall satisfied with the service which shows an opportunity to increase the customer base in future and in turn helps in financial inclusion i.e. providing banking facility to the one who is not having access to traditional financial system and through this research it is clear that by creating the awareness The major concern among customers was the safety concern regarding mobile banking services which forms a real obstacle to use the service, followed by network problem and insufficient operating guidance. The research also found that even most of those who frequently use the Mobile Banking services, usually do not conduct much of financial transactions, but find the service very useful for information based transactions mainly checking account status. This means that the Mobile banking services is not solving the purpose it was originally made for, which is to provide customer convenience and reduce customer visits to the banks. Based on the findings, it is strongly believed that ensuring the

Security of Mobile banking and familiarizing customers with how to use the service will definitely increase the rate of using Mobile banking services.

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Annexure

Table 3 Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.916 ^a	.839	.839	10.61872
a. Predictors: (Constant), Mobile Banking Services				
b. Dependent Variable: Customer Satisfaction				

Table 4 Model Summary^b
Model Summary^b on Mobile Banking Services & Customer Satisfaction

Model	Change Statistics				
	R Square Change	F Change	df1	df2	Sig. F Change
1	.839	1558.435	1	298	.000
b. Dependent Variable: Customer Satisfaction					

Table 5 ANOVA^b
Anova^b on Mobile Banking Services & Customer Satisfaction

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	175724.857	1	175724.857	1558.435	.000 ^a
	Residual	33601.663	298	112.757		
	Total	209326.520	299			
a. Predictors: (Constant), Mobile Banking Services						

Table 6 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	87.463	3.302		26.490	.000
	Mobile Banking Services	3.124	.079	.916	39.477	.000
a. Dependent Variable: Customer Satisfaction						

Tribal Women Empowerment and Their Role in Decision Making

Dr. Shashi Sanchiher*
Dr. Neha Paliwal†

Abstract

In the 21st century, women enjoy more freedom and power than ever before. But, they are still disadvantaged as compared to men in virtually all aspects of life. Women are deprived of equal access to education, health care, capital and decision making powers in the political, social and business sectors. The position of women in low income group as of tribal community is matter of concern since the tribal communities are more deprived than other social groups. Though according to some scholars, in primitive societies, women have high status. But the view point of others proposes that tribal women are generally a suppressed group. When the question of exclusion arises, we can say tribal women are always excluded from the employment opportunities and benefits from the development projects. Thus there is no consensus regarding the status of empowerment of tribal women. Basically empowerment of women plays an important role for the social development of a region, as economic progress of any region, whether developed or under developed, can be achieved through social development. Thus there is a need to analyze the empowerment status of tribal women.

Thus, the present study aims to focus on the status of empowerment of tribal women of TSP region in Rajasthan and their role in decision making. The empowerment of tribal women is analyzed by using indicators on education, employment status and intra-household decision making power.

Key Words: Tribal Women, Empowerment, Gender Neutrality, Decision Making Power, TSP region

Introduction

In the 21st century, women enjoy more freedom and power than ever before. But, they are still disadvantaged as compared to men in virtually all aspects of life. Women are deprived of equal access to education, health care, capital and decision making powers in the political, social and business sectors. According to one of the estimates (World Development Indicators), Women work two third of the world's working hours and produce half of the world's food but earn only 10 percent of the world's income and own just less than one percent of the world's property. This limited advancement of women in the formal sector shows a great disregard for their social and economic responsibilities within the country.

The position of women in low income group as of tribal community is matter of concern since the tribal communities are more deprived than other social groups. Though, according to some scholars, in primitive societies, women have high status. The Dhebar Commission Report (1961) mentions that the tribal women are not drudge or a beast of burden, she is found to be exercising a relatively free and firm hand in all aspects

* *Senior Lecturer, Dept. of Economics, Govt. Meera Girls College, Udaipur, Raj.*

† *Assistant Prof. Dept. of Economics, UCSSH, MLSU, Udaipur*

related to her social life unlike in non-tribal societies. The tribal women in general and in comparison with castes, enjoy more freedom in various walks of life. Traditional and customary tribal norms are comparatively more liberal to women.

But the view point of others proposes that tribal women are generally a suppressed group. When the question of exclusion arises, we can say tribal women are always excluded from the employment opportunities and benefits from the development projects etc (Majumdar and Madan,1986). They share abundant responsibilities and perform multiple duties in running the family and maintaining the household, attending to farm labour, tending domestic animals and poultry birds. But after fulfilling all these activities, she is an unpaid servant to man whose labour is never measured in economic terms (Bhasin, 2007). Thus there is no consensus regarding the status of empowerment of tribal women. Basically empowerment of women plays an important role for the social development of a region, as economic progress of any region, whether developed or under developed, can be achieved through social development. Thus there is a need to analyze the empowerment status of tribal women so that inference about the inclusiveness of the growth can be drawn.

The empowerment is defined as expansion in people's ability to make strategic life choices in a context where this ability was previously denied to them. There are exists three issues basic to the understanding of empowerment. First, empowerment is multidimensional in that it occurs within sociological, psychological, economic, political, and other dimensions. Secondly, empowerment also occurs at various levels, such as, individual, group and community. Third, empowering by definition is a social process because it occurs in relation to others.

The empowerment of women can be generally measured by using indicators on education, employment status and intra-household decision making power. In general, women with higher education tend to have a better position. But sometimes, education alone cannot be the determinant. The employment, convening power and decision-making capacity gives her higher status in the household.

Thus, the present study aims to focus on the status of empowerment of tribal women of TSP region in Rajasthan and their role in decision making.

Objectives

- To analyze the level of empowerment of tribal women especially in terms of their participation in the decision making process in the democratic and development spheres.
- To compare the gender neutrality in decision making of tribal and non tribal house hold.

Research Methodology

In this study an attempt is made to examine the tribal women empowerment in TSP region of Rajasthan. This objective makes our study descriptive as well as exploratory one. The study is based on both quantitative and qualitative data.

Sample Design and Data Collection

The multistage purposive sampling design is adopted for the collection of primary data. In the first stage three districts of TSP region of Rajasthan are purposively selected. They are Banswara, Dungarpur and Udaipur

which comprises 84.51 percent scheduled tribe population of TSP region (2011 Census). In the second stage, two poorest and two least poor blocks from each district have been selected, then two villages from each block have been selected by random sample method. In the last stage a random sample of 240 tribal households and 240 non-tribal households have been chosen from the list of villages prepared by the district authorities.

To examine the status of empowerment of tribal households schedule for data collection was prepared based on the experience gathered by visiting major tribal colonies and qualitative indicators were identified by discussions with tribal leaders, social activists and experts in research studies. First, a pre-test of the questionnaire was conducted and its results analyzed and later the questionnaire was finalized

3.2 Data Analysis

As univariate data provides only partial picture and found to be inadequate both as a tool of analysis and as an input in policy making, thus multi socio-economic variables are used to analyze the empowerment status of tribal women based on three aspects of empowerment – education, employment and decision making .

To assess the decision making power of tribal women, variables are transformed into a index names as **Index of Gender Neutrality (ING)**. To construct ING questions were posed to the households on participation of either gender in decision making in the family. There are 12 activities on which responses were obtained. The Index of Gender Neutrality in decision making is constructed with the following values being assigned to the responses:

Response	Value
Men only	0
Mainly men but also women	1
Women alone	0
Mainly women but also men	1
Both	2

Using these weights, the scores obtained for tribal and nontribal households are indexed to a maximum value of hundred to construct the Gender Neutrality Index.

After constructing the GNI for tribal and non tribal households Mann-Whitney U-test, the appropriate nonparametric substitute of t-test, was applied since our data is not of sufficient strength for the stringent assumptions of parent population to be normally distributed with equal variance of t-test.

3.3 Hypothesis

H_0 : Equal gender neutrality is there in decision making of tribal and non-tribal households

H_1 : There is difference in gender neutrality in decision making of tribal and non-tribal household.

In case, p value > 0.05 the null hypothesis is said to be true; whereas when p value < 0.05, the null hypothesis is rejected and it is inferred that level of ING differ between tribal and non-tribal households.

1. Status of Tribal Women in TSP Region

The status of tribal women in TSP region of Rajasthan in the past, was better than most of the women in non-tribal communities. Traditional and customary tribal norms are comparatively more liberal to women. They had

more freedom of movement, of choosing their life partners and widow remarriage among them was also permitted. But, this does not mean that they are not facing the problem of exclusion. The minimum wages for tribal men and women are not uniform. There is both economic and sexual abuse of tribal women.

Table 1 : Socio-Economic Demographic Profile of Tribal Area (Female)

S.No.	District	Female Literacy	Female work participation rate	Life expectancy female	Gender related development Index	Female per capita income
1	Dungarpur	31.22	45.02	58.80	0.420	1835
2	Banswara	27.86	44.12	59.20	0.439	2597
3	Udaipur	43.71	31.82	60.80	0.465	2386

Source: Census (2001), Directorate of Economics and Statistics, Rajasthan, Human Development Report 2002

Table 1 reveals the socio-economic status of women in TSP area. It is clear from the table that female literacy rate of women is below 50 percent and their per capita income is also very low, particularly females of Dungarpur district are worst suffers.

In agriculture, the tribal women laborers suffer from sporadic and seasonal employment. They are generally employed on daily wages in sowing, transplanting, winnowing, crushing, harvesting and in all jobs commonly rated as unskilled and less skilled. This has resulted in deterioration of women's income levels.

The status of tribal women further gets deteriorated due to tribal land structure such as land alienation and disposition of movable, immovable property from the hands of tribals to various sections of non-tribals and elite classes. Land and forest are like mother and father of the tribals.

The eco-system has been completely destroyed due to deforestation and desertification. All these things are leading to severe stresses and strains on the tribal women's lives. The serious effects of deforestation, e.g. decrease in rainfall and all its accompanied repercussions on the tribal economy and agriculture, make the role of tribal women more difficult and complicated.

2. Empowerment of Tribal Women and Education Status

Besides all explained factors, lack of education and poor nutrition contribute a lot of making her a weak adult, with her strong will to adjust to harsh environment. The female literacy in tribal area is extremely low and the tribal women are on the bottom in this respect.

Table 2: Comparison of Tribal and All Social Groups at Various Levels of Education (India and Rajasthan)

Levels of Education	Rajasthan		India	
	Women of All Social Group	Tribal Women	Women of All Social Group	Tribal Women
1. Not literature	783	890	585	715
2. Literature up to Primary	125	70	199	164
3. Middle	54	28	113	77
4. Secondary	22	06	57	25

5. Higher Secondary	11	02	27	13
6. Diploma	01	00	05	01
7. Graduate	04	03	13	05
8. All	1000	1000	1000	1000

Source: Scheduled Tribes in India 2010

Table 2 explains the comparison between tribal and all social groups at various level of education in India as well as in Rajasthan. By taking 1000 women in each category in Rajasthan number of women of all social groups are 783 which are not literate and those who are literate upto primary as of 125. As higher education is concerned, the dropouts are increasing at fast rate and in graduation whereas the candidature of tribal women is worse than the all social group. The total numbers of tribal women who are literate are 890 and only 3 of the total tribal women have taken graduation in Rajasthan.

Tribal women's condition at national level is also not satisfactory, 715 of the tribal women are illiterate and only 5 have taken degree education whereas in other social group, the corresponding figure was 585 and 13 respectively.

The educational status of tribal women of Rajasthan is worse than the other social group here and it is even much worse than the educational status of tribal women at national level.

Table 3: Educational Status of Tribal Household in TSP Region

Status	Male	Female	Total	Male %	Female %
Illiterate	399	300	699	52.36	42.98
Literature	180	189	369	23.62	27.08
Upto Primary	98	147	245	12.86	21.06
10 th /12 th	64	48	112	8.40	6.88
Graduate	21	14	35	2.76	2.01
Total	762	698	1460	100	100

The table 3 gives a clear picture of the educational status of family members of the respondents. Out of 1460 members, 699 members are illiterate, 369 members are only literature. Whereas, 245 members have studied up to primary level, which are only 16.78 percent of total members. Nearly 112 members have studied up to 10th and 12th standard which is just 8.36 percent and only 2.40 percent members are graduate (21 men and 14 women). Thus overall educational standard of respondent is very poor.

The table 3 also reveals some fact about the educational status of tribal women of the respondent family. Though the percentage of tribal women of literate and upper primary level is greater than men, their percentage at secondary and senior secondary level is less than the tribal men. It indicates that tribal women are deprived from the higher level of education. Out of 698 women, 189 (27.08%) women are only literate whereas 147 (21.06%) women have education upto the I-IV class, 48 women (6.88%) have taken education in between 10th and 12th standard, 14 (2.01%) are graduate. The data clearly reveals the drop-outs of women at each level of education.

Empowerment of Tribal Women and Economic Status

Employment Status of Tribal Women in TSP

The economic status of tribal women can be judged by their employment and income situation. These economic factors play a major role in the empowerment of women.

Table 4: Situation of Employment of Tribal Women

Status	Banswara	Dungarpur	Udaipur	Total
No Jobs	32 (19.75)	39 (24.68)	42 (32.06)	113 (25.06)
Agriculture/Agri Labour	62 (38.27)	62 (39.24)	36 (27.48)	160 (35.48)
Collection of Van Upaj	0 (0.00)	1 (0.63)	0 (0.00)	1 (0.22)
Govt. Service	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)
MGNREGA	68 (41.98)	55 (34.81)	49 (37.40)	172 (38.14)
Small Business	0 (0.00)	1 (0.63)	0 (0.00)	1 (0.22)
Others	0 (0.00)	0 (0.00)	4 (3.050)	4 (0.89)
Total	162	158	131	451

Table 4 throws light on the occupation wise distribution of the tribal women in respondent's family. Nearly 172 women (38.14 per cent) are working in MNREGA. Nearly 160 women (35.48) are involved in agricultural activities. They are either labourers or cultivators. Six women are engaged in the work of collection of forest produce, small businesses and other works. No woman is working in the government sectors. While 113 women (25.06 percent) are unemployed. The district wise data show, in all the three districts, majority of women are engaged in either MGNREGA or Agricultural activities.

1.1. Monthly Income of Tribal Women in Respondents Family

The table 5 reveals the income distribution of the tribal women of the respondent families. According to the data, 42.50 per cent (102 women) have no monthly income. Nearly 25 percent (62 women) have monthly income less than Rs. 1000 and 10.83 percent (25 women) fall in the income group of Rs. 1000 - 3000, women falling in the category of Rs. 3000 - 5000 income group constitute only 6.67 percent (16 women).

Table 5: Monthly Income of Tribal Women in Respondents Family

Status	Banswara	Dungarpur	Udaipur	Total
No Income	20 (25.00)	32 (40.00)	50 (62.60)	102 (42.50)
Below Rs. 1000	38 (47.50)	34 (42.50)	8 (10.00)	80 (33.33)
Rs. 1000 - 3000	8 (10.00)	5 (6.25)	12 (15.00)	25 (10.42)
Rs. 3000 - 5000	8 (10.00)	2 (2.50)	6 (7.50)	16 (6.67)
More than 5000	0 (0.00)	7 (8.75)	0 (0.00)	7 (2.92)
Can's say	6 (7.50)	0 (0.00)	4 (5.00)	10 (4.17)
Total	80 (100.0)	80 (100.0)	80 (100.0)	240 (100.0)

Thus we can conclude the income and employment status of tribal women is not adequate enough to make them economically empowered.

Empowerment of Tribal Women and Role in Decision-Making

To improve the capacity of women to take decisions or to create an environment where they participate more and more in decision-making process and their decisions are valued, is a very important indicator of judging the

level of women empowerment. It usually happens that when there is social prestige involved, men dominate, while decisions associated with responsibility and duty are left to women. An exploration into the decision making status of tribal women revealed that women are the main decision makers for household work but where economic and technological decisions required women tend to withdraw; this was attributed to illiteracy, lack of knowledge and awareness. Women's participation in decision making related to agriculture, livestock/poultry was of a partial nature. They played active role in consumption decision but their role in investment, exchange, production and maintenance decisions was less. At best they could give suggestions but final authority rested with males.

Table 6: Tribal Women's Freedom of Movement

Status	Banswara	Dungarpur	Udaipur	Total
Haat Bazar	66 (82.50)	23 (26.14)	46 (57.50)	135 (54.44)
PHC Centre	3 (3.75)	2 (2.27)	10 (12.50)	15 (6.05)
Haat Bazar & PHC	1 (1.25)	28 (31.82)	11 (13.75)	40 (16.13)
PHC & Friends & Relatives	0 (0.00)	8 (10.00)	9 (11.25)	17 (7.08)
All of them	10 (12.50)	19 (21.59)	4 (5.00)	33 (13.31)
Total	80 (100.0)	80 (100.0)	80 (100.0)	240 (100.0)

Table 6 shows the data regarding tribal women going outside home independently which reveals that out of 240 women, 54.44 percent goes Haat Bazar alone without taking any adult person with them. Nearly 12.10 percent women goes alone at two places, i.e. Haat bazar and Health centre and 11.69 percent goes at all places alone (i.e. Haat Bazar, Health Centre, Friends and Relatives and Gram Sabha and Fare). Women independently going to Haat Bazar and Friends and Relatives are 6.85% (17) and going health centre institute 6.05% (15), while 7.08 percent (17) women goes alone to health centre, friends and relatives. This shows their freedom of movement.

Table 7 shows the participation of women in various activities. The data indicates that out of 240 women in respondents family, 54.17 percent (130) women participates in Self help group, 5 percent (12) participates in Caste Panchayat and Self help Group and 4.17 per cent women participate in Gram Sabha. Women participate in Gram Sabha and Self Help Group constitutes 2.08 percent, while only 1 woman participates in all fields. On the other hand, 34.17 percent women couldn't say anything about this. This shows that though freedom of movement and decision making power is enjoyed by tribal women in TSP region, but still the data doesn't shows the complete involvement of women in all fields along with men in the region itself.

Table 7: Participation of Women in Various Activities

Status	Banswara	Dungarpur	Udaipur	Total
Gram Sabha	0 (0.00)	4 (4.76)	6 (7.50)	10 (4.17)
SHG	61 (76.25)	29 (34.52)	40 (50.00)	130 (54.17)
Gram Sabha & SHG	0 (0.00)	5 (6.75)	0 (0.00)	5 (2.08)
Caste Panchayat & SHG	1 (1.25)	11 (13.75)	0 (0.00)	12 (5.00)
All of These	0 (0.00)	1 (1.25)	0 (0.00)	1 (0.41)
Can't Say	18 (22.5)	30 (37.5)	34 (42.50)	82 (34.17)
Total	80 (100.0)	80 (100.0)	80 (100.0)	240 (100.0)

1.2. Gender Neutrality in Decision -Making

The Indian society is characterized by the feature of male dominance in every walk of life especially in the rural sector. Either the role of women in decision on any socio-economic issue is nil or negligible. Women empowerment is possible in neutral society where decisions are taken by mutual understanding of both men and women. To judge the women's status in tribal and non-tribal societies Index of Gender Neutrality is constructed which included issues related to cropping pattern, sending children to school, participation in formal, informal institutions, use of money earned by husband and wife, meeting social obligations etc.

Table 8 (a) : Index of Gender Neutrality (IGN) (Tribal)

S.No.	Variables	Dungarpur	Banswara	Udaipur
1.	Cropping Pattern	13	19	18
2.	Sending boy to school	65	51	13
3.	Sending girl to school	71	76	67
4.	Choice of employment of the wife	22	36	17
5.	participate in ward sabha/gram sabha	10	14	2
6.	Participate in caste panchayat	20	39	60
7.	Interact with outsiders	48	13	14
8.	Use money earned by husband	80	44	8
9.	use money earned by wife	73	59	64
10.	Have another child	11	54	15
11.	Meeting social obligations	71	42	6
12.	Major purchase in the household	77	59	64
	Districtwise IGN	31.88	28.75	19.77
Tribal IGN		26.8		

Table 8 (b): Index of Gender Neutrality Index (IGN) (Non-Tribal)

S.No.	Variables	Dungarpur	Banswara	Udaipur
1.	Cropping Pattern	5	6	4
2.	Sending boy to school	4	8	7
3.	Sending girl to school	4	8	8
4.	Choice of employment of the wife	8	7	7
5.	participate in ward sabha/gram sabha	9	5	3
6.	Participate in caste panchayat	9	8	7
7.	Interact with outsiders	8	7	8
8.	Use money earned by husband	8	4	4
9.	use money earned by wife	8	8	5
10.	Have another child	7	8	6
11.	Meeting social obligations	8	11	10
12.	Major purchase in the household	13	14	12
	District wise IGN	18.96	19.58	16.88
Non-Tribal IGN		18.47		

The ING for tribal and non-tribal household reveals the fact that in both kind of communities perfect gender neutrality in decision making is not there. But the value of ING is slightly higher for tribals than non-tribals [table 8 (a) & (b)] so it is to be checked whether the significant difference in ING of tribal and non-tribal exists. For this purpose the nonparametric Mann-Whitney U-Test is applied.

Table 9: Results of Mann-Whitney U-Test

Index	Table value of Mann-Whitney	P-value	Level of Significance	Null Hypothesis
GNI	0.000	0.05	0.05	Reject

At 10% level of significance is 0.05 is each case

Table 9 shows the results of Mann-Whitney U-test. Since the p-value is less than 0.05, the null hypothesis is rejected. From this it is inferred that both the categories differ significantly for the gender neutrality in decision making and according to the value of IGN it could be concluded that tribal households are more gender neutral in decision making than non-tribal household and thus tribal women are more empowered from decision making aspect than their counterpart .

IGN shows the dominant role played by tribal women in decision making. In activities related to interaction with the community, such as participation in the gram sabha and caste panchayats and in meeting social obligations, mainly tribal men take decisions. When livelihood concerns are at stake, such as cropping pattern and employment of the wife men take decisions but women are also consulted. Women are consulted more when children's education is concerned. The highest response of both taking decision is on major purchase in household in tribal communities.

A tribal woman enjoys more equal social and economic status with men in comparison of non-tribal household.

Conclusion

Hence, it can be said that though tribal women are somewhat empowered with decision making power, but their education level, economic status and income earning capacity has to be improved to make them empowered in real terms, because there is a close relationship of education and economic status with decision making capacity of women and empowerment.

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Agricultural Marketable and Marketed Surplus of Food Grains in India

Dr. Shekhar Maidamwar*

Introduction

Agriculture plays a vital role in Indian economy. Over 58 per cent of rural households depend on agriculture as their principal means of livelihood. Agriculture along with fisheries and forestry accounts one-third of the nation's Gross Domestic Product (GDP) and its single largest contributor. Agricultural exports constitute a fifth of the total exports of the country. In view of the predominant position of Agricultural sector, collection, maintenance of Agricultural Marketable and Marketed Surplus of food grains assume great importance. In any developing economy, the Marketed Surplus or Producer's Surplus of agricultural product plays a significant role. The quantity, which is actually made available to the non - producing population of the country. From the marketing point of view, this surplus is more important than the total production of commodities. The arrangement for marketing and the expansion of markets have to be made only for the surplus quantity available with the farmers, and not for the total production. The role at which agricultural production expands determines the pace of agricultural development, while the growth in the marketed surplus determines the pace of economic development. An increase in production must be accompanied by an increase in the marketable surplus for the economic development of the country. Though the marketing system is more concerned with the surplus which enters or is likely to enter the market, the quantum of total production is essential for this surplus.

The agricultural marketing system plays a dual role in economic development of India where resources are primarily agricultural. Increasing demands for money with which to purchase other goods leads to increasing sensitivity to relative prices on the part of the producer and specialization in the cultivation of those crops on which the returns are the greatest, subject to socio - cultural, ecological and economic constraints. The marketing system transmits the crucial price signals. On the other hand and in order to sustain the growth of the non- agricultural sector, resources have to be extracted from the agricultural sector - physical resources to guarantee supplies of food and raw materials for the agro industry and financial resources for investment in non- farm economy as well as for re- investment in agriculture. An efficient agricultural marketing system leads to the optimization of resources use and output management. An efficient marketing system can also contributes to an increase in the marketable surplus by scaling down the losses arising out of inefficient processing, storage and transportation. As well, designed system of marketing can effectively distribute the available stock of modern inputs and thereby sustain a faster rate of growth in the agricultural sector. An efficient marketing system also ensures higher level of income for the farmers by reducing the number of middlemen or by restricting the commission on marketing services and the malpractice adopted by them in marketing of farm products.

An efficient system guarantees the farmers better prices for farm products and induces them to invest their surpluses in the purchase of modern inputs so that productivity and production may increase. This again results in an increase in the marketed surplus and income of the farmers. If the producer does not have an

* *Assistant Professor (Economics), ICSSR, PDF, SOS in Economics, Vikram University, Ujjain (M.P.).*

easily accessible market outlet where he can sell his surplus produce, he has little incentive to produce more. The need for providing adequate incentives for increased production is, therefore, very, important and this can be made possible only by stream lining the marketing system.

Concept of Marketable and Marketed Surpluses

Marketable Surplus is a theoretical ex ante concept which represents the surplus which the farmer/producer has available with himself for disposal once the genuine requirements of the farmer for family consumption, payment of wages in kind, feed, seed, wastage and purchases have been met. Marketed Surplus as compared to marketable surplus is a practical ex post concept and refers to that part of the marketable surplus which is marketed by the producer i.e. not only the part which is available for disposal but that part which is made available to the market or to the disposal of the non-farm rural and urban population.

Computation of Marketable Surplus

It is computed by the formula: $A - B = MS$

Where MS is Marketable Surplus, A - stands for net availability of the given crop in the year of reference and B - stands for the following items in the same year:

- i. Consumption by the farm family,
- ii. Consumption by permanent labor engaged on the farm,
- iii. Consumption by the temporary labor occasionally employed on the farm,
- iv. Quantity retained for seed,
- v. Quantity retained as feed for farm animals,
- vi. Quantity retained for barter,
- vii. Payments in kind : a) To permanent labor, b) To temporary labor, c) For machinery and equipment, d) For customary payments, e) To land owners as rent, f) To land owners as share of produce, g) for re-payment of loan, h) Land revenue, i) Irrigation charges and j) others.
- viii. Physical losses: a) In threshing and winnowing, b) In transport from threshing floor to storage, and c) In storage at producer's level.

Table-1
All-India Marketed Surplus Ratio (MSR) of Important Agricultural Commodities
(1950-2011-12)

Crop	1950-50	1999-00	2003-04	2004-05	2008-09	2009-10	2010-11	2011-12
Rice	30.0	61.0	75.2	71.4	66.8	79.7	80.7	77.2
Wheat	30.0	56.0	67.7	63.3	70.9	72.3	73.2	70.2
Maize	24.0	67.0	62.5	53.4	85.5	86.8	86.0	83.3
Jowar	24.0	47.6	57.0	69.4	54.6	65.0	62.0	53.5
Bajra	27.0	61.7	43.4	56.1	57.8	70.3	67.4	67.5
Barley	-	42.9	37.3	57.7	51.8	67.9	73.8	59.8
Ragi	-	26.5	60.3	79.5	20.1	37.2	25.7	53.3

Arhar	50.0	63.5	80.3	93.8	75.4	76.5	73.8	81.5
Gram	35.0	71.8	82.2	85.8	74.2	89.5	86.7	85.3
Urad	-	90.5	85.2	76.8	60.8	70.4	63.6	70.0
Moong	-	74.6	68.1	85.9	82.5	82.5	81.5	87.3
Lentil	55.0	56.7	90.4	88.8	73.4	79.4	77.9	88.1
Groundnut	68.0	62.2	86.0	89.7	91.8	92.9	93.4	90.8
Rapeseed & Mustard	84.0	73.3	92.3	95.0	89.4	87.2	82.1	82.1
Soybean	-	92.5	97.2	98.3	77.3	91.8	95.7	94.4
Sunflower	-	99.2	90.9	87.4	65.2	99.6	99.6	65.6
Sesamum	-	86.1	99.7	91.3	83.7	94.7	83.2	92.8
Safflower	-	89.2	96.8	96.8	72.7	73.1	55.1	-
Nigerseed	-	94.7	98.8	98.2	94.5	88.6	83.7	94.7
Cotton	100.0	83.8	97.6	-	94.9	97.7	95.4	98.4
Jute	100.0	97.5	97.7	-	90.7	85.7	57.6	83.5
Onion	-	98.5	99.8	-	82.9	98.2	99.7	75.4
Potato	-	47.6	75.7	-	85.0	81.6	76.3	77.4

Sources: Gol (2013), Agricultural Statistics at a Glance, 2007, 2010 & 2012, Ministry of Agriculture, Government of India.

Consumption by the Farm Family

The term "Consumption by the farm family" of the cultivator households has two distinct connotations in so far as its impact on marketed and marketable surplus is concerned. For marketed surplus, it refers to the quantity actually retained for consumption by the family irrespective of the actual total requirements for the purpose. For Marketable Surplus it refers to the quantity that ought to be retained by the farm family for its consumption or the quantity required for consumption. The use of the term "Surplus" would thus be justified only if the quantity actually required for consumption, rather than the quantity actually retained for consumption is taken into account for arriving at the quantity of marketable surplus actually available for non-farm consumption.

In case the quantity actually retained for consumption (and not the quantity actually required for consumption) is taken into account, the quantity calculated is the marketed surplus which is a gross concept not subtracting repurchases, because the quantity sold will not include the buy backs by the producers. Meanwhile, instead of quantity retained for family consumption, the quantity required for consumption is taken into consideration for calculation of marketable surplus and hence it is a net concept subtracting repurchases. The quantity required for family consumption has been calculated by adding the "Quantity retained for family consumption + Quantity purchased for family consumption + Total receipts in kind for family consumption".

The marketable surplus will thus be according to the formula:

$$A - B = MS$$

Where, A stands for production, and B includes all the items mentioned earlier except that “Quantity required for consumption” has been treated to include the quantity required for “family consumption” as explained above and MS stands for “marketable surplus”. This quantity is actually available for non-farm consumption and is, therefore, true Marketable Surplus.

Computation of Marketed Surplus

In case the quantity actually retained for consumption (and not the quantity actually required for consumption) is taken into account, the quantity calculated is the marketed surplus which is a gross concept, because the quantity sold will not include the buy backs by the producers. The marketable surplus will thus be according to the formula:

$$A - B = MS$$

Where A stands for production and B includes all the items mentioned above apart from viii) (c) ie viii) Physical losses: c) In storage at producer's level.

The term “Consumption by the farm family” of the cultivator households refers to the quantity actually retained for consumption by the family irrespective of the actual total requirements for the purpose.

For Accounting Purpose

Marketable Surplus = Net availability of the Crop in the year – Retention including all seed feed and wastage – Purchases.

$$MS = N - R - P \Rightarrow MS = (N - R) - P$$

The marketable surplus differs from region to region and within the same region, from crop to crop. It also varies from farm to farm.

On a particular farm, the quantity of marketable surplus depends on

- 1). Size of operational holding,
- 2). Yield of Commodity,
- 3). Price of the Commodity,
- 4). Household Size,
- 5). Requirements of seeds and feed,
- 6). Payments to labor in kind,
- 7). Distance from mandi, and
- 8). Stock of previous year etc.

The larger the quantity actually marketed, greater the cash income to a farmer. Accordingly, crops also came to be known as cash crops, which earn more cash income to the farmers. The marketable or marketed surpluses depend upon type of crop i.e. food grain, other food crop or non-food crop. In the case of food grain and other food crops, the surpluses are generally less on small and marginal farms and their proportions a widely

according to the size of holding and other related factors. But in the case of non-food crops viz. Cotton, sugarcane, soybean etc. which is used as raw material in agro-based industry, almost all the production is available for sale except small quantities kept for seed. In these crops, marketable surpluses are nearly 100 per cent. Such crops are called as cash crops or commercial crops. On the same analogy, even food crops with large marketable surpluses (say above 50%) can be regarded as cash or commercial crops.

Identification of certain crops as commercial or cash crops has many policy implications from the point of view of development of good organized markets and other infrastructure facilities such as roads, storage's (including cold storage's for perishables), communication, market information, banking services, etc.

1. Marketable surplus for food grains, particularly in a deficit state are low and such crops may not be considered as commercial crops in that area.
2. All fruit crops are definitely commercial crops because their marketable surpluses are above 96%.
3. Similarly, vegetables are also commercial crops, which is evident from their marketable surpluses being above 96% and marketed surpluses above 85%.
4. Special mention needs to be made about milk.

Some oil seed crops like groundnut, sunflower, safflower, soybean, castor and other crops like cotton and sugarcane are also recognized as commercial crops as the marketable surpluses in them are almost 100% and therefore they are cash crops for the farmers. In addition, there are some crops, which are grown in small pockets, but they have large marketable surpluses and hence they are cash crops for farmers in those areas. Examples are – Red chilli, turmeric, tobacco, minor fruits, etc.

The solution to the problem of development, it is argued, is to take steps to increase agricultural productivity rather than get involved in the possibility of the failure of marketed agricultural surplus to grow. Since the peasant has a rather high propensity to save and since a large part of his incremental consumption consists of manufactured goods, the argument runs, it is incorrect and misleading to over-emphasize the problem of marketed surplus.

However, why marketed surplus may not fail to increase with rise in per capita agricultural production. In a predominantly agricultural country, like India, aiming at a high rate of capital formation, it is not enough that marketed surplus should rise with rise in production; the ratio of marketed surplus to production must raise enough to mobilize the savings potential in the agricultural sector to the utmost. It would not do, therefore, to ignore the problem of marketed surplus.

Conclusion

The agricultural marketing plays an important role not only in stimulating production and consumption, but also in accelerating the pace of economic development. It is dynamic function but of primary importance in promoting economic development. For this reason, it has been described as the most important multiplier of agricultural development. India's age-old farming practices have taken a turn in recent years. There has been a technological breakthrough because of the evolution of high yielding variety seeds, increasing use of fertilizer, insecticides, pesticides, the installation of pumping sets, and new technological implements. This technological breakthrough has led to a substantial increase in production on the farms and to the larger marketable and marketed surplus. To maintain this tempo and pace of increased production through technological development, an assurance of remunerative prices to the farmers are a prerequisite and this

assurance can give to the farmer by developing an efficient marketing system. A well-knit marketing system widens the market for the products by taking them to remote corners both within and outside the country, i.e., to areas far away from the production points. The marketing system is essential for the success of the development programs that are designed to uplift the population as a whole.

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Non-Government Organisations Functioning In India

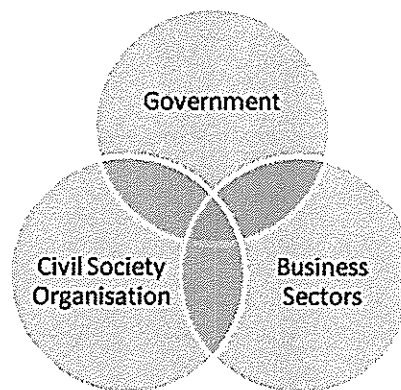
Mrs. Sephali Pradhan*

Abstract

Development is usually conceived as an aspect of change that is desirable, broadly predicted or planned and administered, or at least influenced, by governmental action. It means an improvement in the quality of life through better health, education, housing and overall material and social welfare. The task of development is so huge and complicated that just implementing government plans is not sufficient. To achieve this holistic vision, collaborative efforts involving various department agencies and even NGOs are required. The work undertaken by NGOs is wide-ranging but NGO roles can be usefully analyzed as having three main components: first Implementer, second Catalyst, and the third Partner.

Introduction

The Golden bird India is a land of villages with teeming millions of people. But the development of a nation is shaped in its village and village households. The government of India has been implementing numerous development programmes for the upliftment of rural communities. But due to diversity in regions, and socio economic profile, the task of development is so huge and complicated that just implementing government plans is not sufficient. To achieve this, a holistic vision and collaborative efforts involving various departments, agencies, and even non-government organisations are required owing to such a great need. Thus there are three main players in the democratic country like India. Such as-



A Civil Society is the name of NGOs. NGOs are the Non Governmental Organisations that are primarily involved in performing a variety of activities for the benefit of the people and welfare of the society. They work towards various issues that concern the society and the people. These NGOs do not have any commercial interest but are maintained by fund-raising. However, the main aim of NGOs in India is to serve the poor people and the people who are suffering from natural calamities. The members of the NGOs identify the problems in the society and their resources try to solve these problems without any self interest.

* *Research Scholar, Dept. of Economics, Pacific University, Udaipur*

However, these organisations have to comply with the rules and regulations formed by the government of India. The services offered by the members are voluntary. The work undertaken by NGOs is wide-ranging but NGO roles can be usefully analyzed as having three main components: 1. Implementer, 2. Catalyst, 3. Partner (Lewis, 2007).

1. **Implementer:** The implementer role is concerned with the mobilization of resources to provide goods and services to people who need them. Service delivery is carried out by NGOs across a wide range of fields such as healthcare, microfinance, agricultural extension, emergency relief, and human rights.
2. **Catalyst:** The catalyst role can be defined as an NGO's ability to inspire, facilitate or contribute to improved thinking and action to promote social transformation. This effort may be directed towards individuals or groups in local communities, or among other actors in development such as government, business or donors. It may include grassroots organizing and group formation, gender and empowerment work, lobbying and advocacy work, and attempts to influence wider policy processes through innovation, and policy entrepreneurship.
3. **Partner:** The role of partner reflects the growing trend for NGOs to work with government, donors and the private sector on joint activities, such as providing specific inputs within a broader multiagency program or project, or undertaking socially responsible business initiatives. It also includes activities that take place among NGOs and with communities such as "capacity building" work which seeks to develop and strengthen capabilities.

The NGOs in India functions for –

1. Provide free education to the poor or economically backward children
2. Conduct free classes in small groups to the poor children
3. Provide medical facilities to the rural poor.
4. Work for the welfare and upliftment of the women
5. Reduce pollution of the environment
6. Providing shelter to the orphans, old aged, destitute and even animals

Many NGOs in India offer jobs to the people at various levels. Offering voluntary service in an NGO gives satisfaction and a chance to work for the society or for a social cause.

As per data available with the Planning Commission, there are 12265 NGOs in the country of which 91% are involved in social sector activities , 52.75% in rural development(RD), 17% in Human Resource Development(HRD), 10.15% Social Justice & Empowerment (SJ & E), 6.2% in Health & Family Welfare(H & FW), and 4.8% in Youth Affairs & Sports (YA & S). The main activities undertaken by NGOs are:

- Organization of literacy, post literacy and out of school education programmes;
- Organization of saving and credit groups;
- Organization of income generating programme to poor people through skills training;
- Learning materials development and publication;
- Capacity building of local organizations;
- Organization of seminars for awareness building among the community people.
- Monitor to the grass root organizations and service organizations;
- Organization of training, seminars, workshops, meetings etc.
- Research and evaluation of development program.

Most people agree that most NGOs are result oriented, effective & efficient. But there are some NGOs which do not function well but in a developing country like India NGOs develop through different stages which are shown below:

Phases of NGOs Development:

Phase I: Most the NGOs are at first organized as an emergency service provider when disaster happens like earthquake, flood, and epidemic etc.



Phase II: Then gradually they take up people's welfare oriented Development program such as setting up health post, saving and Credit groups for women, starting literacy classes etc.



Phase III: Gradually they try to empower the marginalized people and to undertake advocacy role with the government, power holder in the society and to promote international solidarity.

There are the top 10 NGOs who have truly worked in the best possible manner after taking up a particular cause in India. They are as:

- 1) **Sammaan Foundation:** The purpose of establishing Sammaan foundation (Jan 25, 2007) was empowering the downtrodden and linking them with the main stream through education, training and financial support. More specifically, at the moment, Sammaan is working towards organizing the rickshaw-pulling class of people by providing them with opportunities to earn their livelihood. It is taking giant strides in areas like women empowerment, health services, employment generation, micro credit and children's education.
- 2) **Goonj:** Goonj's mission is to solve the clothing problems of the underprivileged. It was the recipient of the NGO of the year award in 2007 at the India NGO Awards. The various initiatives of Goong are- Vastra Samman- Goonj believes that reusing old clothes can help solve the clothing problem of the poor. Not just a piece of cloth- Goonj has been striving to establish partnerships between rural and rich urban schools. Rahat Floods- Goonj initiates Rahat floods annually for collect relief material during floods to aid affected victims in West Bengal, Assam and Bihar. Rahat Winters- Similar to Rahat floods, Goonj initiates Rahat winters every year to solve the problem of winter clothing of the underprivileged.
- 3) **Akshaya Trust:** The mission of Akshaya trust is to care for the helpless, forsaken, mentally ill, old, sick and the road side destitute who live in Madurai. This is accomplished by providing love and affection, healthy food, rehabilitation opportunities. Their sole aim is to restore human dignity
- 4) **Smile Foundation:** It is formed in 2002; the Smile foundation comprises corporate professionals who had a target of providing universal education and healthcare services to the underprivileged thereby changing their lives forever. They aim to set the foundation for nation building by making the downtrodden emerge as productive assets.

- 5) **Udaan Welfare Foundation:** The Udaan Welfare foundation was formed with a mission to empower lives of the downtrodden. Their main areas of focus are children, destitute women, senior citizens and environment protection. Till date, they have launched various health and education initiatives involving children and destitute women. They even have a cancer chemotherapy centre as one of their main projects.
- 6) **Pratham:** Pratham is one of the largest NGO which works towards educating the underprivileged children in the slums of Mumbai. Their team comprises people from various fields who expertly bring their experiences and own unique perspectives and work together to create a bright future for our children. The programs of Pratham are designed in such a way that enrolment of children in schools increases, their learning levels increase and those people who are unable to attend school receive education receive it in a proper manner.
- 7) **LEPRA Society:** LEPRA society actively promotes quality health care through various initiatives. It aims to support various health programmes in the prevention and control of diseases like AIDS, Leprosy, and Tuberculosis etc. Their programmes are mainly focussed to communities which are poor comprising women and children.
- 8) **Deepalaya:** Deepalaya is a development-based NGO which works on issues pertaining to the poor and the downtrodden, especially children. It has successfully made inroads into slums of Delhi and initiated rural development in Haryana and Uttarakhand. It works in collaboration with both governmental and non-governmental agencies and makes interventions in the state's policy making. Their areas of focus include education, healthcare, gender equality, vocational training, empowering other NGOs which have the same vision and upliftment of the differently-abled.
- 9) **Uday Foundation:** Based in New Delhi, the Uday foundation provides support to the families of children suffering from critical disorders, congenital defects and other diseases and syndromes which affects their health, growth and education. It has launched various health related projects for the common man in general. Their special focus is child rights i.e. providing a right to live with dignity. It is more of a parents support group who tackle the problem of saving the lives of the future of our country. They also support research to develop new healthcare technologies.
- 10) **Help Age India:** Help Age India, since its establishment in 1978 has constantly been striving to raise resources to protect the rights of senior citizens of our country. They are involved with the local and national government to implement policies which will be beneficial to the elderly. Their objective is to make the senior citizens aware of their rights so that they can play an active role in the society. To accomplish this, they are also working constantly to make the society aware of the concerns regarding the elderly and also promoting better understanding of similar issues.

Many NGOs and organizations for social change have mushroomed in India in the previous decade but very few have expanded on the basis of scale and the impact on the community. After all, it's a herculean task to scrape through red tapism in the government to be able to establish an NGO in the first place. And considering the lack of transparency in transactions in our country, donations and sponsorships too are not easy to receive too. In spite of all these hurdles, there are a few NGOs that have made substantial social impact in India until now.

FUNDING FOR NGOs

Whether the NGOs are small or large, they need budgets to operate. Funding large budgets also demands significant fund raising efforts on the part of most NGOs. Major source of NGOs funding are membership dues, the sale of goods and services, grants from international institutions or national government and private donations. Several EU-grants provide funds accessible to NGOs.

PROBLEMS OF NGOs

1. Lack of Funds 2. Lack of Dedicated Leadership 3. Inadequate Trained Personnel 4. Misuse of Funds 5. Monopolization of leadership 6. Lack of Public Participation 7. Centralization in Urban Areas. 8. Lack of Coordination 9. Lack of Volunteerism/Social work among Youth 10. Modernization 11. Target orientated and time-bound Programmes 11. Area of Interest.

Remedies

The following are the suggested remedies to the problems of the NGOs in India.

- A. The government of India has to liberalize the rules and regulations of grants in-aid and to sanction more grants to NGOs.
- B. Universities, colleges and schools have to collaborate with NGOs and conduct a campus interviews for the young graduates who are interested in voluntarism.
- C. The government of India has to introduce the success stories of great leaders and their style of leadership qualities, voluntarism, dedication and commitment towards social work.
- D. There must be coordinating organizations like Association of Voluntary Association for Rural Development (AVARD), Coordination Council of Voluntary Association (CCVA) etc. to solve the problems of NGOs.
- E. The government has also give some special provisions for NGOs who are working in rural areas in getting eligibility conditions for grants.
- F. The government has to recognize those NGOs who maintain high quality services, by giving awards or rewards with additional grants. This would motivate the other NGOs to work efficiently.
- G. Monopolization of leadership should be avoided. NGOs should recruit young and efficient people as leaders.
- H. The government should revise the pay-scales and allowances to the personnel of NGOs. At the same time some special funds to be allotted for the NGOs to train the personnel at the grass root level.
- I. The NGOs should use of latest technologies like internet, websites etc., for rising of their funds, to have mutual associations, to advertise their products and for the selection of efficient personals.
- J. The government or donor should concern that particular NGO while giving target orientated or time bound programme. This leads to maintain the quality in service.

In the process of the above development approaches, many NGOs are doing excellent work by utilizing the funds generated from various sources. There have been examples where Government has recognized the excellent work done by NGOs and replicated the model in their system. NGOs are always involved in different task forces and committees. So, there is no doubt that NGOs are not doing good work. The Indian situation

has not been, however, different. If the proliferation of NGOs is of any indication, the sector is expanding day to day. India has 31 lakh NGOs, more than double the number of schools in the country, 250 times the number of government hospitals, one NGO for 400 people as against one policeman for 709 people (Indian Express). In 2009 the number was about 20 Lakhs.

But there is flipside to the story. Among the states, Uttar Pradesh tops the list with more than 5.48 lakh NGOs, followed by Maharashtra which has 5.18 lakh NGOs. Kerala comes third with 3.7 lakh NGOs, followed by West Bengal with 2.34 lakh NGOs. Of the 82,250 NGOs in the Union Territories, Delhi alone has more than 76,000 NGOs. Less than 10 per cent of the NGOs have complied with the requirement of submitting balance sheets and income-expenditure statements with the Registrar of Societies. Of around 30 lakh NGOs, 2.9 lakh have submitted financial statements. (Indian express)

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BRTS – Key to Urban Public Transport (With special reference to Indore City)

Dr. Vishakha Kutumbale*

Abstract

Development is a continuous process; moreover we do not just plan for development but rather intent for sustainable development. As in India, infrastructure sector has been a leading sector of development; the network of roads on highways as well as technology of making roads (Asphalt and concrete) has brought in an upturn change in life span of roads. Exigent need of Urban Public Transport is an outcome of this development which has emerged due to many significant reasons. The paper broadly analyses the need, development, challenges and prospects of BRTS system in reference to Indore city.

Infrastructure development has been a bottleneck in development of Indore. The city has witnessed problems of poor road conditions, lack of adequate public transport facilities and inefficient private transport operations for a long period of time, until the commencement of the new century. This road has links to different part of the city so there was a dire need to develop a BRTS which would connect to major part of the city. Hence it is a vital task of the local, state and central government to have vision about the need of public transport and execute projects like BRTS efficiently.

Keywords: BRTS, Urban transport, development

Introduction

Emerging economies like India are now projected to be hub of growth engine for international development. We have undergone an three sixty degree change as far as rate of growth in various sectors namely infrastructure development, IT and IT enabled services, Energy, Health Care, Manufacturing and Food processing. There is a broad consensus that the global centre of economic growth is moving to Asia, and as a large emerging nation with a growing middle class, India has captured the attention of the developed economies looking for new investment and trade opportunities. Those sectors which are growing very fast rate in India are called the Emerging Sectors. By some estimates Indian economy will grow from its current \$1.8 trillion GDP to a GDP close to \$ 30 trillion to be the world's third largest in 2030¹.

Development is a continuous process; moreover we do not just plan for development but rather intent for sustainable development. Sustainable development is the buzz word after the awareness of environmental factors has emerged. World over economies now plan for sustainable, eco-friendly systems and mechanisms of development. As in India, infrastructure sector has been a leading sector of development; the network of roads on highways as well as technology of making roads (Asphalt and concrete) has brought in an upturn change in life span of roads. Exigent need of Urban Public Transport is an outcome of this development which has emerged due to many significant reasons.

* *Senior Lecturer, School of Economics, DAVV, Indore, MP*

This paper intends to draw attention towards understanding BRTS (BUS RAPID TRANSIT SYSTEM) as a powerful means of developing low carbon mobility in urban public transport. The paper tries to investigate specifically in reference to Indore city, the reasons for launch of BRTS; a sketch of its development since the inception; challenges and prospects of this system.

Literature Review

The most important and vital part of research is its literature review, which enables the researchers understand the present scenario of research in that subject area and raise issues which will make the understanding and development of the theme better. Certainly it also helps in identifying the research gaps which can be investigated and the drive of research becomes ceaseless. For the above said theme few important literature reviews has been done which is as follows:

Ajay Mishra, Saxena Anil Kumar, Purohit Pradeep², 'Study of Bus Rapid Transit system In Respect to Growing Cities of India'. Their study talks that BRTS is the most economical eco-friendly solution of public transportation for growing cities of India. Public transport is operated by the unorganized sector in most of the cities of India, which is the main cause of poor quality of public transport facility in Indian cities i.e. over loading, un-standard fare, unqualified drivers & staff, unscheduled movement causes the inconvenient & unsafe journey for user of public transport. But a BRT network with comprehensive coverage can serve a diverse market (all income ranges) by moving large numbers of people between locations quickly and reliably throughout the day, while maintaining a comfortable riding experience.

Bus Rapid Transit System (BRTS) is the Safe, Economical, Rapid, Convenient & New concept of Public transport in Indian scenario. Population wise India is the second largest country & fastest growing economy of the world. Presently the population of India is 130 Millions & Approximately 42 Million people's live in the growing cities but in the past decades there are no considerable development in the field of urban transportation so due to this reason & also tremendous growth of vehicular population on urban roads causes the congestion & traffic jam condition in the most of Indian cities. Now this is the time to think about the urban transport. These characteristics are essential to satisfy the demands of a diverse market or offering high-frequency service without heavy subsidy.

Anuj Jaiswal, Ashutosh Sharma, Yadu Krishnan³, Potential of Bus Rapid Transit System for million plus Indian cities: a case study of janmarg BRTS, Ahmadabad, India . Their research states that a sustainable transport system must provide mobility and accessibility to all urban residents in a safe and environment friendly mode of transport. The rapid growth in the number of motor vehicles has resulted in severe traffic congestion and air pollution in many cities of the country. Bus rapid transit (BRT) is a term applied to a variety of public transportation systems using buses to provide faster, more efficient service than an ordinary bus line. The goal of these systems is to approach the service quality of rail transit while still enjoying the cost savings and flexibility of bus transit so the city can be self-sustainable.

Ahmadabad has become the first city in South Asia to receive award for sustainable transport system. It has bagged for successful implementation of Bus Rapid Transit (BRT) system. This Paper examines the impact of BRT System on Ahmadabad's transport sector and the changes that can be brought about by introduction of BRT System in other cities. BRTS Ahmadabad has improved access for local riders and advanced public transportation systems while reducing the environmental impacts of transportation. Moving people quickly, at

a low cost, with reduced greenhouse gases and air pollutants helps cities grappling with rapid growth, congestion and environmental concerns.

Darshini Mahadevia, Rutul Joshi, Abhijit Datey⁴, PROMOTING LOW-CARBON TRANSPORT IN India, Low-Carbon Mobility in India and the Challenges of Social Inclusion: Bus Rapid Transit (BRT) Case Studies in India. This publication is part of the 'Promoting Low-carbon Transport in India' project supported by Federal ministry of Environment, Nature Conservation and Nuclear Safety, based on a decision of the parliament of Federal Republic of Germany.

The overarching concepts of sustainability, accessibility and equity need to be translated into the framework of assessing various BRT projects. From the perspective of accessibility and equity, it is important to find out who are the users of the BRT, who can afford the BRT services and how inclusive it is as a system. From the perspective of sustainability, it will be important to know the shifts from the PMT (Personalised Motor Transport) to the BRTS and the quality of NMT (Non-Motorised Transport) infrastructure built as part of the BRT system.

The cities of Pune, Delhi, Jaipur and Indore, where the BRT efforts have started since 2005, have been selected for brief assessment of the BRT system in India. These have therefore been discussed briefly as a context of assessment of BRTS. This macro analysis indicates the government's sincerity in pursuing the low-cost and low-carbon public transit system in India. It also points out the bottlenecks in the system.

Devarshi Chaurasia⁵, Bus Rapid Transit System (BRTS): A Sustainable Way of City Transport (Case Study of Bhopal BRTS). Irrespective of the cities of any country around the world, at some point of time they have faced problems associated with passenger mobility and connecting the city periphery with central part, in urban areas and found few innovative solutions to overcome the problems. Urban Planners, Engineers and Urban Administrator have found Bus Rapid Transit (BRT) System as efficient, cost effective and simple as compare to other Light Rail Transit (LRT) and Metro Rail solution to provide 'life line' to city. Many cities around the world are operating on BRTS and getting positive results including so many Indian cities. This paper, investigates the salient features and properties of BRT system with the help of various operational BRT. This study also presents an observational study of Bhopal BRT system to analyse the actual condition and lacunas of BRTS.

Thaker Keyur B and CA Apeksha Jain⁶, had made a case study on BRTS, Indore to understand more in detail about on project financing, public-private partnerships, infrastructure financing for modules related to transportation and infrastructure financing or structuring PPP for graduates and executive program levels at IIM, Indore.

The city of Indore, a commercial hub of Madhya Pradesh province of India through a SPV, Atal Indore City Transport Service Ltd. (AICTSL), initiated the development of BRTS on a PPP (public-private partnership) model in 2007. It invited partnerships with private parties for bus operators, construction and other services to induct iBus (BRT buses) on specific routes. Prior to 2007, the city was reeling under poor traffic conditions with a modest road infrastructure, erratic traffic and pitiful public transportation. BRTS was launched to enhance city roads, improve traffic conditions and encourage the public to use public transportation and reduce reliance on private vehicles. However, the corridor infrastructure work was delayed and even after the launch of BRT buses in 2013, controversies further played spoil sport. Congestion increased at crossovers and common lanes and numerous road fatalities steered public interest litigations that questioned the very design and purpose of the BRTS. A court verdict allowing four wheelers to use the lane that was envisioned

exclusively for BRTS and a review the traffic conditions and corridor configurations was a major obstacle for bringing a world class sustainable public transportation system to Indore. This case provides an interesting setting to study various aspects of development, structuring, financing, feasibility and viability of the BRTS. The case highlights various issues faced by managers and regulators handling city transportation projects. The literature review discusses various issues related to operational aspects of BRTS, shift from PMT to BRT, changes that should be brought in to further improve the system etc. on the basis of these reviews few important objectives of this study are:

Objectives

1. To understand the reasons for launch of BRTS in Indore
2. To sketch development of BRTS since the inception
3. To analyse the challenges and prospects of BRTS system

Urban Public Transport Systems

Planning and mapping of Indian cities has its origin (modern era) since the British rule in this country. It has been a blessing in disguise to have European style of planning and networking of Indian cities as it categorizes them into three types:

Tier I / Metro as we call them today, which are independent in their own development and cater the need of a very large area as well as population

Tier II cities which are substantially small in comparison to the Metros but have linkages with many small towns over a large area surrounding them. The most important benefit is that with development of tier II cities the development has trickle-down effect to the areas in its vicinity.

Tier III comprises of small towns and villages which are further small in their size in terms of geographical area as well as population. They are dependent on tier I and II for their development process and hence not independent.

This type of planning process for Indian cities has led to exclusive as well as inclusive growth as per the need and stage of development. Thus in respect of Public transport system each type of tier requires different system to be developed and implemented. The major urban public transport systems are discussed further.

- **Metro Train**

This mode of transport was mainly devised for Metro/Tier I cities of India to cater their vast population and reduce congestion on roads. The cost of this development is also gigantic in nature but in long run beneficial for the development of these cities. The first project was launched in Kolkata in the year 1984.

There are currently 8 operational metro systems in India. As of 30 April 2016, India has 316 km of operational metro lines. Metro rail lines in India are composed of both standard gauge and broad gauge.

Table 1

City	System	Start of operations	Lines	Stations	Notes
Kolkata	Kolkata Metro	24 October 1984	1	24	First mass rapid transit system in India and the 17th zone of the Indian Railways.

City	System	Start of operations	Lines	Stations	Notes
Chennai	Chennai MRTS	1 November 1995	1	17	It is planned for the MRTS to be taken over by the Chennai Metro Rail Limited.
Delhi NCR	Delhi Metro	24 December 2002	6	160	India's first modern rapid transit system.
Bangalore	Namma Metro	20 October 2011	2	30	First metro in India to introduce Wi-Fi on board trains.
Gurgaon	Rapid Metro Rail Gurgaon	14 November 2013	1	6	India's first fully privately financed metro, and the first metro system in the country to auction naming rights for its stations.
Mumbai	Mumbai Metro	8 June 2014	1	12	
Jaipur	Jaipur Metro	3 June 2015	1	9	Double-storey elevated road and Metro track project for the first time in the country.
Chennai	Chennai Metro	29 June 2015	1	7	

Source: Wikipedia, https://en.wikipedia.org/wiki/Rapid_transit_in_India

- **BRTS**

Bus Rapid Transit System (BRTS) is a rapid transit for city bus service in India. This mode of transport is alternative to Metro train, mainly for tier II cities of India. This system can be implemented comparatively in lesser cost but it also caters to lesser number of commuters as compared to a Metro train. With growing need of urban public transport BRTS is also implemented in metro cities as parallel mode of transportation to Metro Train. In India Ahmedabad is the first city to initiate BRTS in the year 2009. There have been different types of model although used in different cities of India. Cities where it could not be implemented in tandem with requirement of the system, it has resulted into failure or did not give the desired result, one such example is the Pune BRTS. The following table shows BRTS in India along with details.

Table 2

System	City	Start of Operations	System Lines	System Length (KM)	Stations
Ahmedabad BRTS	Ahmedabad	14 October 2009	12	87	126
Delhi BRTS	Delhi	2008	7	115.5	
Indore BRTS	Indore	2013	10	126.46	N/A
Jaipur BRTS	Jaipur	July 2010	2		
Rajkot BRTS	Rajkot	1 October 2012	1	63	19

System	City	Start of Operations	System Lines	System Length (KM)	Stations
Surat BRTS	Surat	26 January 2014	2	29.9	50
Vijayawada BRTS	Vijayawada	2011			
Amritsar BRTS	Amritsar	November 2015	7(phase 1)	31	62
Bhopal BRTS	Bhopal		10	186	230
Bhubaneswar BRTS	Bhubaneswar	2015	2	66.32	TBD
Hubli-Dharwad BRTS	Hubli, Dharwad	2014	2	70	33
Kolkata BRTS	Kolkata		1	15.5	
Ludhiana BRTS	Ludhiana			48	
Mumbai BRTS	Mumbai	2014	1	11.7	
Rainbow BRTS	Pune	December 2006	4	23.6	
Visakhapatnam BRTS	Vishakhapatnam			42	
Bangalore BRTS	Bangalore		14	282	
Chennai BRTS	Chennai		1	70.3	21
Coimbatore BRTS	Coimbatore		1	27.6	
Hyderabad BRTS	Hyderabad		2	39	
Lucknow BRTS	Lucknow				
Madurai BRTS	Madurai		2		
Mysore BRTS	Mysore				
Nagpur BRTS	Nagpur				
Tiruchirappalli BRTS	Tiruchirappalli		4	112	
Jodhpur BRTS	Jodhpur	15-Jan-2016			
Guwahati BRTS ^[9]	Guwahati				
Pimpri-Chinchwad BRTS	Pimpri-Chinchwad		4	112	
Pune BRTS	Pune	December 2006	4	23.6	

Source: Wikipedia, https://en.wikipedia.org/wiki/Rapid_transit_in_India

- ✓ White background In service
- ✓ Green background Under construction
- ✓ Blue background In planning
- ✓ Pink background Defunct

- **City Buses**

Government of India in April 2006 announced a National Urban Transport Policy (NUTP)⁷. The policy focuses on the need to “move people – not vehicles” and ensure safe, affordable, quick, comfortable, reliable and sustainable access for the growing number of city residents. The emphasis is on encouraging greater use of public transport, establishing effective regulatory, institutional and enforcement mechanisms, and improve planning and management of transport systems. The policy recommends greater involvement of the private sector and innovative financing mechanisms to enhance efficiency and reduce the impact on the public budget. It seeks to reduce travel demand by encouraging better integration of land use and transport planning. NUTP encourages capacity building, both at the institutional and individual level. Jawaharlal Nehru National Urban Renewal Mission (JnNURM). In 2005, Ministry of Urban Development, MoUD, Government of India (GoI) launched the Jawaharlal Nehru National Urban Renewal Mission (JnNURM). The Mission was launched with an aim to encourage urban level reforms and fast track planned infrastructure development of identified “mission cities”. In total 65 different cities were identified for this project. Under JnNURM, financial assistance is being provided to each of the cities for specific project planning, development and implementation for projects of water supply, sewerage, drainage, solid waste, urban transport, urban renewal, heritage preservation and slum improvement. However, amongst all other infrastructure sectors, urban transport demanded special consideration, as indicated by the extraordinary growth in urban traffic conditions, depleting public transport services and the impact of road pollution to the urban environment. This brought about the convergence of NUTP and transport related JnNURM projects.

This mode of transport was helpful in reducing the burden on Private Motorised transport but its success was subjective to each city and the efficacy of the local regulators. The frequency of plying on different routes and the infrastructure development also affected the execution of city buses in different cities of the country but more importantly these city buses could not shift major burden of private motorised transport. They performed well as substitutes to private vehicles like Maruti Van, Tata Magic and similar vehicles.

- **Local Van, Mini Buses**

This mode of transport is available in various cities in different form of vehicles used. These in most of the cases do not have organized structure for mode of operations. Basically they are able to transport a very little percentage of commuters in the city and have little significance as far as major load of public transport is concerned.

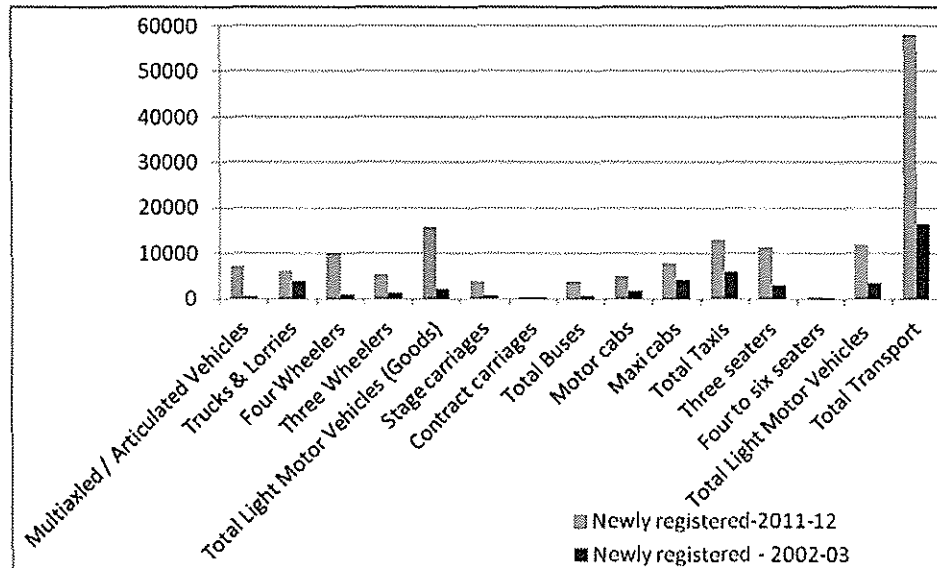
Need of BRTS in Indore

Indore city is commercial hub of Madhya Pradesh, with population of 2.2 million by census 2011. It is one of the major emerging cities of Central India, witnessing an increase in size, economic status, and an influx of immigrants. Amongst the migrants major chunk belongs to students from high school to post graduate level. Indore is also predominantly growing as education hub of central India with institutions of varied nature. Further there is rapid increase in industrial activities within and surrounding areas, upcoming of IT corridor, colleges, universities and institutes including IIM and IIT have led to increased demand for quality public infrastructure.

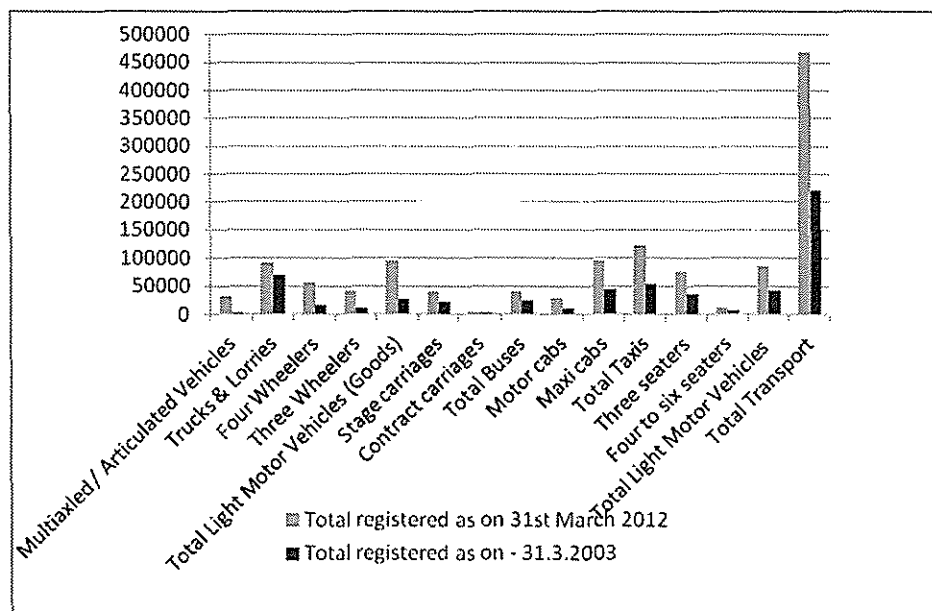
Infrastructure development has been a bottleneck in development of Indore. The city has witnessed problems of poor road conditions, lack of adequate public transport facilities and inefficient private transport operations for a long period of time, until the commencement of the new century. As per a study⁸ mode share of private motorized vehicle in the total traffic had increased to 71% in 2011 from 52.9% in 2001. The easy credit monetary policy of this period is one of the major reasons for this change in the economy. This has led to drastic increase in number of four wheelers on road. Although ICSTL launched Indore City buses in the year 2006 which helped in improving the condition of public transport but a through lane which would connect major part of traffic was the need of the hour. There was a growing need of constituting dedicated bus service on the major road of Indore i.e the old Agra Bombay road. This road now has two outer rings as Ring road and

Indore Bypass, but in the past it was part of National highway 3(NH3). This road has links to different part of the city so there was a dire need to develop a BRTS which would connect to major part of the city.

Further if we look at the changing scenario of private motorized transport of the city in one decade i.e 2003-04 to 2011-12 we see that there is 110.84 percent change in total registered transport and 249 percent change in newly registered transport. Especially if we look for the four wheelers category of vehicles in the city we find that there is 60 percent increase in the decade. Whereas in case of maxi cabs and three seaters there is more than 100 percent increase. These figures reflect that although there is very little change in the road infrastructure of the city but traffic density of four wheelers, maxi cabs and three wheelers specially has increased intensely. The graphs below depict a more detailed picture of increase in different type of transport for the decade in the city.



Source of data: <https://data.gov.in/catalog/number-newly-registered-motor-vehicles-and-number-registered-motor-vehicles-madhya-pradesh>



Source of data: <https://data.gov.in/catalog/number-newly-registered-motor-vehicles-and-number-registered-motor-vehicles-madhya-pradesh>

Development of BRTS in Indore

The system was initiated in 2007 and project completion was expected by 2012 but due to different nature of bottlenecks it was completed by 2013 with road length of 11.6 Kms. Such kind of projects do not have cost benefit analysis (ideally) as done for any other private project, as these are meant for social benefit, cause and welfare. These kinds of project are meant to provide service at affordable cost and therefore government needs to provide them at subsidized cost to the people. Hence if we look at the social cost benefit analysis of Indore BRTS we see that it has proven to be very fruitful and efficient service to the commuters of the city, although the system has few lacunas which would be discussed further.

The most important highlight of this project is that i-buses plying on BRTS are CNG operated which make them technically environmental friendly as pollution level is very low.

Initially the number of buses plying were only eight, now this route has around forty buses with frequency of less than five minutes at every stop available. There is remarkable increase in number of commuters on this route now at different time span of its operation: around 40,000 commuters per day presently.

The company has developed feeder roads to BRTS by which commuters from different areas of the city can join to BRTS and further commute in any direction on the system. They have identified seven such feeder roads to further enhance the approach to BRTS.

They have also worked a lot in improving the following:

- Frequency of i bus
- ticketing system
- assistance staff in every i bus
- assistance staff on BRTS route
- frequency of buses increased
- vending machines on bus stops have been introduced
- bank ATM's near Bus Stops

Thus mode share of public transport in traffic flow reduced from 13% in 2001 to 9.3% in 2011 whereas it should have reduced to a desirable standard of 40% share. Still a reduction of 4% for the kind of traffic density which was prevailing in Indore is significant.

Challenges to BRTS in Indore

Though the project is meant to provide social benefit primarily, still due to difference in interest of different stakeholders of the system there are bottlenecks created to upset the speed of its progress. Earlier the Indore BRTS was to follow Delhi model (proved to be unsuccessful) later shifted to Ahmedabad Model which suited to requirement of the city and hence proved to be beneficial.

The biggest challenge to the system is to shift the private motorised transport to BRTS and parallel mode of urban transport. This just does not require creation of infrastructure but it also needs lot of social/mass counselling and mentoring. People need to think about public transport as ease of travel, faster than private motor transport, safe and economic too. It needs a lot to be done to brand and also efforts to sustain the quality

of existing service. Masses need to be counselled for better future prospects of public transport in their interest. However the main challenges posed to BRTS are

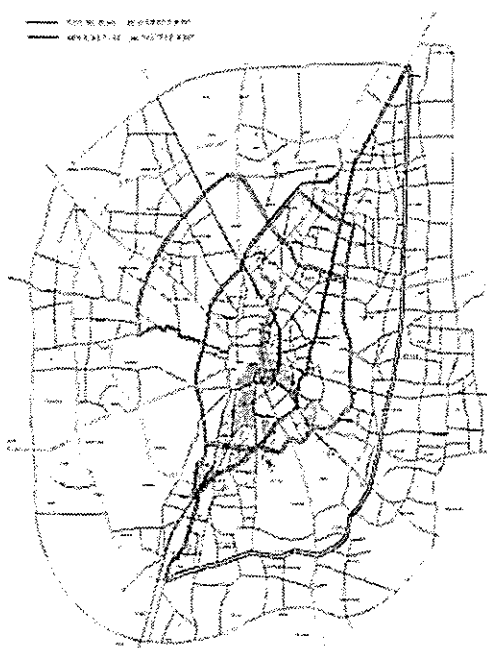
- Land Acquisition
- Reallocation of Religious structures
- Parking facility at bus stops yet not developed
- Feeder roads not fully operational

Prospects of the system

If we critically go through the highlights of CTTPI⁹ report (comprehensive Traffic and Transportation Plan for Indore) for 2025 we are mid-way in the year 2016 for these projections. This report projects that by 2025 population of Indore would be nearing 42 lakhs which would create demand for nearly 500 buses for estimated 1.22 million passengers of the city. The forecasted estimate of 62, 85,950 passenger trips for the year 2025, comprising 55, 03,000 intra-city trips while the rest comprise of inter-city passengers. An estimated 27, 51,825 trips by public transport have been forecasted for the horizon year. This report also talks of construction of eight railways over bridges (ROBs) been proposed all over the city.

This report only talks of the road transportation required for the city, whereas just BRTS alone will not be sufficient for public transport by then looking to increase in population and migration as well. There is already a proposal for Metro train in pipeline which has various nity grities to be discussed and resolved in the interest of social benefit to be given to the commuters of the city. Thus we hope that BRTS has the potential for further development and the limitations of full execution of peripheral facilities will get developed, which will make the system more and more efficient.

Proposed Transit Coverage for BRTS Indore



Corridor	Distance
•AB. Road Corridor	23.80 Kms
•Eastern Ring Road Corridor	23.65 Kms
•M.R. 10 Corridor	8.71 Kms
•River Side Road Corridor	14.50 Kms
•Western Ring Road	15.90 Kms
•Badaganpti To airport	5.30 Kms
•RW2 Ujjain Road to airport	9.50 Kms
•Other road(M.C. RNT, YN.)	19.10 Kms
Total	130.48 Kms

Source: DPR on INDORE BUS RAPID TRANSIT SYSTEM, June 2006

Conclusion

Urban public transport is the need of the hour, hence regulators, execution team and commuters need to understand the importance of BRTS and other systems of public transport. It is an impending need for sustainable development of II tier city like Indore. Sustainable development is the punch word in present era, which makes the development process not just sustainable but also environment friendly, user friendly and ease of execution. The mind-set of the people in such cities has to change for public transport as it is getting difficult and unmanageable with intense traffic of private motorized transport. The paper reflects the high growth of four wheelers and other category of vehicles, which has rapidly reduced the travel speed in Indore in last one decade. As a consequence there has been 57% increase in traffic fatalities also.

This system is meant to provide transport facility at affordable cost, safe for the commuters and most convenient also. All these combinations can be catered only with aid of government. Hence it is a vital task of the local, state and central government to have vision about the need of public transport and execute projects like BRTS efficiently. This will also help the regulators to make the BRTS project of Indore city a test case and the experience can be used for development and execution in similar context in other parts of India.

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Retail Marketing and Horticulture in India: Some issues

Sunil Kuma Kushwaha*
Prof. Tapan Choure†

Abstract

Horticulture is the science, technology, and business involved in intensive plant cultivation for human use. It is practiced from the individual level in a garden up to the activities of a multinational corporation. It is very diverse in its activities, incorporating plants for food (fruits, vegetables, mushrooms, culinary herbs) and non-food crops (flowers, trees and shrubs, turf-grass, hops, medicinal herbs). It also includes related services in plant conservation, landscape restoration, landscape and garden design/construction/maintenance, arboriculture, horticultural therapy, and much more. This range of food, medicinal, environmental, and social products and services are all fundamental to developing and maintaining human health and well-being.

Horticulturists apply the knowledge, skills, and technologies used to grow intensively produced plants for human food and non-food uses and for personal or social needs. Their work involves plant propagation and cultivation with the aim of improving plant growth, yields, quality, nutritional value, and resistance to insects, diseases, and environmental stresses. They work as gardeners, growers, therapists, designers, and technical advisors in the food and non-food sectors of horticulture.

Horticultural scientists focus on the research that underpins horticultural knowledge, skills, technologies, education, and commerce. Horticultural science encompasses all of the pure sciences – mathematics, physics, chemistry, geology, and biology – as well as related sciences and technologies that underpin horticulture, such as plant pathology, soil science, entomology, weed science, and many other scientific disciplines. It also includes the social sciences, such as education, commerce, marketing, healthcare and therapies that enhance horticulture's contribution to society.

What is marketing?

There are many definitions' of "marketing." Here are two particularly relevant to horticultural marketing. The first is...

Marketing involves finding out what your customers want and supplying it to them at a profit.

This stresses two important points:

- The marketing process has to be customer oriented;
- Marketing, a commercial process, has to provide farmers, transporters, traders, processors, etc. with a profit or they will be unable to stay in business.
- Marketing therefore involves:
- Identifying buyers;

* *Doctoral Fellow, ICSSR, New Delhi, School of Studies in Economics, Vikram University, Ujjain*

† *Professor and Head, School of Studies in Economics, Vikram University, Ujjain*

- Understanding what they want in terms of products and how they want to be supplied;
- Operating a production-marketing chain that delivers the right products at the right time;
- Making enough Profit to continue to operate.

The second useful definition is...

The series of services involved in moving a product from the point of production to the point of consumption.

This definition emphasizes that retailing is a series of inter-connected activities. In the case of horticultural marketing these include:

- Planning production;
- Growing and harvesting;
- Grading of products and their packing, transport,
- Storage, Processing, Distribution and Sale;
- Sending information from production area to market (e.g. products available, volumes) and from market back to producing areas (e.g. prices and supply levels, consumer preferences and changes in taste).

All of these activities are links in the production marketing chain. Like any chain, it is only as good as its weakest link. Marketing systems are dynamic. They are competitive and involve continuous change and improvement. Suppliers, who have lower costs, are more efficient and can deliver quality products are those who survive and prosper. Those who have high costs, do not adapt to changes in market demand and provide poorer quality are often forced out of business.

In India, retail sector continues to be one of the largest sector attracting fresh investments from the private sector. Currently, Indian retail distribution is completely fragmented with about 13 million players. A majority of these are very small players operating from small shops (below 50 square feet in size), and handcarts and as road-side vendors and hawkers. These retail outlets are spread across the country in over 5,000 cities and 6,00,000 villages. The Indian retail industry is estimated to provide employment to over 18 million people. Traditional local markets and small-scale retailing stores continue to dominate India's food retail sector. Retailing in India is the largest employer after agriculture. It employs almost 7 per cent of the total work force in India and has a contribution of 14 per cent to the national GDP. In the year 2004, the size of Indian organized retail industry was of Rs 28000 crore, which was only 3 per cent of the total retailing market (Kearney, 2006).

Organized retailing is projected to grow at the rate of 25 per cent to 30 per cent p.a. and is estimated to reach an astounding figure of Rs 1, 00,000 crore by 2010. The contribution of organized retail is expected to rise from 3 per cent to 9 per cent by the end of the decade. The Indian retail market has been estimated to grow from the US\$ 330 billion in 2007 to US\$ 637 billion by 2015. Retailing encompasses the business activities involved in sending goods and services to their consumers for their personal family or household use (Berman and Evans, 2001). New market opportunities have arisen with this rapid growth in 'global markets' for products based on long and integrated supply chains (ODI, 2003; Kydd, 2002; Barghouti *et al.*, 2004). Due to a rapid growth in demand from expanding urban populations in developing countries, food systems can no longer be viewed simply as a way of moving basic staples from farm to local plates. Producers now often supply long and sophisticated market chains, and market processed and branded products to mainly urban consumers. This is particularly the case with changes in the retail system due, partly to the growth and increasing concentration of supermarkets (Reardon, 2005; Hu *et al.*, 2004; Reardon and Berdegúe, 2002). There has been a trend away

from supermarkets occupying only a small niche in capital cities and serving only the rich and middle class, to spreading well beyond the middle class in order to penetrate deeply into the food markets of the poor (Reardon, 2005). To ensure quality and consistent supply of perishable goods, supermarkets are pushing the food marketing system toward more vertical coordination, allowing retailers to standardize quality, improve bargaining power, and achieve economies of scale (Gulati *et al.*, 2007; Boehlje, 1999; Echanove and Steffen, 2005). The changing life-styles and increase in disposable income have helped in the growth of retail industry.

Supply Chains of Traditional and Modern Retail Food Value Chain

The supply chain needs to add variety in terms of niche and upcoming products like organic, natural, chemical-free or safe vegetables, which can attract a committed clientele that will be willing to pay for such products. Chains should invest in the market to create a niche and value-added segment, and this can lead to viable selling of highly perishable products like fruits and vegetables. About 37 per cent of stores are achieving returns on fruits and vegetables through volume, quality delivery, commitment and consistency, which can only come from efficiently coordinated and well-linked supply chains.

India has experienced a considerable degree of crop diversification in terms of changes in the area under various crops since the Green Revolution, which was largely in favor of food grains, to meet the objectives of self-sufficiency and food security in the country. During the past one decade, the shift in cropping pattern has been more towards the horticulture sector and commercial crops like cotton. Agricultural diversification is an important instrument for economic growth and it largely depends on the opportunities and responsiveness of farmers to technological breakthrough, consumer demand, government policy, trade arrangements and development of irrigation, roads, and other infrastructure (Kumar and Mittal, 2003).

Constraints in Development of Horticulture Sector

Major constraints in production and marketing of fresh fruits and vegetables are non-availability of good quality seeds, inadequate irrigation, lack of soil testing facilities and extension staff (Kumar and Pal, 2004). Inefficiency in pest management, low/ non-availability of credit, high cost of production, lack of information, huge post-harvest losses, lack of infrastructure like roads, cold storage, adequate space, poor market intelligence, high transportation cost, etc. are the other constraints. Several research initiatives and considerable investments have resulted in the growth of supply of fresh fruits and vegetables during the past decade, but still a lot more needs to be done. Higher resource allocation for agricultural research and infrastructure development are essential to reduce post-harvest losses and increase per-unit productivity and per capita availability of fruits and vegetables in the country. The other constraints faced by the horticulture sector are related to timely delivery, grading, packaging, quality control, market infrastructure, agro-processing plants, marketing credit, proper pricing, standardization of weights and measures, poor access to market information, and low and declining productivity. India can be a market leader in the agricultural sector for horticultural produce if its markets function properly. In this context, the biggest challenge Indian agricultural sector faces is the inefficiency in the supply chain.

In the existing traditional system of wholesale marketing, the commission agents and traders dominate the supply chain and are the major price setters, and most of the times, farmers have to depend on them for credit. Small farmers lack marketing power, and have low share in the final consumer price. Since the produce is

marketed through the commission agents, there is no incentive for its quality. The wholesale markets are poorly designed with non-existent of infrastructure for packing, grading, sorting and cold storing.

The retail sector is largely traditional, but stores in modern format are emerging. The emergence of modern retail chains has created new food value chains which have helped in reduction of price and production risks and thereby have increased returns from farming. The demand for quality, safety and other specific requirements may exclude small scale farmers. But, for consumers there is an improvement in product quality and convenience. In India there is a need to build institutions and mechanisms to increase small scale farmers' participation in the modern food value chain. Vendors play an important role in the modern value chain by reducing the information gap with training and channelization of modern retailers and farmers. There is also a need to reduce intermediaries in marketing of FFVs so that farmers' share in consumer or user's rupee increases.

With growing demand and the accompanying supply response, fruits and vegetables have assumed great importance, and India now ranks second in the world in the production of vegetables and third in production of fruits (Boer and Pandey 1997). The value of output from fruits and vegetables during 1997-98 was over Rs. 780 billion, which is 25 per cent of the gross value of output from agriculture. Area under major fruits was about 2.25 million hectares and the annual production was 33 million tons during 1993-94. For vegetables, area was over 4.8 millions hectares and the production 65 million tones. Horticultural crops are mostly labor intensive in India and provide substantial employment - not only in production but also transportation, processing and marketing (Sharma 1991).

2.2 Fruit and Vegetable Marketing

Marketing of horticultural crops is quite complex and risky due to the perishable nature of the produce, seasonal production and bulkiness. The spectrum of prices from producer to consumer, which is an outcome of demand and supply of transaction between various intermediaries at different levels in the marketing system, is also unique for fruits and vegetables. Moreover, the marketing arrangements at different stages also play an important role in price levels at various stages viz. from farm gate to the ultimate user. These features make the marketing system of fruits and vegetables to differ from other agricultural commodities, particularly in providing time, form and space utilities. While the market infrastructure is better developed for food grains, fruits and vegetables markets are not that well developed and markets are congested and unhygienic (Sharan, 1998). The markets in many of the major cities in some states are not covered by market legislation and continue to function under civic body as well as private ownership. Some studies have shown that producers' share in consumers' rupee is comparatively lower for perishable crops (Saikia, 1985, Singh M, 1985). This could be due to a variety of factors such as number of intermediaries, cost of various market functions rendered by intermediaries, spread of location of the producers and consumers. Further the degree of perishability, variety and quality, and various market imperfections, market infrastructure etc also influence the marketing costs and price levels. Producers' share was found to be relatively high in areas where better infrastructure facilities for marketing were made available. Some studies have cited examples of an improvement in producers' share over a period of time due to improvement in market infrastructure, such as cold storage facilities. On the other hand the low share of consumers' rupee for potato growers in different parts of the country may be due to high margins of intermediaries. Producers' share was also often varies during peak and lean seasons (Subbanarasaiah, 1991). Substantial variation in producers' share in consumers' rupee for fruits and vegetables was also observed even in the same location itself (Garg and Misra,1976). In many locations for fresh fruits and

vegetables regulated markets are the first destination. Growers send their produce daily to these markets for sale and traders and retailers buy them for the consumers. Fruits and vegetables arrive from far off places follow different marketing systems. It was also found that the regulated markets benefited farmers in proportion to the effectiveness with which market committees supervise the trading of fruits and vegetable marketing. These findings advocate effective implementation of regulatory measures, improved market infrastructure, and dissemination of market information that could not only improve the marketing of fruits and vegetables but also the share of producers' in consumers' rupee. Agricultural marketing continued to be plagued by many market imperfections such as inadequate infrastructure, lack of scientific grading system, defective weighting and so on. The basic objective of regulating the marketing of agricultural products was to bring both producer and buyer/trader closer and to the same level of advantage. This would help reduce middlemen and associated costs and margins. Moreover regulated markets are the platform for both producers and buyers to represent their grievances and discuss matters of mutual interest. Market legislation in India covers almost all agricultural commodities. Since regulation of markets is a state subject, the regulatory measures adopted by various states differ though marginally. There are as many as 4000 regulated markets in the country dealing with fruits and vegetables trade. While the market regulation has been successful in some areas to certain extent, it has not often achieved the objectives to the desired level. A large number of wholesale markets are yet to be brought under the purview of market legislation.

Regulating markets are only the first step to improve the marketing efficiency. Past studies on regulated markets in various parts of the country brought out various inadequacies in the system in terms of their functioning, infrastructure, price realized by farmers and so on. Grading, providing price information at different markets etc. have been neglected by few regulated markets. Few other problems identified are lack of standardized price quotations, disparities in rate of market fees. In some cases it was found that the traders and not eager to obtained the benefit of the regulated markets. In few regulated markets there were very few traders and hence enough healthy competition was not there and eventually low prices were realized by the farmers. Even in more competitive regulated markets, the markets were often not stable. In a study on fruits and vegetable wholesale market in Ahmedabad, the most striking aspect observed was congestion and crowding during business hours. Though the produce remained only for a few hours in the market significant mechanical damage and contamination can occur in the course of loading, unloading and handling (Sharan, 1998). All these evidences suggest that there is large scope for improving various aspects of fruits and vegetables marketing in the country.

Conclusion

Organized retail does provides us some hope to ultimately see the farmers get their share of benefits but needless to say that it has to be a joint effort of public sector and private sector to witness the emergence of an efficient and effective horticulture retail venture. Organized retailing would lead mostly to the non-inclusion of small farmers which would warrant need for reforms that decrease the stratum of intermediation. Moreover, the contract arrangements made with farmers must be less complex and highly transparent so that the focus is towards maximizing the farmer's revenue rather than leading to heavy pockets for the middlemen. The Indian environment has witnessed to a large extent that marketing arrangements in Horticulture retail that is majorly based on trust which would require the corporate houses to come ahead with an innovative model and do something which is more than business. The contribution towards Agriculture innovation system (AIS) is one of the answers to this issue. AIS is network of organizations, enterprises, and individuals dedicated on

transforming new products, new processes, and new forms of organization into economic use alongside institutions and policies that affect the way the parties share knowledge (World Bank, 2008).

In India, organized retail constitutes only around 6% of the total share of retail when compared to other countries like China at 20%, Thailand at 40%, Taiwan at 81% and Malaysia at 55%. India's horticulture production increased at a healthy rate of 30 per cent in the last five years which is a sharp rise, considering increase in the preceding five years was only around 23 per cent. This has put India among the front runner among other countries in horticulture production, just next to China. If we follow the examples from other countries then the consolidation and efficient sourcing by large producers are expected to reduce wastage during harvest, thus enhancing the supply of fresh vegetables on the market. It took China and Brazil almost 10-15 years to increase their share of organized retail to a sizeable proportion when compared to India's position today. Compared to those countries India's retail developments have taken place at a very rapid pace. When we observe the Asia-Pacific region we witness that most of the retail developments have taken place owing to the rapid urbanization, supply chain effectiveness, changing consumption patterns and liberalized FDI norms which has led to greater share of organized retail in countries like Mexico, Japan and South east Asia.

Compared on the international standards the level of food processing in India is very low and the wastage level is also quite high which needs major improvement. US, Japan and European Union have around 60% of the share of processed food sales in the world. Japan leads the race in the food processing market in the Asian region although when it comes to the most advanced food processing market Australia leads the race. In this context, India improve the horticultural Marketing and get economic profit from this sector. This is very important sector of the Indian economy to grow in future.

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Role of Service Sector in India

Dr. Laxmanlal Salvi*
Manoj Soni†

Abstract

Indian economy has undergone a remarkable structural change from agriculture dominated economy to service sector-led economy. The evolution of India's GDP from 1950 to 2014 shows that service sector captures the lions' share lagging behind the agriculture and industry. Present paper emphasis on the growing importance of service sector in Indian economy by contributing significantly in various macro variables like GDP, employment, export and Taxation. It is observed from the study that although service contribution is high in total GDP, export and taxation but still its share in employment is not in proportion to its share in GDP. Further, more and more services should include to raise the public revenue in India.

Introduction

Indian economy is passing through a unique structural change from agriculture to service sector –led economy. Service sector has been emerged out as the most dynamic sector in the Indian economy. According to the Economic Survey, India has the second fastest growing services sector with its compound annual growth rate at nine per cent, just below China's 10.9 per cent, during the last 11-year period from 2001 to 2012, . Russia at 5.4 per cent is a distant third. Among the world's top 15 countries in terms of GDP, India ranked 10th in terms of overall GDP and 12th in terms of services GDP in 2012, it said, adding that services share in world GDP was 65.9 per cent but its share in employment was only 44 per cent in 2012. As per the economic survey, in India, the growth of services-sector GDP has been higher than that of overall GDP between the periods FY2001-FY2014. Services constitute a major portion of India's GDP with a 57 per cent share in GDP at factor cost (at current prices) in 2013-14, an increase of 6 percentage points over 2000-01.

The relative importance of services can be observed by looking at its impact on different macro economic variables like output, employment, consumption and investment. The present research paper shows the importance of service sector in India by assessing its contribution in India's GDP, employment, export and taxation.

1. Role of service sector in Real GDP

The evolution of India's real GDP from 1950-2014 suggest a remarkable structural change of in India economy from agriculture to service sector. Indian economy experiences a unique structural feature to arrive at service sector growth. If we look at the disaggregated level, then table-1 reveals the pattern of sectoral share in real GDP from 1950-2013-14.

* *Assistant Professor in Deptt. of Economics at JNVU, Jodhpur*

† *Research Scholar Deptt. of Economics at JNVU, Jodhpur*

Table-1
Sectoral Share in GDP (at current prices)
(In percentage term)

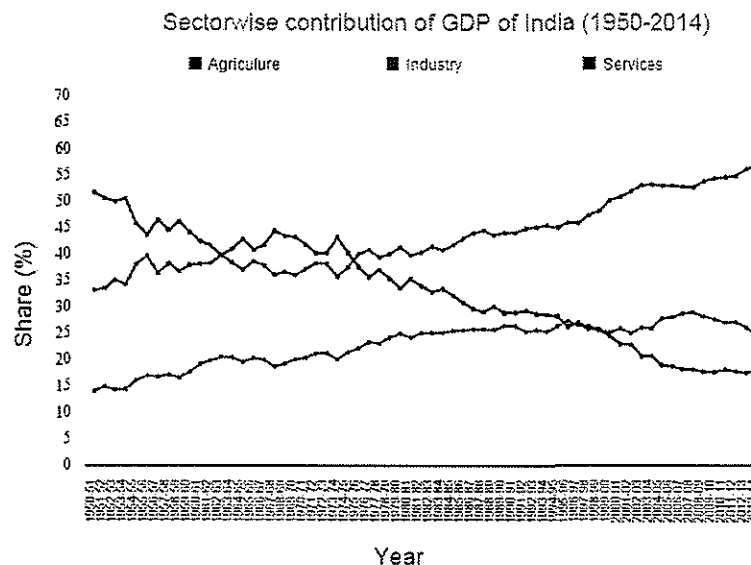
	Agriculture & Allied act.	Industry	Service
1950-51	51.81	14.16	33.25
1980-81	35.39	24.29	39.92
1990-91	29.02	26.49	44.18
1999-00	24.50	25.22	50.27
2005-06	18.81	28.13	53.06
2010-11	18.21	27.16	54.64
2013-14	18.20	24.77	57.03

Source: Own calculation using GSO data

During the year 1950-51 agriculture sector rule dominantly in Indian economy. The share of agriculture, industry and services were 51.81%, 14.16% and 33.25% respectively. But, slowly the share of agriculture in GDP declined while that of industry and service rises constantly. During the period of 1980-81 the share of agriculture, industry and service remain 35.39%, 24.29% and 39.92% respectively

Further, if we examine the position of these sectors during 1990-91, then the contribution of agriculture, industry and services in real GDP was 29.02%, 26.49% and 44.18% respectively while for the year 1999-2000 their share was 24.50%, 25.22% and 50.27% respectively. Again with continue to rise towards global trend, services share become 57.03% in 2013-14 lagging agriculture and industry at 18.20% and 24.77% respectively. Chart-1 verifies the above sectoral breakup took place in India. It shows the continues declining trend of agriculture. Industrial sector shows an upward trend up to 1990 afterwards it exhibits a stagnant growth while service sector shows a continuously upward trend.

Chart-1



To quote from the Reserve Bank's Report on currency and Finance 2000-01 "..... it is the service sector which has kept the GDP growth at 6 percent when other sectors were not growing". Thus today service sector has become another factor fifth of production.

2. Role of Service Sector in Employment

Indian economy has shown high levels of growth and per capita income in the recent years accompanied by the structural change in productive capacities and employment structural change in the modern development includes a relocation of workforce from agriculture towards non- agricultural production.

Table-2 reveals the industrial distribution of total work force in India. It suggests that during the year 1950 around 75 percent of the labour force was engaged in agriculture sector, 8.9% in secondary sector and 15.2% in service sector. Similarly for the year 1983 employment share in agriculture, industry and services were 68.6%, 11.3% and 17.6% respectively and for the year 1999-2000 the share of agriculture was around 53 %, for the industry it is around 12% while services share in employment was 28% percent. If we examine the position during the year 2004-05, then the share of service sector contribution in total employment was only 28.4% while for the year 2010 its share remains at 28.4%.

Table-2
Industrial Distribution of Total Workforce in India (in percentage)

	1951	1961	1972-73	1977-78	1983	1987-88	1993-94	1999-00	2004-05	2010
<i>Agriculture</i>	74.6	76.2	73.9	71.0	68.6	65	64.7	52.9	52.06	53.2
<i>Mining & quarrying</i>	0.4	0.5	0.4	0.4	0.6	0.7	0.7	0.6	0.63	.60
<i>Manufacturing</i>	8.2	8.6	8.8	8.8	10.7	11.1	10.5	11.0	12.99	11
<i>Electricity, gas & water</i>	0.4	0.3	0.2	0.2	0.3	0.3	0.4	0.3	0.35	.30
<i>Construction</i>	1.1	1.3	1.9	2.9	2.2	3.8	3.2	4.4	5.57	9.6
<i>Trade, Hotel & res.</i>	5.2	4.1	5.1	6.1	6.2	7.2	7.4	9.4	12.62	12.8
<i>Transport storage</i>	1.5	1.6	1.8	1.8	2.5	2.6	2.8	3.7	4.61	4.3
<i>Others</i>	8.5	7.4	7.9	8.9	8.9	9.3	10.3	10.8	11.24	11.3
<i>Total services</i>	15.2	13.1	16.7	16.8	17.6	19.1	23.5	28.2	28.47	28.4

Source: NSSO (Various rounds)

Hence, we can say that although there is a substantial decline in the share of agriculture in GDP from 52 to 25 percent, (27 percentage point) and rise in the share of service sector from 33% to 50 % (17 percentage point) from the period of 1950-2000 but the same does not hold true for the employment share i.e. the share of employment in agriculture sector declines only from 75 to 60 percent (15 percentage point) while that of services share in employment raise only from 16 to 28 percent (12 percentage point). Similarly for the year 2010-11 the share of agriculture in total GDP is only 18% but its share in employment is 52 percent, while service sector contributes 55% in total GDP but in employment its share is only 28%.

3. Role of Service Sector in Export

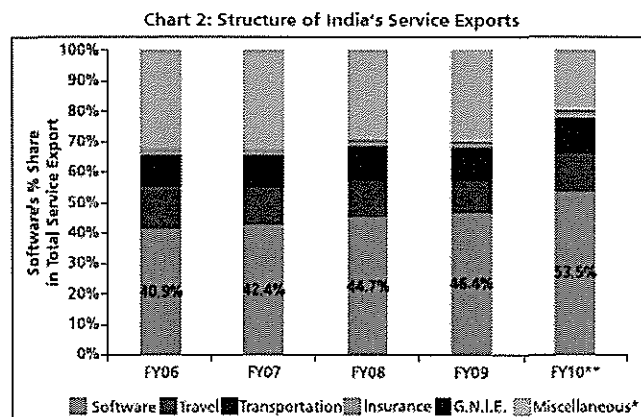
Another way which show an importance of the service export is to look from an angle of service share in total merchandise export (in rupee) and service export as a percent of total GDP as shown in table 3. The share of service export in total merchandise export was merely 14 percent which grew steadily and contribute 25% of total merchandise export in 1980 and further to 55 percent in 2009-10. A similar performance can be seen by the share of service export in total GDP. Its share in total GDP was 0.039 percent during 1950-51. It further rises to contribute 0.26 % and 0.68% share in total GDP. But afterwards it show a sudden jump with share of 3.81% of total GDP during 2000 and even a very high bounce with capturing 11.28% of total GDP in 2010. Hence the share of service export in total GDP raise to three hundred folds (with mere 0.039 to 11.28%) which is mainly due to the high growth in software and IT sector as shown in the chart 2.

Due to the phenomenal rise in India's export of services in 1990's India's share in total world export has been increased over time. Services export from India now exceed 1 percent of the global exports in services (Salgado, 2003). During 2001-02 share of services export in global export was 1.30 percent (WTO, RBT 2003). The official's comment assumes significance as the share of India's services exports in the world export of services, which increased from 0.6 per cent in 1990 to 1 per cent in 2000 and further to 3.3 per cent in 2013, has been increasing faster than the share of India's merchandise exports.

Table -3
Share of Service Export as % of Merchandise Export and GDP in India

Year	Service export as % Merchandise Export (In Rupee)	Service Export as a % of GDP
1950	13.75	0.039
1960	23.06	0.074
1970	15.87	0.0493
1980	24.82	0.2616
1990	25.04	0.6870
2000	41.86	3.81
2009-10	55.29	11.28

Source:- Own Calculation using CSO Data



Note: G.N.I.E. – Government not included elsewhere; *Excluding Software Services; ** For the period, Apr 09 - Dec 09 (9 Months)
Source: RBI - BOP Statistics

4. Role of Service Sector in Taxation

The economic structure of India provides for different types of revenue sources but the taxes constitute the most important source of revenue. Indirect Tax contributes about 60 percent of the total tax revenue. On the recommendation of the Dr. Raj Chelliah committee "Service Tax" was introduced in Indian taxation system as a part of economic reforms in 1994-95. Service tax was introduced under the residuary entry No. 97, List I in the seventh schedule of the constitution except in Jammu & Kashmir.

Table-4 exhibits the growth of service tax and its share in Gross Tax revenue of India. It shows that number of services during 1994-95 was only 3 which raise to 119 in 2011-12, although during the year 2012-13 due to exemption of tax on few services their number become less (Negative list). Revenue from service tax was 407crores during 1994-95 which raise to 80927crores during 2012-13 showing an exorbitant growth of about 200 times.

Table-4
Growth of Service Tax in India

Year	No. of Services	Tax Rate	Revenue (Rs. in Crore)	Service share as a % of Gross Tax revenue
1994-95	3	5	407	0.8
1999-00	26	5	2128	1.2
2000-01	26	5	2613	1.4
2004-05	75	10	14200	4.7
2005-06	84	10	23055	6.3
2006-07	99	12	38169	8.0
2007-08	100	12	50200	9.2
2009-10	109	10	58422	1.1
2011-12	119	10	97579	1.2
2012-13	Negative List*	12	80927	1.3

Source: Ministry of Finance, Government of India.

**Negative list of services and service tax exemptions were reviewed for broadening the tax base and also as a preparation for introduction of the goods and services tax (GST).*

Conclusion

There is no exaggeration to say that service sector in India are contributing significantly in total output in India but the same does not hold true for employment. Employment share of services is almost half of its contribution to GDP. Still agriculture sector constitutes larger share in employment which is 53% of the total labour force in 2009-10 which is about three times of its output contribution. Conversely for the service sector which contributes around 57% in total output whereas its share in employment is only 26%. In other words, we will say that India's services have defying the conventional paradigm of development. India's services are relatively "jobless" and the pace of employment shift has lagged behind the pace of sectoral shift in output which is beyond the common pattern of structural change in employment. Thus it is observed that India's experience is somewhat unique both with regard to the pace of structural transformation as well as with regard

to the impact of that transformation on employment. This higher contribution towards output relative to its share in labour force suggests that labour productivity in Indian services has been increasing over time. There are two main factors in raising labour productivity. Among them one crucial factor is the growth of those sub sectors included in services sectors which depends more on skilled labours like communication and information technology (CIT) services. Further technology improvement and efficiency gains have reinforced this trends which suggest that institutions are the most important and "deep" determinant in it. The second factor which is helpful in raising labour productivity is the growing informal sector in India. The share of informal workers in service sector and all its sub-sectors has been substantially increased (in absolute term). The relative share of unorganized workers for the construction sector, trade, transport, storage, communication, financial and business services are more than doubled during the 1993-94 to 2004-05. Hence informal sector appears to be the last resort for those thrown out of formal sector jobs and relative labour from low productivity income sharing segment to the high productivity income generating opportunities.

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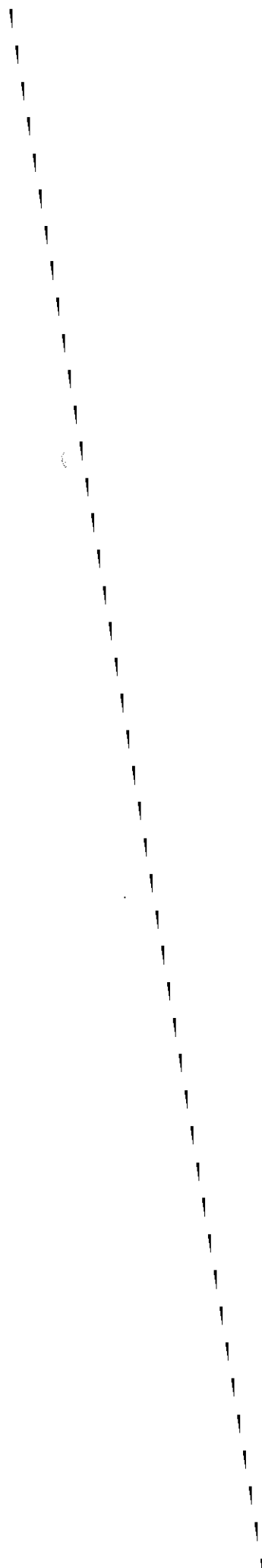
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