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सम्पादकीय
''डिस्टर्व करने लगे हैं केविल टी.वी. चैनल्स''

प्रिय शोधकर्ता,

दूरदर्शन की सबसे खास बात यह थी कि कार्यक्रम समय से आते थे और सुबह, दोपहर, सांय, रात्रि के कार्यक्रम समाप्त होने के बाद सभा समाप्ति की घोषणा होती थी और टी0वी0 स्क्रीन पर झिलमिल आने लगती थी। रात्रि 11 बजे के बाद कोई कार्यक्रम नहीं आता था केवल कुछ खास दिनों में पिक्चर को छोड़कर। तब बड़ा चैन मिलता था। अब केविल टी.वी. पर लगभग 400 चैनल आते हैं और 24 घण्टे कार्यक्रम चलते हैं, ब्रेक है ही नहीं और अगर है तो उसमें विज्ञापनों की भरमार रहती है। किसी भी चैनल पर किसी भी दिन सभा समाप्ति की घोषणा आधिकारिक रूप से नहीं की जाती है। चौबीस घण्टे दिखाये जाने वाले इन कार्यक्रमों में सभी कार्यक्रम नये नहीं होते बल्कि एक–एक कार्यक्रम दिन रात को मिलाकर चार–चार बार दिखाया जाता जाता है। अर्थात 8 घण्टे के कार्यक्रमों को 24 घण्टे दिखाकर जनता का समय बर्वाद किया जाता है और ऐसा इसलिए है कि जितनी बार पसन्दीदा कार्यक्रम आता है उतनी ही बार विज्ञापन भी दिखाये जाते हैं जिससे चैनलों की बड़ी कमाई होती है यही कारण है कि मोटी कमाई के चक्कर में पड़े चैनल्स चौबीस घण्टे चलते रहते हैं। दूरदर्शन की तरह इनकी सभा समाप्त नहीं होती है भारत की जनता खासकर होनहार विद्यार्थियों का कीमती समय इसमें नष्ट हो रहा है। अपने आपको गरीब कहने वाले, बात–बात पर सरकार को कोसने वालों के घर में चाहें दैनिक सुविधाऐं भले ही न हों पर टी.वी. जरूर होगा। वैश्वीकरण और उदारीकरण के इस दौर में प्रत्येक वस्तु का विज्ञापन हो रहा है। और इसमें यह नहीं कहा जा सकता कि विज्ञापित सभी वस्तुऐं दैनिक जीवन में अनिवार्य या उपयोगी हैं। विपरीत प्रभाव डालने वाली वस्तुओं का विज्ञापन भी इन चैनलों पर खूब दिखाया जाता है और प्रतिदिन 10–10 बार एक ही विज्ञापन को देखकर निरक्षर तो क्या साक्षर भी प्रभावित होकर पैसा खर्च कर देते हैं अनुपयोगी वस्तुओं को खरीदने में। यही कमाल है एक से ज्यादा बार विज्ञापन दिखाने का, कि विपरीत प्रभाव डालने वाले घटिया से घटिया उत्पाद भी तुरन्त बिक जाते हैं परिणाम जो भी हो। भारत सरकार को इस विषय पर गहराई से सोचकर निर्णय करना चाहिए। इसके अतिरिक्त सूचना प्रसारण मंत्रालय, समाज कल्याण मंत्रालय, महिला एवं बाल विकास मत्रालय को इस पर गाइड लाइन्स तैयार करनी चाहिए कि केबिल टी.वी. पर दिखाये जाने वाले कार्यक्रमों की समय सीमा निर्धारित हो।

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INDEX

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Identified Models Of Consumer Behaviour

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INTRODUCTION

A model is an abstract conception of the real world situation. They are described as the perception or diagramming of a complex or a system. A model is very often referred to as an abstract representation of a process or relationship. Models are used primarily to develop[a device or medium to analyze or represent relationships among concepts. **Lazar** has identified the following five uses of marketing models.

1. To provide a frame of reference for solving marketing problems.
2. To play an explanatory role in relationships and reactions.
3. To provide a useful aid in making predictions.
4. To help in the construction of a theory, and
5. To stimulate the creation of hypotheses that can then be validated and tested.

Each model is a comprehensive model although each approaches the problem of consumer decision making somewhat differently. The Nicosia model is being characterized as a communication model that begins with a firm's communication to the consumer via advertising and culminates with consumer feedback to the firm. The Howard Sheth model is a learning model designed to explain the brand choice of an individual faced with several choice alternatives. The Engel Blackwell model is a psychological interaction model that focuses on the various steps of the decision processes more explicitly than do the other models. The Bettman model is a step back from efforts to build comprehensive models of all consumer behavior. Rather it is concerned with information acquisition and evaluation.

NICOSIA MODEL

Nicosia model represents a sophisticated attempt to show the inter-relationship between the firm's marketing communications, attributes of the consumer, the consumer's decision process and the feedback of the consumer's response to the firm. Nicosia believed simulation techniques are effective in explaining in greater depth and detail the consumer decision process. A distinctive feature of this model is the shift of emphasis away from the buying act and going more towards the actual process of decision-making which precedes and succeeds the buying act. (Fig. 11.1)

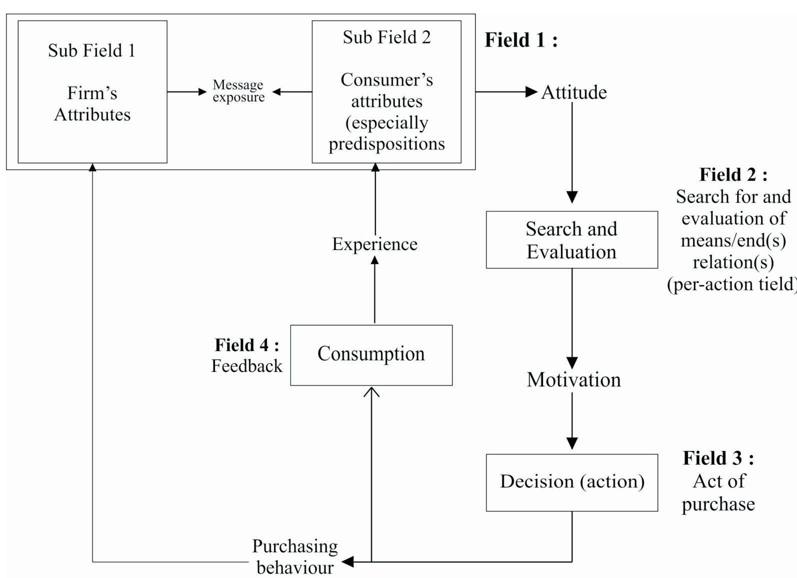
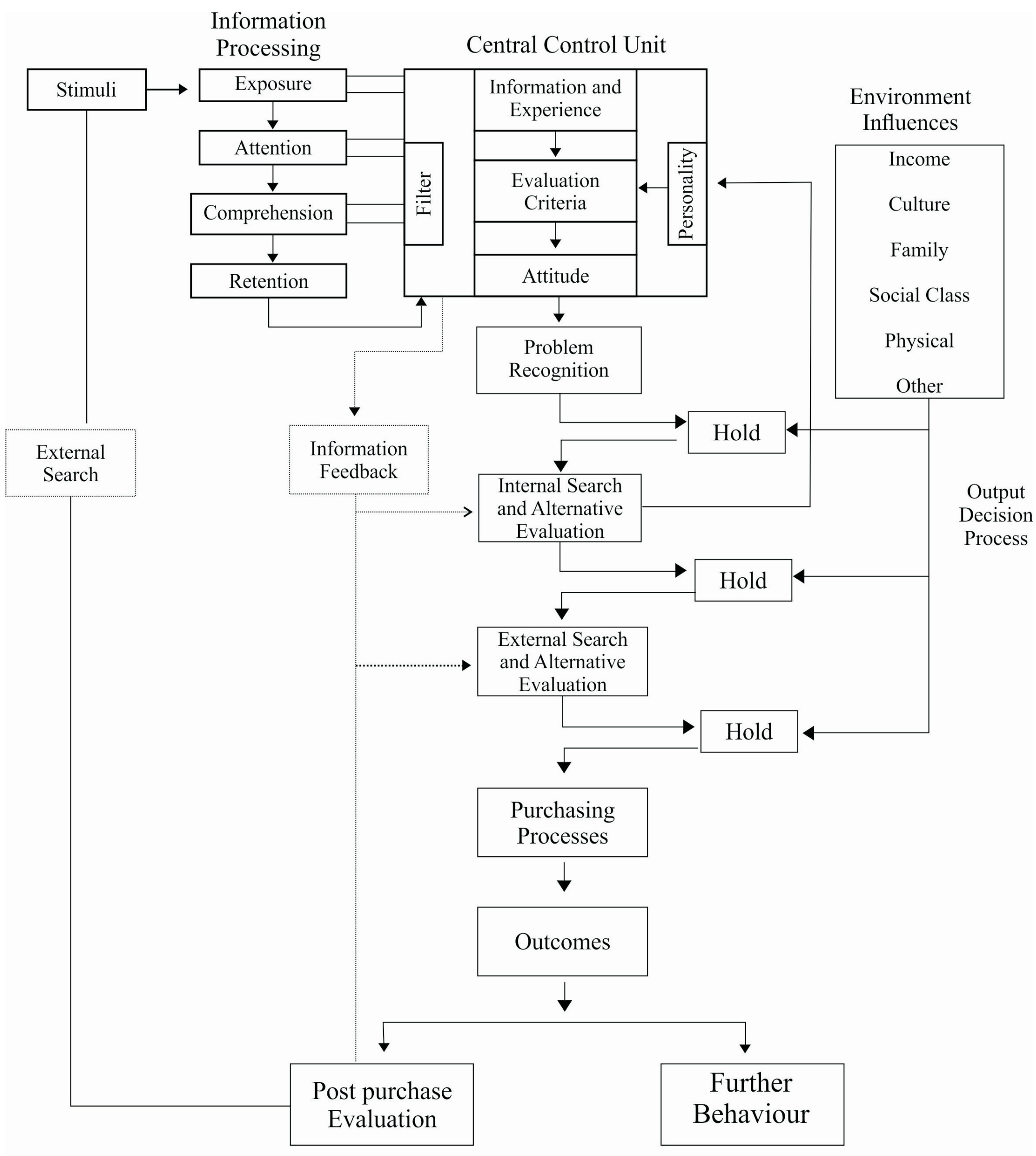


Fig. 11.1. Nicosia model.

The general motivating influences affect the decision processes, notably problem recognition. These motivational factors can be internal (i.e., hunger) or external (i.e., an advertisement for food, making the consumer feel hungry and thereby initiating behaviour).

One of he interesting an important features of the EKB Model is the Outcome of the decision process. It may be a satisfactory purchase or it may be post purchase dissonance. It is graphically shown in Fig. 11.3 that the satisfied customer stores this information in memory for future purchase decisions. However, the other possible outcome, post purchase dissonance is the state in which available alternatives are qualitatively dissimilar and the purchaser is undecided about the advantages of the alternatives not chosen (Engel 1968). This type of behaviour is not uncommon, and the purchaser will likely to seek additional information to relieve this dissonance and confirm his choice. A two fold implication for marketers is to :

Environmental Influences: These include income, culture, family, social class, physical situation and others. Depending upon the specific product under consideration these factors may have a favourable or unfavourable influence on the purchase decision. (Fig. 11.3)



Solid lines show flow of information. Dashed lines indicate feedback effect.

Fig. 11.3 Engel-Blackwell Kollat-Model buyer behaviour.

The environmental influences of EKB Model compare directly in the exogenous variables as outlined in the explanation of the H-S Model. These environmental influences are changing overtime, and the buyer is learning of the changes and applying them to future purchase decisions. Hence, this model is a dynamic learning model, as is the H-S Model. These environmental influences can determine whether the customer will continue through the conscious problem solving and decision-making stages of this model or abort the process before a purchase decision.

The EKB Model is a conscious problem-solving model. One of its strong points is that it is a good description of active information seeking and evaluation processes of the consumer. Apparently, this model had received little empirical testing. However, the relationships and flows appear to be valid and logical.

The authors of the EKB Model stated that their initial purpose in developing this model was to produce a systems model that would clarify and extend the understanding of consumer behaviour, From a teaching stand point it accomplishes this.

SHIFFMAN & KANUK MODEL

Marketing mix activities or ***marketing inputs*** attempt to reach, inform and persuade consumers to buy and use its products. These inputs take the form of marketing mix strategies that consist of product (information about product quality, attributes, size and warranty) policy; pricing policy; distribution policy and promotional policy regarding media advertising, direct marketing, personal selling and other promotional efforts. The impact of the firm's marketing effort is governed of by the consumers' perception of these efforts.

Socio-Cultural Inputs Consists of e.g., comments of a friend, an editorial in the newspaper, usage by a family member, influences of social class, culture and subculture, society's existing code of behaviour, that are likely to affect what consumers purchase, how they use and what they buy.

In the Fig. 11.6 the two headed arrow is being used to link input and process segments of the model because these influences (marketing mix inputs & socio cultural inputs) may be directed to the individual or actively sought by the individual.

Process: The process component of the model is concerned with how consumer make decision? The process components involve consumer decision-making and psychological field. Psychological field represents the internal influences as motivation, perception, learning, personality and attitudes that affect consumer's decision making process i.e., what they need or want, their awareness of various product choices, their information gathering activities and their evaluation of alternatives.

The ***need recognition*** stage is likely to occur when a consumer is faced with aproblem or a difference between the actual state and the desired state.

Pre-purchase search begins when a sonsumer perceives a need that might be satisfied by the purchase and consumption of a product. The recollection of the past experiences might provide the consumer with adequate information to make the present choice but in case when the consumer has had no prior experience, he will engage himself in an extensive search of the environment for useful information.

The consumer usually searches his memory (psychological field) before seeking external sources of information regarding a given consumption related need. Past experience is considered an internal source of information. If a consumer has past experience, then the consumer is likely to need less external information to reach a decision. Most consumer decisions are based on a combination of past experience and external search. The degree of the perceived ristk also influences the decision process. In high risk situations, consumers are likely to engage in complex and extensive information search and evaluation while in low risk situations consumers are likely to use very simply or limited search.

While ***evaluating alternatives,*** consumers tend to use the ***evoked set*** or the list of brands form which they plan to make their selection. It consists of the small number of brands the consumer is familiar with, remembers and finds acceptable. It is essential that the product is to be part of consumer's evoked set if it is to be considered at all otherwise it will not end in purchase. A brand may be not the part of the evoked set if,

1. The brand may be unknown because the consumer's selective exlective exposure ot advertising media and selective perception of advertising stimuli.
2. The brand may be unacceptable because of poor quality or because of inappropriate positioning.
3. The brand may be perceived as not having an special benefit and are regarded indifferently by the consumer.
4. A brand may be overlooked because they have been clearly positioned or targeted at the consumer market segment.
5. A brand may not be selected because they are perceive by consumers as unable to satisfy perceived need.

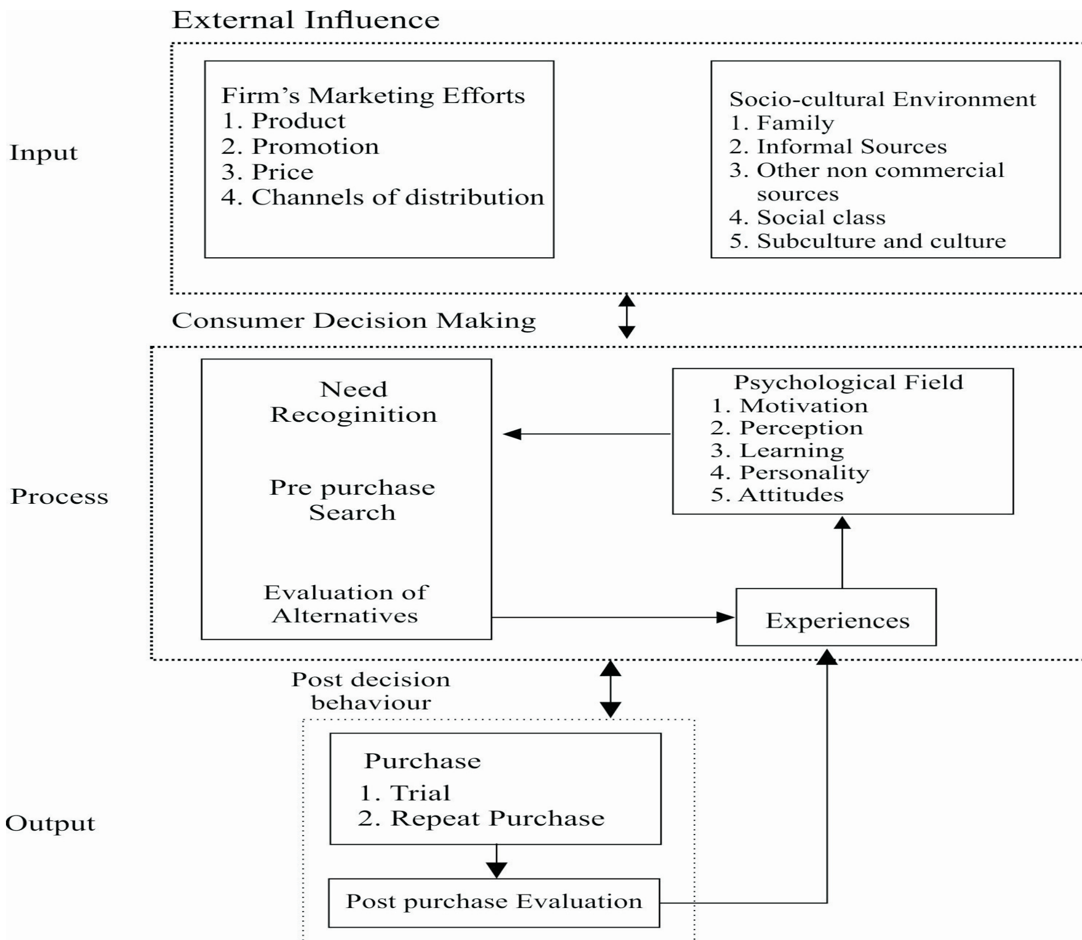


Fig. 11.6. Model of consumer decision-making.

To avoid the above-mentioned situation, the strategy for the markete is that promotional techniques should be designed to impart a more favourable and relevant product image to the target consumer. This may require a change in product features or attributes. An alternative strategy is to invite consumers in a particular target segment ot consider a specific offering and possibly put it in their evoked set.

The criteria consumers use to evaluate ht alternative products that constitute their evoked sets usually are expressed in terms of important product attributes.

Consumers, to facilitate brand choices use consumer decision rules, often referred as heuristics decision strategies and information processing strategies. ***These decision rules are discussed in detailed in Chapter 9 page 197 onwards.***

1. **Output :** The output component of he model involves two post decision activities viz.
   (a) Purchase behaviour
   (b)Post Purchase evaluation.

   (a) Purchase behaviour : Consumers make three types of purchases:

   (i)When a consumer purchases a brand for the first time and in smaller quantities then purchase is called as trial purchse. Trial is and exploratory phase of pourchase behaviour in which consumers attempt to evaluate a product through direct use

(ii)When a new brand in the trial purchase is found more satisfactory or better than other brands, consumers are to repeat the purchase.

(iii)Long term commitment purchases are made in case the consumers are brand loyal and most firms try to encourage brand loyalty as it contributes to greater stability in the market place.

In case of consumer non – durable products, trial is possible but trial is possible but trial is not feasible in case of durable good like refrigerator, washing machines, TV etc.

(b) Post-Purchase evaluation : After the usage of product, consumers evaluate its performance in the light of their own expectations. There are three possible outcomes of these evaluations.

(i)Actual performance matches expectations, leading to a neutral feeling.

(ii) Performance exceeds expectations causing positive confirmation of expectations, which leads to satisfaction.

(iii)Performance is below expectations causing negative disconfirmation of expectations and dissatisfaction.

An important component of post purchase evaluation is the reduction of any uncertainty or doubt that the consumers might have had about the selection. The consumer attempts to reduce post purchase cognitive dissonance. The degree of post purchase analysis that consumers' undertake depends on the importance of the product decision and the experience acquired in using the product. When the product lives up to expectations, they will not purchase the same brand in future and will search for more suitable alternative. Thus, the consumers post purchase feedback will store as an experience in the psychological field and serves to influence future relate decisions. This experience will be stimuli for the next purchase for him or he can serve as a influence to his social group in their purchases.

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Cashless Economy: A Long Way To Go

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Abstract: Cashless economy had been taking its natural course in Indian economic scene without any concrete and decisive governmental intervention till the radical move of demonetization in 2016, which not only necessitated but also accelerated the pace and spread of cashless economy across the nation. To mitigate the pressing aftermaths of demonetization the government came up with several measures and incentives paving the way for cashless economy. The paper is a descriptive study based on relevant secondary data in the form of published literature on paper or online throwing the light on vital aspects of cashless economy. The paper underlines the rational for cashless economy and briefly discusses the prospects and challenges along with the initiatives by the Reserve Bank of India and the government for effective execution of the series of plans and procedure towards cashless economy. Infrastructural constraints, systematic & administrative inadequacy, uninterrupted internet connectivity and cyber security & privacy concerns are the main challenges posed before the cashless economy. Whereas the widened tax base and curb on the generation of black money are positive signs of cashless economy for the government, not to mention the expansion of business volume for industry and greater ease, convenience and bargain for consumer. With the voluminous increase in the number of mobile and smart phones compatible for cashless transactions along with the other cashless modes of payment afforded by the government, India is rapidly marching towards the cashless economy. However the real challenge is to educate and facilitate a major segment of population in unorganized sector which is still devoid of cashless facilities and educate and enthuse it for cashless transactions.

Keywords: Cashless economy, demonetization, financial inclusion, cash to GDP ratio and online payment

1. SIGNIFICANCE OF THE STUDY

The transition of cash to cashless economy in India had been gradual and been taking its own course till the sudden and sensational decision of demonetization in November 2016 which proved to be the point of inflexion for promotion of cashless economy. After demonetization this transition not only gained but also necessitated momentum. The cashless economy stimulates economic growth and offers a great deal of ease and convenience to transacting parties. However in an emerging economy like India the challenges are manifold but certainly not unattainable. The paper discusses the need, challenges, and opportunities, associated with the cashless economy and reviews the initiatives by RBI and government in the light of relevant data gathered from various publications.

2. RESEARCH METHODOLOGY

The present paper is a descriptive study in nature. The study has been carried out based on the collection of the relevant secondary data. Secondary data isgathered from various sources such as published books, articles published in different journals & newspapers, periodicals, conference paper, working paper, reports published by government authorities and private entities and websites, etc.

3. OBJECTIVES

The objectives of the study are:

1. To understand the need and importance of cashless economy in India.
2. To discuss the challenges for cashless economy.

3. To discuss the prospects and opportunities for different stakeholdersin cashless economy.
4. To review the initiatives and incentives by government and relevant authorities.

4. INTRODUCTION

It's highly impossible to create a 100% cashless society. Neither the gigantic economies of advanced and developing counties nor the small economies of tiny nations can do without currency. Undoubtedly the implied suggestion of the nomenclature is a society with less cash and more and more cashless transactions. The transaction made in cash facilitates the tax evasion and generation of black money as it does not leave any audit trail. In a country like India a major segment of the economy constitutes agriculture and informal sector, which primarily deals in cash either out of lack of knowledge and awareness or out of inadequacy of requisite infrastructure for cashless transactions. Therefore the efforts to regulate and control the cash transactions were confined to certain provisions in the Income Tax Act disallowing the cash payments exceeding specified amount. Though the use of debit, credit cards and e-wallets has been gradually gaining ground in metros, cities and towns, the larger section of the society is devoid of these facilities, further the transaction cost involved in their usage dampen the enthusiasm of fussy consumer to use it unreservedly. In such un-conducive set up the government never seemed keen enough to promote cashless economy wholeheartedly, till the radical decision of demonetization in 2016 which provided strong impetus to the promotion of cashless economy in India.

In a country like India where 90% transactions are carried out on cash basis it was a revolutionary and unprecedented move to declare 86% of the currency no more valid as legal tender. In justification for demonetization the promotion of cashless economy was proliferated as supplementary cause in addition to the chief motive of unearthing black money.To cope with the scarcity of currency notes caused by demonetization the government announced several incentives for promoting digital payments. The series of incentives was further intensified in the budget 2017-18. Thus India is slowly and steadily marching towards a cashless economy, however it is a long way to go and many challenges to overcome to reap the benefits for all the stakeholders.

5. NEED FOR CASHLESS ECONOMY

In March 2016 the cash/currency to GDP ratio of India reported at 10.6% which was highest in previous 16 years and even highest amongst the BRICS countries. Such a higher ratio is not considered as the favorable sign for the emerging economy and emphatically calls for cashless economy.

Apart from economics the need for cashless economy can be found in the ease and convenience afforded to the transacting parties, as it saves time, money and energy for both the parties, and labour of recording and accounting for the vendor as well. The cashless payment not only provides the merchandise, services and utility payments at the tip of one's fingers but alsoensures the transparency, scalability and accountability in the transaction. As a prerequisite the cashless economy provides access to the internet banking and other services and incidentally affords easy credit in the form of credit cards and EMIs. Under cashless economy considerable reduction is expected of the risk and damage in cash related crimes such as burglary, mugging, pick-pocketing and bag-snatching etc.

6. GOVERNMENT & RBI INITIATIVES FOR PROMOTING DIGITAL PAYMENTS

I. Initiatives before Demonetization

The committed and cognizable efforts in the direction of cashless economy commenced after demonetization in 2016, however previously undertaken initiatives like Direct Benefit Transfer (DBT) and Financial Inclusion were the stepping stones for the cashless economy in India, By means of DBT the benefits such as LPG subsidy under PAHAL, Wages to labourers under NREGS, Cash transfers under NSAP and scholarships under NSP are directly transferred into the bank/postal accounts of preferably Aadhar seeded and accurately targeted beneficiaries. Opening banks accounts of the beneficiaries was the prerequisite of the DBT scheme.

Later on in 2014, the government announced Pradhan Mantri Jan DhanYojna (PMJDY) to increase the percentage of population covered by the banking system under the financial inclusion. Under this scheme, 250 Million bank accounts were opened in two years for those who never had an account in a bank. JAM Trinity is one of the government initiatives of achieving the twin reforms of financial inclusion and digital India by unification of three key elements viz. Jan-dhan, Aadhar and Mobile. It is believed that Jan-dhan Account seeded with Aadhar card and linked to the mobile number of the account holder will lead to bring the banking enabled population in financial and digital mainstream.

The RBI as an initiative to promote financial inclusion has empowered to banks to appoint entities and individuals as agents to be known as Business Correspondent for providing basic banking services in remote areas where it is impractical to open a branch. BCs are expected to enable a bank to provide its limited range of banking services to the nearly 6,00,000 village habitations in the country at low cost.

The Reserve Bank of India with its experiment of differentiated banking and the objective of intensifying financial inclusion has granted in-principle approvals to 11 Payments Banks (August 2015) and 10 Small Finance Bank (September 2015). Small Finance Banks are authorized to accept deposits and lend to people who typically won't be served by commercial banks. This includes small farmers, unorganized workers, small business units, etc. Whereas, Payment Banks can accept a deposit up to a prescribed limit, but cannot issue loans and credit cards. Both current account and savings accounts can be operated by such banks. Payments Banks can issue services like ATM cards, debit cards, net-banking and mobile-banking

II. Initiatives Post-Demonetization

To facilitate the outbreak of digital transactions erupted immediately after the drastic move of demonetization; the government strived to mitigate the hardship by pronouncing certain initiatives and incentives to promote cashless economy.

To keep the momentum of the surge in the digital transactions through use of credit/debit cards and mobile phone applications/e-wallets etc. the moderate discount was offered on digital payments made to public sector establishments on purchase of petrol/diesel, season tickets & paid services in railway, and insurance policies. A free accidental cover of up to Rs. One Million was insured on railway ticket booked online. Discount was offered on payment of toll at Toll Plazas on National Highways using RFID card/Fast Tags for the year 2016-17. A major segment of consumers availing these goods and services from Public Sector Enterprises was expected to shift to digital mode of payment and reducing the cash requirement in the coming time considerably.

To promote cashless transactions in rural areas, under the machinery of National Bank for Agriculture & Rural Development (NABARD) and with the operating support of Rural Regional Banks, Co operative Banks, Primary Cooperative and Milk Societies it was decided to facilitate the expansion of digital infrastructure in the villages. It was decided to deploy 2 PoS devices each in One Hundred Thousand villages with population of less than 10,000 and to issue “Rupay-Kisan Cards” to 40.32 Million Kisan Credit Card holders to enable them to make digital transactions for their agri needs at PoS machines, Micro ATMs and ATMs.

To unburden the consumer of transactions fee/MDR charges associated with payment through digital mode, the Central Government Departments and Central Public Sector Undertakings were instructed to bear the cost of all such expenses and the similar directions were advised to state governments. Further, it was decided that no such charges to be applied on digital transaction up to Rs.2,000 per transaction.

Public sector banks were advised to make available PoS terminals, Micro ATMs and Mobile PoS to merchants at nominal monthly rentals of not more than Rs. 100 to bring small merchant on board the digital payment eco system.

III. Initiatives in Union Budget (2017-18)

Being one of the central themes in Budget 2017-18 the government proposed a major thrust for cashless economy by setting up a target of 25 Billion digital transactions for 2017-18 through cashless modes. The banks were encouraged to target and introduce worth Rs. One Million new PoS terminals by March 2017 and worth Rs. Two Million Aadhar based PoS by September 2017. The government proposed that it is under consideration to mandate all government receipts beyond a prescribed limit through digital means. A new Payment Regulatory Board was proposed by replacing the existing Board for Regulation and Supervision of Payment and Settlement Systems. As it was expected that the increased digital transactions render small and micro enterprises eligible for accessing formal credit, the government proposed to encourage Small Industries Development Bank of India (SIDBI) to refinance credit institutions which provide unsecured loans, at reasonable interest rates to borrowers based on their transaction history. It was proposed to strengthen digital payment infrastructure and grievance handling mechanisms mainly focusing on rural and semi urban areas through Post Offices, Fair Price Shops and Banking Correspondents. The government clarified that the interim recommendations of the Committee of Chief Ministers on digital transaction were under consideration with various stakeholders for early implementation. The special initiatives to promote the cashless economy were as under.

To promote the usage of BHIM App, two new incentive schemes viz. Referral Bonus Scheme for individuals and a Cash back Scheme for merchants were announced along with the launch of Aadhar Pay, a merchant version of Aadhar Enabled Payment System. Steps were taken to promote and possibly mandate petrol pumps, fertilizer depots, municipalities, block offices, road transport offices, universities, colleges, hospitals and other institutions to have facilities for digital payments, including BHIM App.

To enable the economical production and thereby reduce the cost, the indirect taxes and duties on manufacture of certain digital payment devices such as point-of-sale (PoS) card readers, mobile PoS (m-POS), fingerprint readers and iris scannersand their parts and components was exempted.

Under scheme of presumptive income for small and medium tax payers whose turnover is up to Rs. 20 Million, the existing, 8% of their turnover which is counted as presumptive income is reduced to 6% in respect of turnover which is by non-cash means. As per the recommendations of the special investigative team (SIT) on black money, no transaction above Rs. 300 Thousands would be permitted in cash subject to certain exceptions. The Cash expenditure allowable as deduction, both for revenue as well as capital expenditure, was proposed to be limited to Rs 10,000. Similarly, the limit of cash donation which can be received by a charitable trust was reduced from Rs 10,000/- to Rs 2,000/-. To incorporate the provisions necessary amendments were proposed in Income Tax Act.

7. CHALLENGES OF CASHLESS ECONOMY

1. Security Concerns

Internet is the mainstay of cashless economy but at the same time is highly vulnerable to cyber evils which are quite detrimental to the fiscal and personal health and privacy of user and his counterpart entity. The rising instances of cyber attacks and cyber frauds cause not only financial loss but at times mental or organizational upheaval to the subscriber. The number of subscribers duped by phishing is rising day by day in spite of intensely publicized awareness by the regulatory authorities. Electronic snooping and unauthorized profiling for marketing the merchandise and services at personal level and badgering with the unsolicited offers is blatantly violating the right to privacy by keeping the unaware subscriber in dark.

Further, insistence by government for linking Aadhar and PAN to bank accounts has caused the public outcry as the decision is seem to be allowing government unwarranted access to the privacy and information of the citizens.

2. Systematic and Administrative Inadequacy

To trickle down the benefits of cashless economy the financial inclusion program need to be implemented at universal scale and at a greater speed. A substantial fragment of Indian population is devoid of banking facilities either out of ignorance or lack of infrastructure. According to ILO India Labour Market Update (2016) and NSSO data (2011-12), more than 90 percent of the employment in the agricultural sector and close to 70 percent in the non-agricultural sector falls under the informal category and such a major underprivileged segment of the Indian economy don't know better than the customarily prevalent cash system. Moreover the banking system is inadequately equipped in terms of infrastructure and human resource to cater efficiently in a cashless economy. Further, spreading the digital literacy and creating awareness among the public as regards to infrastructure and facilities available for cashless economy is a big challenge for the government.

3. Infrastructural Constraints

In a huge country like India where 90% of the transactions are carried out on cash basis infrastructural inadequacy poses as main challenge for the smooth transition of cashless economy. The digital infrastructure required to facilitate cashless economy is not only a topographical and political challenge involving the tribal, unreachable and disturbed regions but also financial concern as it involves the setting up robust digital interfaces.A major part of total cash transactions occurring in the country is by means of exchange for foods and daily needs and the penetration of PoS terminals is not just enough. The basic infrastructure developmental issues such as lack of power transmission in remote areas and intermittent power supply in mofussil and rural areas is an inherent limitation resulted out of discriminative infrastructural development underlining the rural urban divide.

4. Technical Hitches

Interrupted network connectivity is the nuisance in urban and metros too let alone the gravity of the issue in rural areas with inadequate infrastructure. Due to disruptionsin the connectivity the transactions are forced back in cash terms. Many a times internet blockages by the state authorities compelled for security reasons also bring the e-commerce transactions to a standstill.

5. Financial Infeasibilty

The best part of the cash transaction is that it does not involve any extra cost apart from the price tendered for goods and services. In cashless economy the vendor and the buyer has to bear the capital and upkeep cost of equipments such as terminal in the form of PoS, desktop, laptop, tablet and mobile/smart phone and not to mention the recurring cost of internet. Further the usage of debit and credit cards and online transactions levy taxes & charges escalating the price of the product at buyers' cost.

6. Psychological Attributes

The deeply rooted practice of tendering cash is much convenient for unprivileged and middle aged people who are digitally illiterate and resist shifting from the conventional and easier mode of cash payment. Further the digitally conversant also represent a section of people who are ill disposed to go for cashless payment because of their non-tech-savvy temperament and in born affinity for cash.

Whereas there are victims of overindulgence in e-shopping who are diagnosed with compulsive buying syndrome for fashion and entertainment falling prey to the marketing gimmicks of the merchant interfaces. Some derive mental satisfaction in the fact that they have not physically parted with the real cash money though either their bank account is reduced or unconsciously they are falling in the trap of credit card shopping beyond their means.

7. Resistance and Insistence for Cash Terms

Cash economy is a boon for tax evaders as the transaction settled in cash remains unaccounted and perpetrated to not to leave any audit trail and thereby to evade taxes. The evaded tax is unethical and illegal profit to the dishonest vendor who many at times readily part some share with the buyerby inducing him with a little discount. Whereas at times the corrupt buyers themselves insist on transaction without bill and on cash terms with a price cut to their satisfaction.

8. PROSPECTS / OPPORTUNITIES OF CASHLESS ECONOMY

I. Opportunities to Government

1. Saving in Printing and Storing Cost

As per the provisional estimates of RBI out of total currency in circulation only 5% of the currency is held in banks and balance circulates in the economy. From April 1994 to June 2016 the currency has shown a yearly growth rate of 17% while the share of bank currency has remained around 5%. For 2009-2010 it was estimated that RBI incurred an annual cost of Rs. 28 Billion for printing currency notes which is estimated 0.4% of the total currency in circulation and does not include any cost of storage, transportation, security, detection of counterfeits, etc. In addition to printing cost if conservative estimation added on account of other cost, the total cost of printing and distribution constitute 0.2% of GDP. Given these costs, a moderate growth of cashless transactions by five percent a year will save more than Rs.5 Billion annually.

Moreover in cashless economy reduction in handling result into lesser wear and tear and deterioration of currency notes, which leads to extension of legal prevalence for longer period and further reduces the printing cost

2. Checks Tax Evasion and Generation of Black Money

The revolutionary step of demonetization in 2016 was mainly intended to unearth the black money stashed within the country in cash form; nevertheless the move of demonetization was the harbinger of and a major step towards cashless economy.

Many economists and nationally & globally acclaimed agencies have ventured to measure the magnitude of black money in varied manner with divergent outcomes. Though they differed in the methods and results of quantification of black money, by and large they have agreed on the fact that a huge portion of the economy is eclipsed by the parallel economy and their evaluation ranges from conservatively 20% to bold estimation of 60-75% of GDP. The Economic Survey 2015-16 estimates the Tax to GDP ratio only at 16.6%, which is lower than the emerging market economies' average of above 21%.

In a cashless economy the payment for goods and services essentially tendered either by electronic mode or through banking channel and incidentally care is taken for recording and accounting of transaction by generation of source document. Moreover any perpetration in the direction of tax evasion is discouraged and frustrated as the money transacted digitally leaves the audit trail. It is difficult to dodge tax liability in a cashless society which results into widening the tax base and thereby improvement in Tax to GDP ratio.

3. Check on Criminal Activities and Curbing the Practice of Hawala

Cash economy is a safe haven for illegal activities such as drug & human trafficking, smuggling, extortion, bribery etc. which are carried unhindered in underground market and flourish in parallel economy. Cashless economy is viewed as the strong retort to the parallel economy and expected to handicap the criminal activities including curbing the practice of Hawala to a considerable extent.

4. Counterfeit Currency

Heavy dependence on cash economy encourages the printing of counterfeit currency and its stealthy blending into the legitimate currency by anti state elements. Under cashless economy as the dependence on cash is reduced it helps to frustrate the ill motives of the anti state elements which believed to befinancially supporting terrorism and attempting to disrupt the economy by evil means of counterfeit currency.

5. Financial Inclusion and Economic Development

For effective implementation of cashless economy the financial inclusion at universal level is a prerequisite which ensures the banking facilities with online services to the unprivileged and low income groups at affordable cost. The widened tax base results in increased revenue for exchequer and greater amount of funds for the economic development. The transactions accounted and recorded in cashless economy generates authenticate data which is highly reliable and accurate for proper planning and policy formation for economic development.

6. Prevention of Leakage in Public Distribution System

The government's largest social security program, the Public Distribution System (PDS), provides food security to 60 per cent of the country's population.As reported by several studies PDS is fraught with corruption where leakages vary from 24-45 per cent. Judiciously planned and implemented cash transfers under cashless economy may lead to prevention of leakage in Public Distribution System

II. Opportunities to Consumers

The transition of cash to cashless economy bound to change the dynamics of Indian payment industry with new entrants in the market both buyers and sellers. The expansion in market and increase in competition is beingmutually favorable more particularly to the buyer. Apart from the ease and convenience of payment the transition ensures all the ingredients to render the market customer friendly. Informed decision afforded by varied and studied alternatives, reasonable and competitive prices and options such as free delivery, EMIs, easy exchange & return, warranty, extended warranty and after sale services, discounts, insurance coverage, reward points and what not at the tip of a finger or swipe of the card.The greater transparency in financial system in e-commerce and thereby in e-payments ensure goods and services in every sphere of life right from daily needs, merchandise and healthcare to fashion, entertainment, travels and tours with varied sophisticated merchant establishment like Amazon, Flipkart, Big-basket, Myntra, Goibibo, NETMEDS and several others. Further these establishments are ever on lookout to expand the market share by offering to new consumers different benefits and incentives with due consideration to socio-economic and demographic characteristics and accordingly strategizing their product, services and terms & conditions.

The cashless payments made by the consumer are recorded and retrievable for any future reference and can be highly useful in case of income tax scrutiny as an evidence for expenditure incurred. The consumer can keep track of spending and can even analyze his spending with unique feature included nowadays with many e-payment portals. The online payments are secure in terms of transaction and also in the event of any mishap or loss of card, pin or password it can be blocked for preventing any misuse. With the innovative techniques of biometric identification the security of online payments are being further reinforced.

The ease, convenience, sophistication, wide-ranging options and array of services offered by e-commerce and cashless transactions are ever-increasing and expected to result into a great deal of saving in human and financial resources and valuable time which can be deployed profitably elsewhere or even for leisure.

III. Opportunities to Business

With the increased openings in the service sector the rapidly growing middle class with rising acquisitive and shopaholic traits and finding solace in online shopping has expanded the market unprecedently in the recent past opening up ample business opportunities. Further a massive increase in the internet-enabled mobile phones is expected to help shift from cash to cashless payments

According to a report by Google India and The Boston Consulting Group an evolution in smartphone usage is set to further intensify the digital payments boom by 2020 as about $500 billion worth of transactions in India are estimated to take place digitally by means of e-wallets and other digital-payment modes which is 10 times the current state. As per the report, out of more than one billion mobile subscribers in India 25% use smartphones. By 2020 it is estimated that the number of smartphone users is likely to increase up to 520 million with the number of internet users approximating 650 millions i.e. twice the current numbers. Apparently such a massive surgein demand for consumer goods & services and enhanced facilitation of e-payments is expected to create greater business opportunities.

After demonetization it has been experienced that even the small and micro business units have shifted and equipped themselves for cashless systems. The cashless systems are available at economical prices with rental options too, and relive the businessman of cash handling related risks such as fake currency and pilferage and reduce the revenue leakage. Cashless transaction increases the credibility of the business and helps to win the trust and loyalty of the customers by providing value added services, further it is easier to track and analyze the pattern of the consumer and accordingly plan the marketing strategies. Under cashless system the accounting gets more authentic and secure and improves the opportunities for access to capital and finance.

Cashless transaction is integral and key element in e-commerce and day by day it is gaining ground in regular commercial activities too. The growing acceptance for e-commerce and cashless transactions driven by the sophistication and economy assured to consumers, is seen as the wide opening for greater business opportunities in the days to come.

9. THE FACTS OVER FIGURES

As per a detailed analysis of retail digital transactions of last few years published in the web magazine the Wire, though growth is witnessed in individual components of digital transactions;on comprehensive analysis of a larger picture of digital transactions, outcomes are not encouraging. The astounding surge in UPI and BHIM transactions both in terms of volume and value has been observed since demonetization, however when compared with the RBI data for total cash withdrawal from ATMs for the same period these UPI based transactions found to have substituted merely one percent of ATM cash withdrawals. Further as per the National Payments Corporation of India (NPCI) website till the end of May 2017 the penetration of BHIM app is below the 5% of total number of smart phones in India. Moreover the transactions done with the use of BHIM app, by those who have downloaded the app is discouragingly even lesser than 1% i.e. 0.88%.

As per World Payment Report global non cash transaction volume grew at 8.9% and India contributed to this global growth a well above average at 13.4%. The report states that the growth is improving but is still below market potential owing to insufficient promotion of digital payments by all the banks, as the card acceptance is still too narrow, despite the card payments are reportedly growing countrywide.

In the last five years PoS have grown more than four times, Debit cards more than thrice and Credit cards more than one and halftimes. A phenomenal growth of average 30% has been observed in the card payments in 4 financial years preceding the year of demonetization and exceptional growth of 65% has been observed in the previous year of demonetization on account of exceptional surge in PoS based debit card usage. However in spite of exceptional surge, in 2016-17 the card payments account for merely over 5% of total retail payments.

A welcoming consumer behavioral change has been observed as a steady shift is witnessed from paper clearing transactions to digital transactions. The paper clearing transactions which consisted about 82% value of total retail payments in 2011-12 was reduced to 37% in 2016-17. Consequently a steady growth has been experienced in retail electronic clearing (ECS, NACH, NEFT and IMPS) during last 5 financial years at an average rate of 45%, however total cash withdrawal from ATMs to total retail digital transactions ratio by various studies by fintech MNCs is estimated between 25- 30% not to mention the rest of the transactions are still happening using the cash at the retail and rural economy level.

In 2016 as a result of drastic decision of demonetization the cash withdrawals dropped to Rs. 850 billion in November compared to previous two months withdrawal of Rs. 2,223 billion & Rs 2,551 billion respectively. However in spite of an overall cash crunch of around 20% in the economy on one hand and high publicization and launch of several incentives and initiatives for alluring masses for shifting towards cashless economy on the other hand; the cash withdrawals have shown a severe relapse as the heavy withdrawals were restored back in March 2017 to Rs 2,262 billion and to Rs 2,171 billion in April 2017. So most awaited behavioral change in the usage of cash has not been experienced post demonetization as the people seemed better off in old good days of cash dealings.

It can be fairly understood that a major segment of population still find it convenient to withdraw cash and then spend it. And not much enthusiasm has been shown by the people to shift to digital payments.

Despite all the efforts, about 19 percent of the Indian population doesn't have access to banks, according to a study jointly conducted by ASSOCHAM and Ernest & Young, approximately 295 million accounts have been opened under the PMJDY scheme. However, as per the website of PMJDY by the end of December 2016 about 25% of them were maintained with zero balance though as a positive sign a steady decline has been observed in such accounts since the inception of the scheme in 2014.

The questions were raised on the business model of Payment Banks as these banks are not permitted to lend, possibly owing to this apprehension out of 11 Payment Banks licensed in August 2015 by RBI, three firms have dropped the idea and out of remaining eight only four came into operation till July 2017. Further, out of 10 Small Finance Banks licensed in August 2015 only seven have started their operation.

As per IAMAI & KANTAR IMRB Report 2016 growth of internet usage has witnessed a slump in India, 40% of Urban India and 83% of rural sector is yet out of catchment of internet penetration. Factually, there are untapped 750 million rural potential users still awaiting the reach of cashless transactions by means of BHIM, UPI and other mobile enabled noncash modes of payment.

Further as per the survey in the report surprisingly morethan 75% of urban and rural non–users are unaware of internet benefits and a major section of the remaining is not inclined for use of internet. Consequently, 99% of non-users are non-committal towards adopting internet in the coming days.

10. NEED OF THE HOUR

The smart phoneboom, increased mobile phone affordability, enhanced internet connectivity with pocket friendly options, and on the top of that stiff competition among network operators for providing low-priced and user-friendly internet plans; India never had such a perfect state for widening the spread and accelerating the pace of cashless economy.The government needs to seize the opportunity and sensitize those sections of population who know nothing better than cash dealings either out of ignorance or reluctance. The special emphasis should be given in the sensitization of low income group and female consumer who observed to be particularly aloof from digital transactions. The language of communication not only for awareness program but also for operating the cashless gadget preferably should be regional and easily understandable to suit the convenience of local population. The banking facilities with debit card should reach the unbanked population by means of PMJDY, Payment Banks and Small Finance Banks.The RBI need to push these licensee banks to commence with their operation at the earliest and widen the reach of banking facilities. Furtherwith the extensive use and proper implementation of business correspondence model, direct benefit transfer scheme, and mobile banking technology, the percentage of zero balance accounts in PMJDY can be reduced effectively.

The charge levied on use of online payments is a disincentive for digital transactions. It has been observed that many a times the consumer is indisposed to transact with plastic money and e-wallets for avoiding the burden of extra cost related with online payment.. The merchants are required to pay MDR charges to use the payment infrastructure developed by the financial institutions and finally the charges are passed on to customers for use of cards. The proposed rationalization of these charges on Debit Cards announced by RBI in April 2017 should be effected at the earliest and the charges should be minimal possible for encouraging the online payments.

According to Nielsen's Global Connected Commerce Survey, owing to the risks of online frauds, about 83% consumers in India preferred using cash on delivery as a mode of payment for online purchases. Such a transaction though technically can be reckoned as digital, in fact disincentives the cashless payments. The COD mode of online purchase should be checked with the intervention of authorities and by boosting the confidence of customers by strengthening the cyber security.

The top urgency is faced in the recent times by the digital society for a strong and efficient legal and technical framework to fight against the burning issues of cyber frauds, data security and more particularly digital privacy for which even the Supreme Court has raised the concerns. The respect and guarantee for digital privacy can be ensured by strong legislation, foolproof technical support and vigilant check by regulatory authorities.

The predominant young population in India is the prime user of internet. A strong need is felt for the youth to rise above in the habit of using internet mainly for social networking and entertainment, and make digital transactions a routine of life by extending the use of internet for e-commerce and digital payments.

For effective transition to cashless economy the herculean task before the government, authorities and the stakeholders at different levels is to conquer the minds of cash centric people and get them started and accustomed to cashless transaction by helping them win over their attitude and old habits that die hard.

11. CONCLUSION

The cashless economy is a long way to go for highly populous, multilayered and federally structured country like India with major prevalence of unorganized sector comprising of a sizable chunk devoid of banking facilities. Though in the process of coping with the demonetization India has certainly gained a bit momentum in the direction of becoming a cashless economy, the journey is hindered with the blockades and so far is not able to encompass the masses in the expedition. It's no denying fact that varied opportunities are ensured for all the stakeholders in a perfect cashless economy in the form of ease and economy to business and consumer and increased revenue to government. However, the initiatives and efforts by the government needs to be disseminated and implemented more effectively and should be reflected in the increased and efficient participation of the last person in the economy. Overcoming Infrastructural and technological challenges is a matter of time and diligent efforts; however cyber security and disregard to privacy are posing as major threats in recent times and hence needs to be addressed with strong and objective legal and technical framework. However, winning over the reluctance and apprehension of the common man, and bringing about a revolutionary change in his psychological behavior by dissuading deeply rooted habit and attitude is a real challenge in a country like India where almost 90% of transactions are carried out through cash.

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ग्रामीण भारत में बच्चों का पोषणीय स्तर
(Nutritional Status Of Children In Rural India)

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बच्चों का स्वास्थ्य और पोषणीय स्तर एक देश के भावी मानव शक्ति (Manpower) के विकास में राष्ट्रीय निवेश का एक सूचकांक (Index) हैं। WHO के अनुसार प्रोटीन ऊर्जा कुपोषण (Protein Energy Malnutrition) शरीर के अनुकूलतम वृद्धि और कार्य को सुनिश्चित करने के लिए अवश्यक प्रोटीन और ऊर्जा (Energy) के माँग और पूर्ती के बीच असंतुलन को व्यक्त करता हैं। इस असंतुलन में अपर्याप्त और अधिक्य ऊर्जा अन्र्तग्रहण (Inadequate) and Excessive Energy Intake) दोनो सम्मलित होता हैं क्योकि पहले के कारण बौने (Stunted), अल्पभार (Under Weight) तथा दुबले (Wasted) बच्चो के रूप में तथा दुसरे के कारण मोटापा (Overweight and Obesity) होता हैं। बच्चो के कुपोषण का परिणाम गंभीर हैं तथा यह समाज के विकास से भी जुड़ा हुआ हैं क्योकि कुपोषण बच्चो के शारीरिक तथा बोधगम्य या सीखने की क्षमता को प्रभावित करती है और रोगो तथा संक्रमण से प्रभावित होने की सम्भावना में वृद्धि करती हैं जिसका अप्रत्यक्ष रूप से आय तथा आर्थिक संवृद्धि पर विपरीत प्रभाव होता हैं।

UNICEF के आकड़ो के अनुसार विकासशील देशो का लगभग 90 प्रतिशत कुपोषित बच्चे एशिया तथा अफ्रीका में रहते है जिसमे से 40 प्रतिशत कुपोषित बच्चे भारत में रहते हैं। NFHS-IV के अनुसार भारत में लगभग 41 प्रतिशत ग्रमीण बच्चे बौने (Stunted) तथा 38.3 प्रतिशत ग्रमीण बच्चे अल्पभार से ग्रसित हैं।

उद्देश्य (Objective) :–इस अध्ययन का उद्देश्य बाल स्वास्थ सूचकांक Child Health Index) के माध्यम से ग्रामीण भारत (मुख्यतः 17 बड़े राज्यो) में पाँच वर्ष से कम आयु के बच्चो में पोषणीय स्थिति का विश्लेषण करना तथा यह देखना कि किन राज्यो में पोषणीय स्थिति अच्छी तथा किन राज्यो में खाराब।

Methodology: ग्रामीण भारत में पोषणीय स्थिति के विश्लेषण के लिए प्रयुक्त बाल स्वास्थ सूचकांक (Child Health Index) के लिए तीन संकेतको शिशु मृत्यु दर(Infant Mortality Rate), पाँचवर्ष से कम आयु के बौने बच्चो तथा अल्पभार बच्चो(Stunted and Under Weight) के प्रतिशत का प्रयोग किया गया है। जिसमे प्रत्येक संकेतक की गणना संकेतक की सबसे अच्छी और सबसे खराब स्थिति के बीच कुल दूरी के अनुपात के रूप में एक राज्य द्वारा उस संकेतक के संम्बंध में प्राप्त दूरी को मापते हैं तथा इस प्रकार प्राप्त संकेतको का औसत मूल्य ही बाल स्वास्थ सूचकांक हैं जिसका मूल्य एक से शून्य के मध्य होता हैं जिसमे शून्य सबसे अच्छी तथा एक सबसे खारब स्थिति को व्यक्त करता हैं। जिसे Arc-View GIS Softwareके Natural Breakके माध्यम से राज्यो को विभिन्न पोषणीय स्तर के सापेक्षिक वर्गो में वर्गीकृत कर एक मानचित्र (Map)के माध्यम से व्यकत किया गया हैं। जिसमे गहरे लाल रंग सबसे खराब स्थिति को तथा हल्के लाल रंग अच्छी स्थिति को व्यक्त करता हैं।

बौनेपन की गहनता को (Severity of Stunting)विश्व स्वास्थ संगठन (WHO)के अन्तर्राष्ट्रीय मानक पर अधारित प्रमाप विचलन के संख्या के रूप में व्यक्त किया गया है।

अतः हम बच्चो के स्वास्थ के एक महत्वपूर्ण संकेतक के रूप में बौने बच्चो का प्रतिशत जो दो मिडियन प्रमाप विचलन से कम होगा का प्रयोग किया हैं। इसके साथ ही इसी प्रकार अल्पभार या कम वजन (Under Weight) के लिए अर्थात आयु के अनुसार कम भार (Weight for Age- Under Weight)तथा लम्बाई के अनुसार कम भार या दुबलेपन (Weight for Height-Waste or Thinness)से प्रभावित प्रतिशत बच्चो की गणना के लिए भी दो मिडियम प्रमाप विचलन से कम WHO के मानक का प्रयोग किया गया है जिसके आकड़े को NFHS- IV (Fact Sheet 2015-16)से प्राप्त किया गया है।

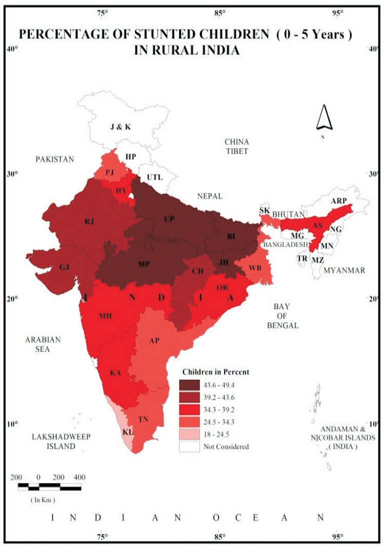
1. **बच्चो में बौनापन(Stunting in Children)**:-बच्चो का पोषणीय स्तर बहुत महत्वपूर्ण है क्योकि पाँच वर्ष से कम आयु के बच्चो तथा शिशुओ (Infants)का अच्छा स्वास्थ उनके भावी संवृद्धि, स्वास्थ, रोगो से लड़ने की प्रतिरोधक क्षमता और मानसिक शक्ति या क्षमता को प्रभावित करती है। बच्चो में पोषणीय तथा स्वास्थ स्तर को आयु के अनुसार लम्बाई (Hieght for Age – Stunted),आयु के अनुसार वजन (Weight for Age - Under Weight)तथा लम्बाई के अनुसार वजन (Weight for Height - Wasted)के रूप में प्राप्त किया जा सकता है। आयु के अनुसार लम्बाई सूचकांक रेखीय वृद्धि अवरोध या एक दी हुई आयु में National Center for Health Statistics (NCHS) के अन्तर्राष्ट्रीय मानक के सन्दर्भ में प्रत्याशित वृद्धि की अपेक्षा कम वृद्धि को व्यक्त करता है।

2.

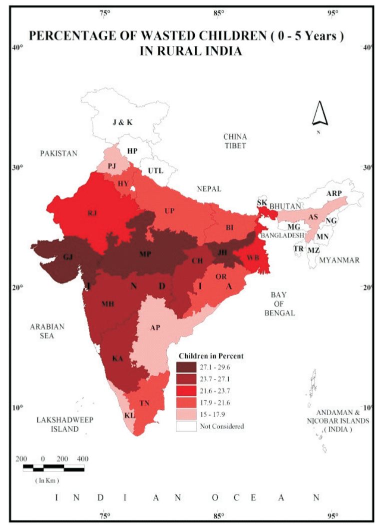
Table1.1		Child Health Indicators In Rural India				
		1	2	3	4	5
	State/ India	Infant Mortality Rate in Rural India (2013)	Estimated Death Rates for Children Aged 0-4 Years in Rural India 2012	Under - 5 Years Stunted Children (Height-for-Age) (%)	Under -5 Year Wasted Children (Weight-for-Height)(%)	Under -5 Year Underweight Children(Weight-for-Age)(%)
	India	44	12.8	41.1	21.5	38.3
1	Andhra Pradesh	44	10.0	32.5	17.8	33.1
2	Assam	56	17.6	38.0	17.5	30.8
3	Bihar	42	11.8	49.3	20.8	44.6
4	Chhattisgarh	47	13.2	39.2	23.7	39.6
5	Gujarat	43	12.9	42.9	28.5	44.2
6	Haryana	44	11.6	34.3	21.3	29.9
7	Jharkhand	38	11.7	48.0	29.5	49.8
8	Karnataka	34	8.9	38.5	26.9	37.7
9	Kerala	13	2.6	19.5	15.5	16.7
10	Madhya Pradesh	57	19.5	43.6	27.1	45
11	Maharashtra	29	5.9	38.4	26.1	40
12	Orissa	53	15.5	35.5	20.9	35.8
13	Punjab	28	8.3	24.5	16.1	21.1
14	Rajasthan	51	15.6	40.8	23.4	38.4

15	Tamil Nadu	24	5.5	28.6	20.3	25.7
16	Uttar Pradesh	53	17.6	48.5	17.9	41
17	West Bengal	32	8.2	34.0	21.6	33.6

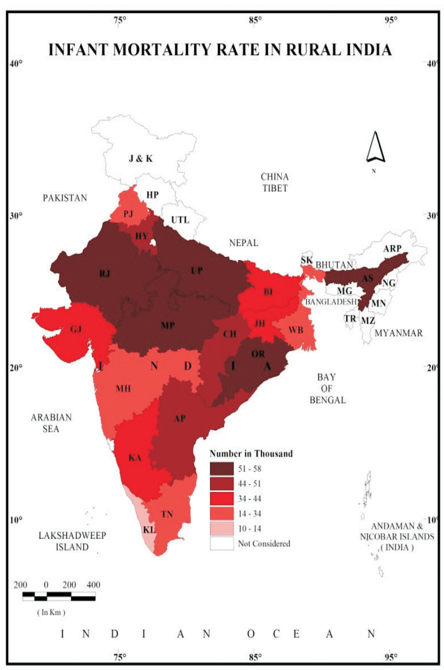
Source: Col. 1,-SRS bullentin-2014, Sample Registration system, Registrar General of India.
Col. 2, SRS statistical Report
2012
Col. 3,4,5,NFHS-4 (2015-16)



Map No. 1.1



Map No. 1.2



Map No. 1.3

यदि ग्रामीण भारत में पाँच वर्ष से कम आयु के बौने बच्चो के सन्दर्भ में प्राप्त आकड़ो का विश्लेषण करे तो ज्ञात होता है कि राष्ट्रीय स्तर पर बौने बच्चो का प्रतिशत 41.1 हैं जबकि राज्यो में बिहार राज्य में पाँच वर्ष से कम आयु के बौने बच्चो का प्रतिशत सर्वाधिक 49.3 प्रतिशत है तथा इसके बाद सबसे ज्यादा क्रमशः उत्तर प्रदेश (48.5 प्रतिशत), झारखण्ड में (48 प्रतिशत), मध्यप्रदेश (43.6 प्रतिशत), गुजरात (42.9 प्रतिशत), राजस्थान (40.8 प्रतिशत), छत्तीसगढ़ (39.2 प्रतिशत) तथा कर्नाटक राज्य में 38.5 प्रतिशत है। इसके विपरीत पाँच वर्ष से कम आयु के बौने बच्चों का प्रतिशत सबसे कम केरला राज्य में 19.5 प्रतिशत है इसके बाद सबसे कम प्रतिशत पंजाब (24.5 प्रतिशत), तमिलनाडु (28.6 प्रतिशत) तथा आंध्रप्रदेश राज्य में 32.5 प्रतिशत हैं। जबकि अन्य शेष राज्यों में यह प्रतिशत 34 से 38 प्रतिशत के मध्य है (Table- 1.1 and Map 1.1) |

1. **<u>अल्पभार बच्चे (Under Weight Children)</u>** :-ग्रामीण भारत में NFHS – IVके अनुसार पाँच वर्ष से कम आयु के कम भार वाले बच्चो का प्रतिशत सबसे अधिक झारखण्ड राज्य में 49.8 प्रतिशत और मध्य प्रदेश में 45 प्रतिशत है तथा इसके बाद सबसे ज्यादा अल्पभार बच्चो का प्रतिशत क्रमशः बिहार (44.6 प्रतिशत), गुजरात (44.2 प्रतिशत), उत्तर प्रदेश में 41 प्रतिशत, महाराष्ट्र राज्य में 40 प्रतिशत तथा छत्तीसगढ़ राज्य में 39.6 है जो राष्ट्रीय स्तर पर 38.3 से ज्यादा हैं। इसके विपरीत पांच वर्ष से कम आयु के अल्पभार बच्चो का प्रतिशत क्रमशः पंजाब (21.2 प्रतिशत), केरला (16.7 प्रतिशत), तमिलनाडु (25.7 प्रतिशत), हरियाणा तथा असम राज्य में है जबकि अन्य राज्यो मे यह स्थिति 30 से 35 प्रतिशत के मध्य है। बौने बच्चो तथा अल्पभार वाले बच्चो के आकड़ो के देखने से यह स्पष्ट होता है कि झारखण्ड राज्य में बौन बच्चो तथा अल्पभार वाले दोनो वर्ग के बच्चो का प्रतिशत सर्वाधिक है। इसी प्रकार मध्य प्रदेश, बिहार, गुजरात, महाराष्ट्र, छत्तीसगढ़ आदि राज्यो में बौने तथा अल्पभार बच्चो दोनो का प्रतिशत अधिक है जबकि पंजाब, केरला, तमिलनाडु तथा असम राज्यो मे सापेक्षिक रूप से कम (Table- 1.1) हैं।

बच्चो में Stunting और Under Weightवृद्धि अवरोध को व्यक्त करते है जिसकी उपेक्षा नही की जा सकती है क्योकि बच्चो में पोषणीय समस्या व्यस्यो में भी बनाये रखती है जिसका असानी से उपचार या ठीक नही किया जा सकता है। इसके साथ ही यह व्यस्को के CED से महत्वपूर्ण रूप से जुड़ा हुआ है क्योकि बढ़ती आयु के अनुसार लम्बाई मे कम वृद्धि तथा अल्प भार व्यस्क निम्न बाडी मास इन्डेक्स से सम्बंधित है। अतः बौनापन महीनो तथा वर्षो के निरन्तर कुषोषण का परिणाम है इसलिए यह खाद्य सुरक्षा का भी एक महत्वपूर्ण संकेतक होता है।

<u>बच्चो में दुबलापन(Wasting or Thinness in Children)</u>:-ग्रामीण भारत में पांच वर्ष से कम आयु के बच्चो में दुबलेपन की माप लम्बाई के अनुसार भार के रूप में मापा जाता है जिसे विश्व स्वास्थ संगठन (WTO)के अनुसार अन्तर्राष्ट्रीय मानक पर अधारित दो मध्यिका प्रमाप विचलन (Median Standard Deviation) से कम लम्बाई के अनुसार भार के (Weight for Height- Wasted)प्रतिशत बच्चो के रूप में गणना की जाती है। परन्तु जब इसकी गणना तीन माध्यिका प्रामाप विचलन से कम लम्बाई के अनुसार भार के अधार पर की जाती है तो इसे अत्यधिक दुबलापन (Severe Wasting)कहते है जो या तो रोग या कुपोषण के लक्षण को व्यक्त करता है। जिस पर तुरन्त ध्यान देने की अवश्यकता है को व्यक्त करता है। NFHS-IVसे प्राप्त आकड़ो के अध्ययन से पता चलता है कि ग्रामीण भारत पाँच वर्ष से कम आयु के बच्चो में सबसे अधिक दुबले बच्चो का प्रतिशत झारखण्ड तथा गुजरात राज्य में क्रमशः 29.5 प्रतिशत तथा 28.5 प्रतिशत है। इसके बाद सबसे अधिक

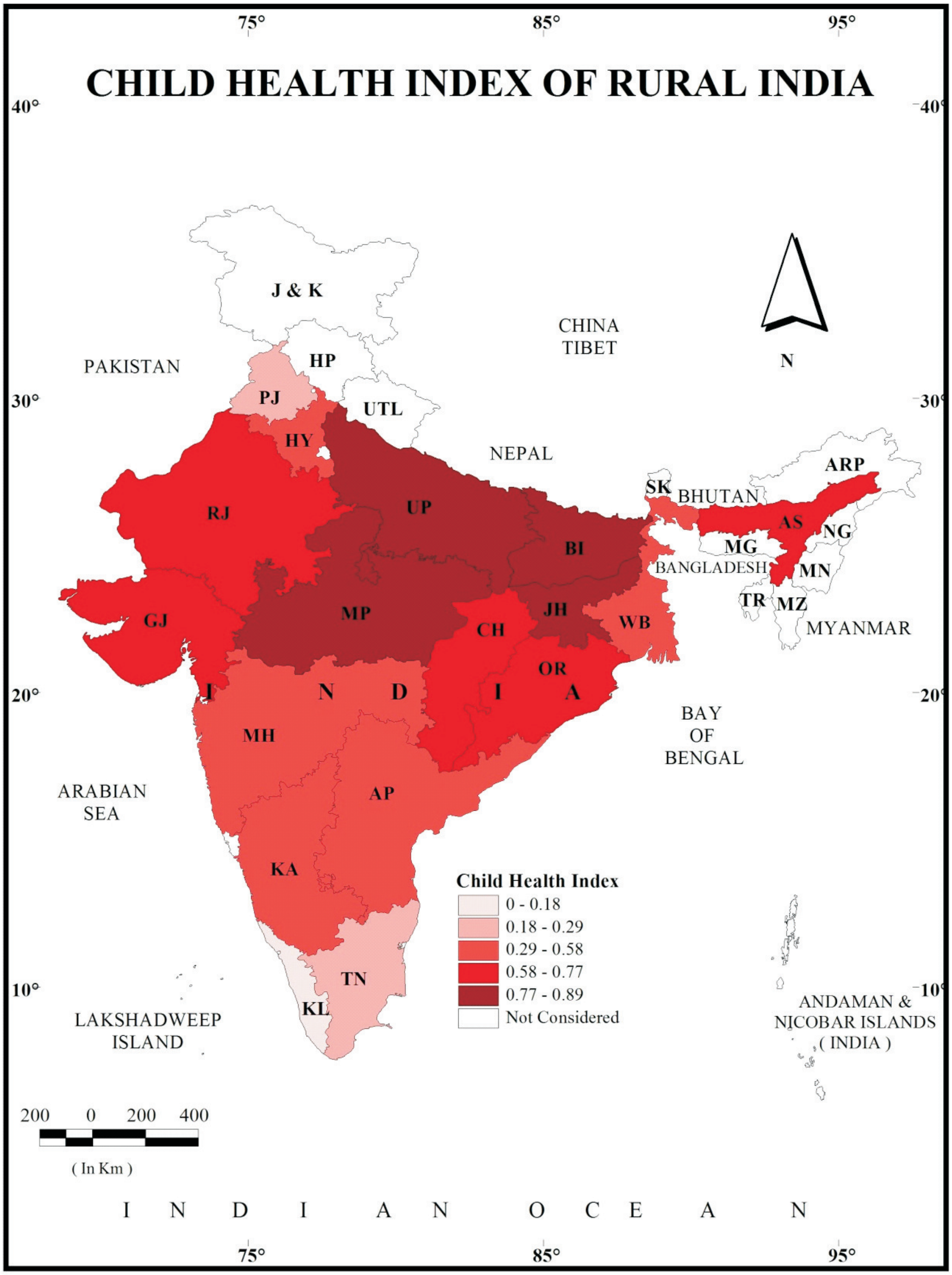
1. क्रमशः मध्यप्रदेश (27.1 प्रतिशत), कर्नाटका (26.9 प्रतिशत), महाराष्ट्र (26.1 प्रतिशत) तथा छत्तीसगढ़ राज्य में 23.7 प्रतिशत है जो ग्रामीण भारत में राष्ट्रीय औसत 21.5 प्रतिशत से अधिक हैं। इसके विपरीत सबसे कम प्रतिशत केरल राज्य में 15.5 प्रतिशत तथा पंजाब राज्य में 16.1 प्रतिशत है (Table 1.1, Map 1.2)

2. **शिशु मृत्यु दर(Infant Mortality Rate) :-** शिशु मृत्यु दर– प्रति हजार जीवित जन्मो पर एक वर्ष से पूर्व मरने वाले बच्चो की संख्या को व्यक्त करता है। पोषण की समस्या गर्भवती महिलाओ के कुपोषण से आरम्भ या शुरू होती है तथा कम भार के जन्मे बच्चो तथा शिशु मृत्यु (Low Birth Weight Babies and Infant Mortality) में प्रकट होती है। शिशु मृत्यु इम्यूनाइजेशन का अभाव, चिकित्सकीय सहायता तथा स्वच्छ पीने का पानी की कमी आदि के कारण भी होती है। शिशु मृत्यु दर मातृत्व मृत्यु से धनात्मक रूप से, महिला साक्षरता तथा ग्रामीण स्वास्थ संरचना सूचकांक से ऋणात्मक रूप से सम्बंधित है।

Table1.2		Child Health Index (Actual Value - Min Value / Range)			
		1	2	3	4
S.N.	State/ India	Index of Infant Mortality Rate in Rural India (2013)	Under -5 Years Stunted Children (Height-for-Age) (%)	Under-5 Years Under weight Children (Weight-for-Age) (%)	Composite Index with IMR, Stunting & Underweight
	India				
1	Andhra Pradesh	0.70	0.44	0.50	0.55
2	Assam	0.98	0.62	0.43	0.67
3	Bihar	0.66	1.00	0.84	0.83
4	Chhattisgarh	0.77	0.66	0.69	0.71
5	Gujarat	0.68	0.79	0.83	0.77
6	Haryana	0.70	0.50	0.40	0.53
7	Jharkhand	0.57	0.96	1.00	0.84
8	Karnataka	0.48	0.64	0.63	0.58
9	Kerala	0.00	0.00	0.00	0.00
10	Madhya Pradesh	1.00	0.81	0.85	0.89
11	Maharashtra	0.36	0.63	0.70	0.57
12	Orissa	0.91	0.54	0.58	0.67
13	Punjab	0.34	0.17	0.13	0.21
14	Rajasthan	0.86	0.71	0.66	0.74
15	Tamil Nadu	0.25	0.31	0.27	0.28
16	Uttar Pradesh	0.91	0.97	0.73	0.87
17	West Bengal	0.43	0.49	0.51	0.48

Mapping Index	**Mapping Typology**	**States**
Below 0.18	1. High	KL
0.18 – 0.29	2. Moderate	PJ, TN
0.29 – 0.58	3. Low	WB, HY, AP, MH

0.58 – 0.77	4. Very Low	KA, AS, CH, RJ, OR
0.77 – 0.89	5. Extremely Low	GJ, BI, JH, UP, MP



Map No. 1.4

नमूना पंजीयन प्रणाली (Sample Registration System)के 2013 के आकड़ो से ज्ञात है कि ग्रामीण भारत में शिशु मृत्यु दर सबसे अधिक मध्यप्रदेश (57), असम (56), उड़ीसा

और उत्तर प्रदेश राज्य में 53 है। इसके विपरीत सबसे कम शिशु मृत्यु दर केरल (16), तमिलनाडु (24) तथा पंजाब राज्य में 28 है। इसके साथ ही महाराष्ट्र, पश्चिम बंगाल, कर्नाटका राज्य की स्थिति सापेक्षिक रूप से थोड़ी अच्छी हैं जबकि अन्य राज्यो में IMRकी स्थिति 42 से 51 के मध्य है (Table 1.1 and Map 1.3)।

1. **<u>बाल स्वास्थ तथा पोषणीय सूचकांक(Index of Child Health and Nutrition)</u>:-** ग्रामीण भारत में राज्यो के मध्य बच्चो के स्वास्थ्य सुचकांक के विश्लेषण से स्पष्ट हैं कि ग्रामीण भारत में बच्चो के स्वास्थ्य सुचकांक की सबसे अच्छी स्थिति केरल राज्य में हैं तथा इसके बाद बच्चो के स्वास्थ्य की सबसे अच्छी स्थिति पंजाब तथा तमिलनाडु राज्य में हैं जो इन राज्यो में बेहतर स्वास्थ्य अधोसंरचना जैसे 24 महीने से कम आयु के इम्यूनाइज्ड बच्चो तथा स्वच्छ पीने के पानी की अधिक उपल्बधता, स्वास्थ्य सुविधाओ के बेहतर उपल्बधता तथा भोजन में विविधिकरण के कारण हैं जबकि ग्रामीण भारत में सबसे खराब बच्चो के स्वास्थ्य की स्थिति पांच राज्यो– गुजरात, बिहार, झारखण्ड, उत्तर प्रदेश तथा मध्यप्रदेश राज्य में हैं तथा इन पांच राज्यो में सबसे खराब स्थिति मध्य प्रदेश तथा उत्तर प्रदेश राज्य में हैं। इन राज्यो में सबसे खराब स्थिति हाने का कारण इम्यूनाइजेशन से वंचित बच्चो की अधिकता, स्वच्छ पीने के पानी की कमी तथा स्वास्थ्य देखरेख की सुविधाओ के अभाव के साथ ही इन राज्यो में ग्रामीण अधोसंरचना तथा जीविका के अवसरो की कमी के कारण हैं।

इन पांच राज्यो के बाद सबसे खराब स्वास्थ्य की स्थिति के अर्न्तगत कर्नाटक, असम, छत्तीसगढ़, राजस्थान तथा उड़ीसा राज्य आते हैं जो मुख्यतः गरीबी तथा जीविका के अवसरो की कमी, स्वास्थ्य सुविधाओ की कमी तथा ग्रामीण अधोसंरचा के खराब स्थिति के कारण हैं। इन सब राज्यो के अतिरिक्त अन्य चार राज्य पश्चिम बंगााल, हरियाणा, आन्ध्रप्रदेश तथामहाराष्ट्र राज्य में बच्चो के स्वास्थ्य की स्थिति न तो बहुत खराब हैं न ही बहुत अच्छी हैं बल्कि औसत स्थिति (Table– 1.2, Map No. 1.4) हैं।

<u>निष्कर्ष (Conclusion)</u> :-ग्रामीण भारत में बच्चो का पोषणीय स्थिति पिछले पांच वर्ष में प्राथमिक स्वास्थ देख रेख, पूरक अहार, पोषणीय ज्ञान तथा इम्यूनाइजेशन के सन्दर्भ में उपलब्धियों को दिखाता है। जिसमे सबसे अधिक योगदान इम्यूनाइजेशन का होता है। केरल तथा पंजाब राज्य में इम्यूनाइजेशन 90 प्रतिशत के लगभग है जबकि इसके बाद सबसे अधिक स्वच्छ पीने का पानी के साथ ही प्राथमिक स्वास्थ सुविधाओं का महत्वपूर्ण योगदान होता है।ग्रामीण भारत में बच्चो के पोषणीय स्थिति के विश्लेषण से ज्ञात हैं कि ग्रामीण स्वास्थ्य की स्थिति सबसे खराब पांच राज्यो– गुजरात, बिहार, झारखण्ड, उत्तर प्रदेश तथा मध्यप्रदेश राज्य में हैं जंहा स्वास्थ्य की स्थिति पर तुरंत या अविलम्ब ध्यान देने की अवश्यकता हैं। इसके लिए सबसे पहले लोगो को पोषणीय ज्ञान से शिक्षित करने, जीविका के अवसरो का सृजन करने तथा स्वास्थ्य अधोसंरचना में सुधार की अवश्यकता हैं।

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"Relevance Of Make In India Campaign With Respect To Small Scale Industries"

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Abstract
In Indian Economy, the small-scale Industries and Cottage Industries play a strategic and vibrant role in restructuring and in transforming comparatively higher labour capital ratio and a shorter gestation period. They operate relatively in smaller markets to be more economical. They always occupy an important place because of their employment potential and their contribution to total industrial output and exports.
Small scale industries involve lower investment and greatly suit the economies of less developed countries, which are capital deficient and labour shortage. They offer a method of ensuring more equitable distribution of national income and facilitate effective mobilzation of resources of capital and skill which might otherwise remained unutilized.
Small scale industries stimulate growth of entrepreneurship and promote a diffused pattern of ownership and development of rural as well as urban areas. They make use of more unskilled labour force and have direct impact on poverty as well. Small scale industries have the spread effect on domestic market since they buy more of domestic inputs and indigenous raw material and use domestic technology to a large extent.
Government of India has taken a number of steps to promote the small-scale industries. The recent "Make in India" campaign has proved to be a mile stone in the operation of SSI units.
"Make in India" is an initiative of the Government of India to encourage multinational, as well as domestic, companies to manufacture their products in India. It was launched by our Hon'ble Prime Minister Shri Narendra Damodar Das Modi on 25th September 2014.

Objectives of the Study

- To determine the impact of Make in India Campaign on the organizational and operational dimensions of the small scale industrial units;
- To assess the influence of Make in India Campaign on the marketing dimensions small scale industrial units;
- To evaluate the overall economic performance of the small scale industrial units due to Make in India Campaign;
- To offer suggestive measures for the issues, if any.

Research Methodology

Since the study is an empirical in nature, hence 10 SSI Units i.e. 5 units from Uttar Pradesh and 5 Units from Uttarakhand have been selected randomly. The sector wise sample selected is given below:

Second, a questionnaire has been designed to collect the primary data from the randomly selected Units.

Third, the questionnaire has been administered on the selected Units and their responses have been sought. This is followed by informal personal meeting with Heads of the Units have been conducted so as to collect important information especially, those that are not covered by the questionnaire.

Fourth, on collecting all the primary data through the questionnaire, they are arranged in tabulated form. The tabulated data are analysed question wise under each objective and accordingly, interpretations are noted. Data analysis and interpretation is done by using simple statistical tools like percentages, averages etc. for arriving at proper conclusions.

Finally, on the basis of the responses received, suggestions and recommendation have been offered.

Secondary data is collected from published sources like the Government publications, reference works and research publications, Companies / Board assisting Small Scale Units etc. Annual reports published by the units or data from their records are obtained.

Limitations of the Study

In view of the scope of the "Make in India" campaign for Small Scale Industries across India; my research work would be focused specially in the State of Uttar Pradesh and Uttrakhand only, which has a vast consortium of small and tiny units.

Organization Profile

Vidyarthi Khadi Bhandar, Meerut

Vidyarthi is a khadi brand which manufactures khadi made of cotton, silk and linen. This versatile fabric has now become widely accepted in fashion circles. It keeps you warm in the winter, cool in the summer and lasts for years. The brand has spread its own units all over India in different states. Each state is having its own uniqueness in manufacturing khadi in terms of weaving, designing and finishing.

Falcon Packaging Solutions, Greater Noida

Established as Partnership firm in the year 2014 at Noida (Uttar Pradesh, India), Falcon Packaging Solutions is a renowned manufacturer of premium quality range of Garbage Bags, HM Rolls, LD Rolls, Stretch Film Roll, etc. The firm provides these products at reasonable prices and delivers these within the assured time frame. Some of vital facts about the firm are – Advanced Infrastructure base, Superior quality products, Ethical business policies, Market leading prices, Wide distribution network and timely delivery.

Meerut Pulses Private Limited, Meerut

Meerut Pulses Private Limited is a Private incorporated on 22 January 2013. It is classified as Non Govt. Company and is registered at Registrar of Companies, Kanpur. Its authorized share capital is Rs. 1,000,000 and its paid up capital is Rs. 400,000.It is involved in Agricultural and animal husbandry service activities, except veterinary activities. This class includes specialized activities, on a fee or contract basis, mostly performed on the farm.

Rajesh Industries, Ghaziabad

Rajesh Industries, established in 1981, offer Aromatic Indian Basmati Rice that is reckoned in the market for its purity and great taste. Each grain of rice reflects our ability to bring forth high quality product for the customers. The non-sticky Indian Basmati Rice offers great taste and good health as it is easy to digest. Precise moisture content ensures perfect fluffiness after cooking. And when it comes to aroma, Indian Sella Basmati Rice is just unbeatable. It is deeply appreciated for long grain and lingering aroma. Thus, it can be used for preparing a wide range of cuisines. No chemicals have been used as we maintain zero tolerance against chemicals. Air tight packaging is done to lock the aroma of the product.

S. K Industry, Agra

S.K. Industries, established in the year 1983, the leading manufacturer and exporter of Indian marble and stone handicraft articles. Further, they offer a range of handicrafts products is very elegant and well suited for both Indian and Western market.

Being a client centric organization, the Company always tries to cultivate amiable relationships with our clients. They follow client centric approach and ethical business practices, and ensure hassle free monetary transactions. Not only quality, but their competitive prices have helped them in gaining a reputed position in the market. They offer clients with customization facility, which has helped them in securing a names in the precedence list of our clients. They have witnessed phenomenal success owing to our unique attributes. Their range of products caters to markets majorly in United States of America, UK, European Countries and Russia.

Adi Raja Foods Pvt. Ltd., Kotdwar, Uttarakhand

Adiraja Foods Private Limited was registered at Registrar of Companies Uttarakhand on 09 November, 2009 and is categorized as Company Limited by Shares and an Indian Non-Government Company. Adiraja Foods Private Limited's Corporate Identification Number (CIN) is U15122UR2009PTC032989 and Registration Number is 032989.

Adiraja Foods Private Limited registered address on file is B-47, Balbhadrapur Industrial Area Tehsil, Kotdwar, Kotdwar Uttarakhand India 246149, Kotdwar - 246149, Uttarakhand, India. Adiraja Foods Private Limited is involved in Manufacturing - Food Stuffs Activity and currently company is in Active Status.

Advance Aeromatics Pvt. Ltd., Haridwar, Uttarakhand

Advanced Aromatics Private Limited is a Private incorporated on 05 May 1999. It is classified as Non-Govt Company and is registered at Registrar of Companies, Uttarakhand. Its authorized share capital is Rs. 1,500,000 and its paid up capital is Rs. 1,442,000.It is involved in Manufacture of plastic products.

Advanced Aromatics Private Limited's Annual General Meeting (AGM) was last held on 06 September 2016 and as per records from Ministry of Corporate Affairs (MCA), its balance sheet was last filed on 31 March 2016.

Hi – Tech Casting & Engineers, Haridwar, Uttarakhand

Established in the year 2014, Hi-Tech Castings and Engineers are the biggest name in the market at Haridwar, Uttarakhand (India). It is the well treasured Manufacturer of LED panel light collection like Slim Panel, LED Light Fixture, LED Street Light Casting. All these LED panel light collection are designed by their engineers with the use of best quality materials. These LED panel light collection are slim fit, smoother in edges and very elegant in designs. All these LED panel light collection are available in many sizes and specifications. Their engineers are creative and experienced in this realm and they create these LED panel light collection as per our customers' requirements. All these LED panel light collection are available in many specifications and affordable rates.

Amardeep Designs, Roorkee, Uttarakhand

The company was established in year 1992 under the guidance of Mr. Deepak Shah. Amardeep Designs India (P) Limited is a professionally managed ISO 9001: 2008 certified organization, which is known worldwide for manufacturing, supplying and exporting a diversified assortment of furniture.

Theoretical Background: Concept on Make in India

Make in India is the BJP-led NDA government's flagship campaign intended to boost the domestic manufacturing industry and attract foreign investors to invest into the Indian economy. The Indian Prime Minister, Mr. Narendra Modi first mentioned the keyphrase in his maiden Independence Day address from the ramparts of the Red Fort and over a month later launched the campaign in September 2014 with an intention of reviving manufacturing businesses and emphasizing key sectors in India amidst growing concerns that most entrepreneurs are moving out of the country due to its low rank in ease of doing business ratings.

The major objective behind the initiative is to focus on job creation and skill enhancement in 25 sectors of the economy. The initiative also aims at high quality standards and minimising the impact on the environment. The initiative hopes to attract capital and technological investment in India.

The Make in India Vision

Manufacturing currently contributes just over 15% to the national GDP. The aim of this campaign is to grow this to a 25% contribution as seen with other developing nations of Asia. In the process, the government expects to generate jobs, attract much foreign direct investment, and transform India into a manufacturing hub preferred around the globe.

The logo for the Make In India campaign is a an elegant lion, inspired by the Ashoka Chakra and designed to represent India's success in all spheres.The campaign was dedicated by the Prime Minister to the eminent patriot, philosopher and political personality, Pandit Deen Dayal Upadhyaya who had been born on the same date in 1916.

Concept on SSI Units

In Indian economy small-scale and cottage industries occupy an important place, because of their employment potential and their contribution to total industrial output and exports.

Government of India has taken a number of steps to promote them. However, with the recent measures, small-scale and cottage industries are facing both internal competition as well as external competition.

There is no clear distinction between small-scale and cottage industries. However, it is generally believed that cottage industry is one which is carried on wholly or primarily with the help of the members of the family. As against this, small-scale industry employs hired labour.

Moreover industries are generally associated with agriculture and provide subsidiary employment in rural areas. As against this, small scale units are mainly located in urban areas as separate establishments.

Further, definition of Micro and Small units is in accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006. They are classified in two cases.

Contribution of Small Scale Sector to Development of the Economy

Small scale and cottage industries in less developed countries (LDCs) normally employ around 80 percent of the entire industrial work force of the country. However most of the value added varying from around 40 to 70 percent routinely originates from only few industries. They include food and beverages, jewellery and gems, leather and leather products jute and jute products, textile, furniture, wood products and handicrafts indicating the narrow base of the SSI sub the economy SSIs in advanced countries are found in a wide array of industries.

In India, small scale industries account for 95 percent of the country’s industrial units, 40 percent of the industrial output, 80 percent of the employment in the industrial sector, 40 percent of total exports and 7 present of net domestic product.

Importance of Small Scale Industries in India

The small scale industries play an important role in job creation and employment. It further gives competition to large monopoly players and lay the foundation of sound economy.

The government has been following a policy of reservation of items for exclusive development in the small scale sector. The rapid growth of small scale industries has a great relevance in the national economic policies of India.

Owing to the dearth of capital, India cannot easily build up large scale industries. So, the small scale industries can offer the large volume of employment. The farmers may be employed in the small and cottage industries during the idle season with a view to improving their economic conditions.

India has accepted the ideals of socialistic pattern of society. In order to attain this goal, it is necessary to prevent the rise of monopolistic units of production. This objective can be achieved by promoting the small scale and cottage industries. The cottage and small scale industries are able to produce goods with artistic design and the cost of production is very low. Besides, these industries provide good opportunities for self employment.

India is a land of agriculture. About 70% of the total population depends on agriculture for their livelihood. This results in endless sub-division and fragmentation of holdings. The cottage and small scale industries should be promoted so that the surplus people can depend on them.

Moreover there is no need of foreign exchange resources for the development of small scale and cottage industries. Hence these industries may be able to solve the balance of payment difficulties and also check the inflationary pressure in India.

Review of Literature

A lot of studies have been made on small Scale Industries, in general. Both the Central and State Governments have taken a number of researches on small scale industries through people from the academic and non-academic side since they provide employment potentialities to millions of workers besides bringing enhanced national income in terms of domestic income and foreign exchange.

T.A Bhavani, (1991) analyses in his study on 'Factor Substitution and Factor Demand in Indian Modem Small Enterprise' that these are possibilities for substitution of labour for other factors namely capital and materials in the modem small scale sector. The capital and labour are complementary to each other and it implies that any small increase in the cost of capital would affect at the demand for labour adversely thereby reducing its share in the total output and vice versa.

Vijay Shukla (1993) in his article on, "A study on Development of Small Scale Industries in India" has stated that small scale industries are no doubt very important for the Indian economy. But they can play their rightful role if they are run on sound lines'. Most of the small scale industries are faced with many difficulties and inadequacies which undermine their efficiency and stand in the way of their development and expansion. Old methods and inferior techniques of production have resulted in low productivity and poor quality of goods.

R. Mohan Kumar (1996) in his study observed that, “Success of SSI sector during the era of industrial development is determined by the positive trend of human resources”. He suggested that, SSI should take effective steps to reduce over-emphasis on certain work related extensive values. Steps should also be taken to eradicate the disappointment arising out of poor attitudes towards work values. In his study, his attention was focused towards the workers and supervisors of SSI.

Prasad C.S. (1997) in his study discusses "Policy for SSI in India" In detail the development strategy pursued in the country to promote SSIs since independence, elaborating on institutional support, integration with larger units, protection, fiscal incentives and concessions and credit support. He has also discussed the policy initiatives taken since the adoption of liberalisation policy in 1991, to ensure that SSIs are not subjected to serious competitive disadvantage in the process of opening up of our economy to MNCs and globalisation. He has also covered the latest package of economic reforms for SSIs recommended by Abid-Hussain Committee and the follow up action thereon.

Nagaiya (1998) has made a study of the "Role of Infrastructure in Industrialisation of Backward Regions". In his study, he concentrated on primary investigation of sample small scale units from industrial estates in industrial areas and comparable small scale units in town adjoining the estate / area. His study highlighted the view that less developed regions used capital and labour more economically than developed regions as revealed by the corresponding productivity indices. He finally examined the effectiveness of the programme of industrial estates and industrial areas from the angle of realisation of expectation of the sponsoring organisation and beneficiaries.

Vikram Chadha (1999) in his study on "Financing the Modernisation of Small Industries in India-Opportunities and Constraints", stated that the problems encountered by the SSIs range from the shortage of credit and finances, under-utilisation of capacities, in-competitiveness in the output and product markets to the inadequacy of industrial facilities like power.

Analysis and Interpretation on the findings of the Study

On collecting the primary data in regard to responses of 10 SSI Units situated in Uttar Pradesh and Uttarakhand, the responses in percentage are as under:

Dimensions	Secondary Questions	Responses in terms of percentage (%)				
		No response	1	2	3	Total
Organizational Dimensions	(i) Centralized decision making, superiors lead, clear reporting lines (if, hierarchal)	5.26	63.17	21.05	10.52	100
	(ii) Teams, task force, project managers (if, horizontal)	5.26	57.89	31.59	5.26	100
Operational Dimensions	Hiring Process	0.00	68.42	26.32	5.26	100
	Workload forecasts	0.00	68.42	26.32	5.26	100
	Job standardization	26.32	47.37	21.05	5.26	100
	Employee Performance Standard	0.00	36.84	42.11	21.05	100
	Compensation	0.00	73.68	26.32	0.00	100
	Length of employment	26.32	52.62	10.53	10.53	100
	Problems relating to raw materials and inventory position and management	5.26	57.89	15.80	21.05	100
	Problems relating plant and machinery	5.26	57.89	26.32	10.53	100
	Problems relating to power etc.	5.26	68.42	26.32	0.00	100
	Problems relating to manpower involved and locational availability	5.26	42.11	47.37	5.26	100
Marketing Dimensions	Increasing competition from within the small scale sector as well as from large industries	0.00	73.68	5.26	21.06	100

	with established brand names					
	Consumer awareness even in rural and semi urban areas for quality goods	10.53	36.84	21.05	31.58	100
	The need to setup distribution networks for reaching out widely dispersed markets	0.00	47.38	21.05	31.57	100
	Inability of the SSI units to exploit the export markets	5.26	63.16	21.05	10.53	100
Overall Economic Performance	Whether "Make in India" Campaign has improved overall economic performance of your organization	5.26	42.11	42.11	10.52	100

From the table above, it has been observed that –

Organizational Dimensions

In regard to whether "Make in India Campaign" has influenced the factors of your organizational dimensions such as centralized decision making, superiors lead, clear reporting lines (if, hierarchal), 63.17% of the SSI Units have responded as minimum impact, 21.05% have responded as average impact and 10.52 have responded as maximum impact. 5.26% have not responded at all. Similarly, in regard to factors such as teams, task force, project managers (if, horizontal), 57.89% of the SSI Units have responded as minimum impact, 31.59% have responded as average impact and 5.26 have responded as maximum impact. 5.26% have not responded at all.

Operational Dimensions

In regard to whether "Make in India Campaign" has influenced the factors of your operational dimensions such as hiring process, 68.42% of the SSI Units have responded as minimum impact, 26.32% have responded as average impact and 5.26 have responded as maximum.

In case of factors such as workload forecasts, similar responses have been received that hiring process. For factors like job standardization, 47.37% of the SSI Units have responded as minimum impact, 21.05% have responded as average impact and 5.26 have responded as maximum. 26.32% have not responded at all.

Again in case of factors such as employee performance standard, 36.84% of the SSI Units have responded as minimum impact, 42.11% have responded as average impact and 21.05 have responded as maximum.

Further, for factors like compensation, 73.68% of the SSI Units have responded as minimum impact, 26.32% have responded as average impact. The impact on factors like length of employment, 52.62% of the SSI Units have responded as minimum impact, 10.53% have responded as average impact and 10.53 have responded as maximum. 26.32% have not responded.

Marketing Dimensions

In regard to influence of "Make in India Campaign" on the factors like increasing completion from within the small scale sector as well as from large industries with established brand names, 73.68% have responded as minimum impact, 5.26% have responded as average impact and 21.05% have responded as maximum impact.

Secondly, impact on factor like consumer awareness in rural and semi urban areas for quality goods, 36.84% have responded as minimum impact, 21.05% have responded as average impact and 31.58% have responded as maximum impact. 10.53% have not responded.

Third, for factor i.e. the requirement to setup distribution networks for reaching out widely dispersed markets, 47.38% have responded as minimum impact, 21.05% have responded as average impact and 31.57% have responded as maximum impact.

Fourth, impact on inability of the SSI Units to exploit the export markets, 63.16% have responded as minimum impact, 21.05% have responded as average impact and 10.53% have responded as maximum impact. 5.26% have not responded.

Overall Economic Performance

It has been observed that in regard of overall economic performance of "Make in India Campaign, 5.26% has not responded, 42.11% has responded as minimum and average impact respectively and only 10.52% has responded as maximum impact.

Suggestions on the findings of the Study

Organizational Dimensions: Since, 61.17% of the SSI Units under study has responded that the "Make in India Campaign" has influenced in regard to their organizational dimensions under which factors such as centralized decision making, superiors lead, clear reporting lines (if, hierarchal), it is observed that the "Make in India Campaign" is successful and it is also suggested that the rest of the SSI Units should also take the benefits of the "Make in India Campaign" as well in future.

However, in regard to other factors such as teams, task force, project managers (if, horizontal) under organizational dimensions, only 57.89% of the SSI Units have responded of having minimum impact, it is suggested that efforts should be made so that these factors also aligned with the "Make in India Campaign" and reap the benefits of the campaign in future.

Operational Dimensions: In regard to whether "Make in India Campaign" has influenced the factors of your operational dimensions such as hiring process, 68.42% of the SSI Units have responded of having minimum impact, which is also not very high. The SSI Units which are yet to take the benefits of the campaign should be given priority for the campaign to be successful.

Again, in regard to the factors such as hiring process, workload forecasts, job standardization under operational dimensions, average percentage ranging from around 50% to 60% implies that there is enough scope for the campaign to look into and maximum effort can be made in this regard.

In case of factors such as employee performance standard, 36.84% of the SSI Units have responded as minimum impact, which is not upto the expected level under operational dimensions and an analysis is required to improve the impact of these factos.

Further, in regard to compensation and length of service under operational dimensions, the maximum impact is observed as 73.68% and 52.62% which no doubt are encouraging, however, continuous effort should be made in this regard will definitely improve the performance of the campaign.

Marketing Dimensions: The study has revealed that the common problem faced by the SSI Units is the marketing of their product as they are facing competition with the bigger industries producing similar products. The study reveals that 73.68% SSI Units has responded as "Make in India Campaign" has minimum impact on marketing their product. As a result, these SSI Units face increasing competition from within the small-scale sector as well as from large industries with established brand names due to "Make in India Campaign". The campaign should try to reach these SSI Units by creating the customer awareness regarding the products produced by these SSI Units to increase the impact to maximum level.

Secondly, impact on factor like consumer awareness in rural and semi urban areas for quality goods and the requirement to setup distribution networks for reaching out widely dispersed markets, the impact of "Make in India Campaign" is not at desired level as only 36.84% and 47.38% respectively have responded as minimum impact. These two factors are of higher importance because the SSI Units depend on these two factors for survival. "Make in India Campaign" must create markets for the products produced by these SSI Units for long term survival.

Overall Economic Performance: Since, only 10.52% has responded that "Make in India Campaign" has maximum impact on the various criteria of the SSI Units, it is important that the awareness of "Make in India Campaign" has not reached to these SSI Units and they are not able to reap the benefits of the campaign.

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A Study On The Operational Efficiency And Financial Performance Of The Indian Bank

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Introduction

The banking system of a country plays an important role in the economic development of any country. Banking system comprises of the banking institutions functioning in the country. Banking system comprises from the central bank to all banking institutions which are functioning and providing financial facilities to any developmental sector like agriculture, industries, trade, housing and like the. Under the Indian banking structure central bank in the name of the Reserve Bank of India which regulates, directs and controls the banking institutions. Separate institutions are functioning to meet the financial requirement of the different sectors of the economy. Indigenous bankers and moneylenders do dominant in the unorganized sector. Regional Rural Banks are meeting the requirement of the rural population. Cooperatives are working to meet the requirement of medium, short and long-term credit for agriculture sector. Development banks are meeting the business and industrial requirements. Thus, one can say that the structure of Indian banking system has an international level banking system which can meet the economic requirements of globalized world.

The Indian banking structure has a wide and comprehensive form. Apex institutions in the form of banking institutions are playing important role in the country. The chief regulator of banking system in our country is the Reserve bank of India. Industrial Development Bank of India (IDBI) is an apex body in the industrial sector. National Bank of Agriculture and Rural Development (NABARD) has been working as an apex institution for the agriculture and rural development. Import-Export Bank of India (EXIM) is an Apex body of international trade. National Housing Bank (NHB) is an apex institution in field of housing construction. Thus these four apex institutions are accelerating the banking system by providing refinance facilities to commercial banks and other financial institutions along with other banking services.

Importance of Banks

Banks play an important role in the economic growth of a country. In the modern set up, banks are not to be considered dealers in money but as the leaders of development. The importance of bank for a country's economy can be explained in following ways

- ✓ Banks by playing attractive interest rate on deposits try to promote savings in an economy. The investment of these savings in productive channel results in capital formation.
- ✓ The scattered small savings in the country can be put to optimum use by commercial banks. Banks utilize this amount by giving loans to industrial houses and the government. By providing funds to the entrepreneurs, bank help in increasing productivity of capital.
- ✓ Banks help in remitting money from one place to another. The cheque, bank draft, letter of credit, bills, hundies enable traders to transfer large sums of money from one place to another.

- ✓ By their ability to create credit, the banks have placed at the disposal of the nation a large amount of money. The bank can increased the supply of money through credit creation.
- ✓ With the growth of banking activity, employment opportunity in the country has increased to a considerable extent.
- ✓ The banks help in capital formation in the country. A high rate of saving and investment promote capital formation.

Review of the Literature

The researcher has reviewed seven previous research studies for the betterment of the present study.

Statement of the Problem

Profitability and solvency are the key performance parameter in banking sector, which reflex efficient utilizing of all resources in an organization. The banks are now facing a number of challenges such as frequent cases in technology required for modern banking, stringent prudential norms, increasing competition, worrying level of on performing assets, raising customer expectations, increasing pressure on profitability, assets-liability management, liquidity and credit risk management, rising operating expenditure, shrinking size of spread and like the. Hence the researcher has chosen the research entitled “A Study on the operational efficiency and financial performance of the Indian Bank”.

Objectives of the Study

The main objectives of present study are given below

- To trace the profile of the Indian bank
- To study and analyse trend ratio of financial components of the Indian bank
- To study and analyse operational efficiency and financial performance of the Indian bank
- To study and analyse trend value of key financial data of the Indian bank
- To offer suggestions to the Indian bank for improve of its operational efficiency and financial performance.

Period of the Study

The present study is covered for seven financial years audited annual reports of the Indian Bank from 2008-09 to 2014-15.

Geographical area coverage

The study has been used national level financial data of the Indian bank.

Research Methodology Used

The researcher has used secondary data on seven years audited annual reports of the Indian bank for the study of operational efficiency and financial performance of the Indian bank. The sources of secondary data are collected from Indian bank’s Annual Reports, various magazines, newspapers, websites and the like.

Frame Work of Analysis

In order to analysis and interpreted the financial performance of the Indian bank, the researcher has used the following financial tools.

- ✯ Trend value
- ✯ Ratio analysis

Scope of the Study

The study has been taken only for seven years audited annual financial statements. The present study analysed profitability and financial performance of the Indian bank.

Limitations of the Study

The present study suffered with the following limitations

- The researcher has used seven years financial data of the Indian bank from 2008- 09 to 2014-15

- The present study has not been considered classification of bank advances

Trend Value for Deposits of the Indian Bank

The Trend Value for Deposits of the Indian bank is shown in Table 1.1.

TABLE 1.1

Trend Value for Deposits of the Indian Bank

(Rupees in Thousands Crore)

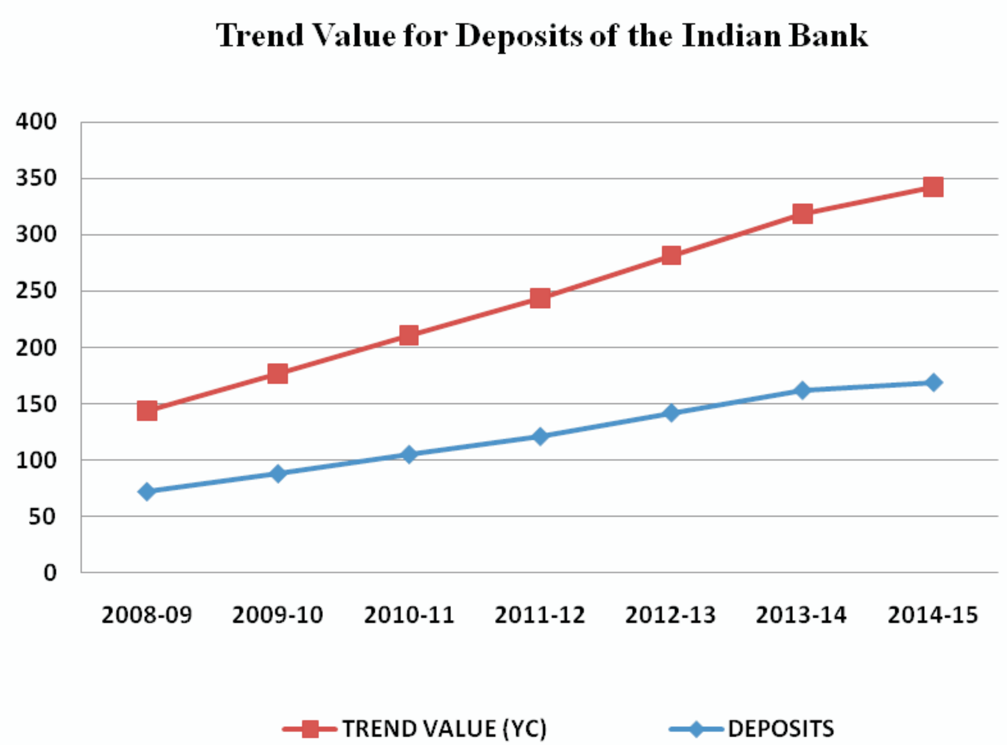
Year	Deposits Rs.	Trend Value (Y_C)
2008-09	72	71.71
2009-10	88	88.71
2010-11	105	105.71
2011-12	121	122.71
2012-13	142	139.71
2013-14	162	156.71
2014-15	169	173.71

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.1 shows that the Trend value for deposits of the Indian bank is increased continuously from 2008-09 to 2014-15. The Highest trend value is 173.71 in the year 2014-15 and the lowest trend value is 71.71 in 2008-09.

Figure 1.1 presents that the Trend Value for Deposits of Indian bank.

FIGURE 1.1



Trend Value for Investment of the Indian Bank

The Trend Value for Investment of the Indian bank is shown in Table 1.2.

TABLE 1.2
Trend Value for Investment of the Indian Bank

(Rupees in Thousands Crore)

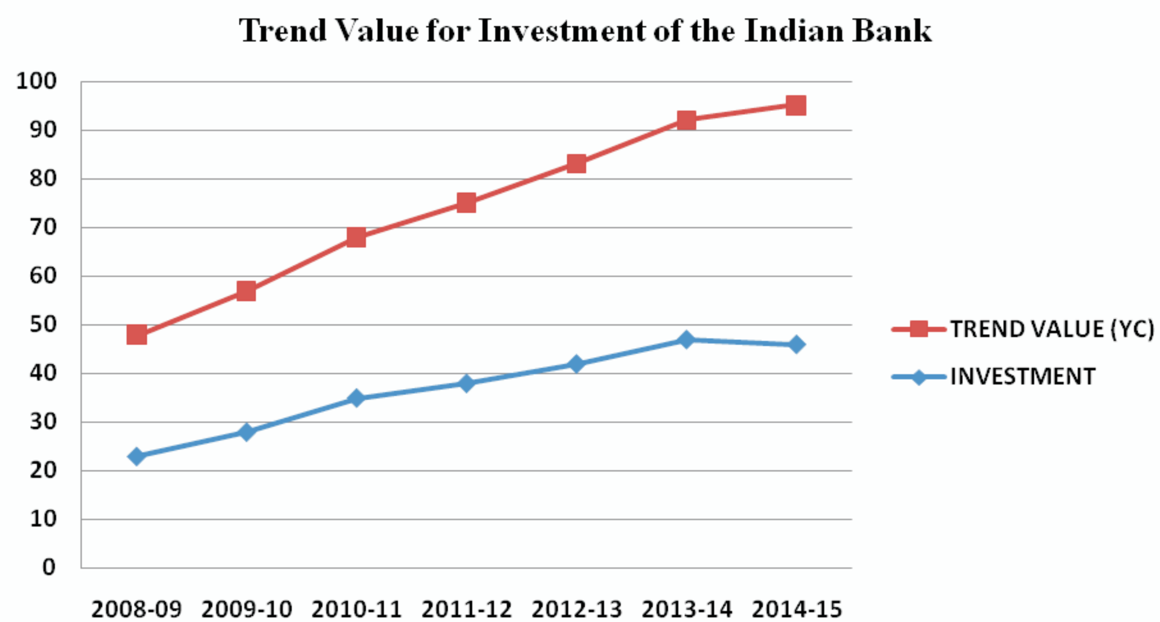
Year	Investment Rs.	Trend Value (Y_C)
2008-09	23	24.79
2009-10	28	28.86
2010-11	35	32.93
2011-12	38	37
2012-13	42	41.07
2013-14	47	45.14
2014-15	46	49.21

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.2 shows that the trend value for investment of the Indian bank is increased from 2008-09 to 2014-15. The highest trend value is 49.21 in the year 2014-15 and the lowest trend value is 24.79 in the year 2008-09.

Figure 1.2 presents that the trend value for investment of the Indian bank.

FIGURE 1.2



Trend Value for Advances of the Indian bank

The Trend Value for Advances of the Indian bank is shown in Table 1.3.

TABLE 1.3
Trend Value for Advances of Indian Bank

(Rupees in Thousands Crore)

Year	Advances Rs.	Trend Value (Y_C)
2008-09	51	50
2009-10	62	63.4
2010-11	75	76.86
2011-12	90	90.29
2012-13	106	103.72
2013-14	122	117.18
2014-15	126	130.58

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.3 shows that the Trend value for Advances of the Indian bank is increased from the 2008-09 to 2014-15. The lowest trend value is 50 in the year 2008-09 and the highest trend value is 130.58 in the year 2014-15.

Trend Value for Interest Earned of the Indian Bank

The Trend Value for Interest Earned of the Indian bank is shown in Table 1.4.

TABLE 1.4
Trend Value for Interest Earned of the Indian Bank

(Rupees in Thousands Crore)

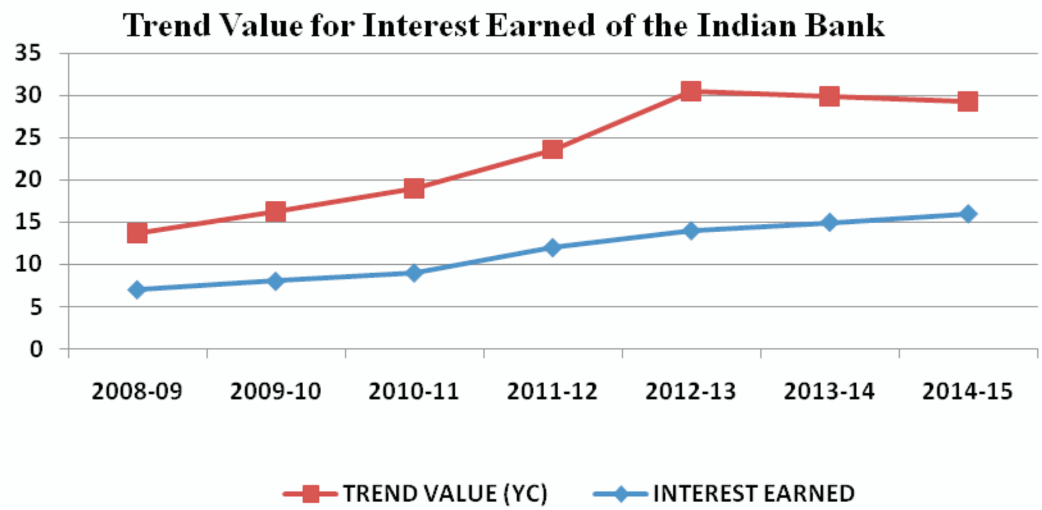
Year	Interest Earned Rs.	Trend Value (Y_C)
2008-09	7	6.65
2009-10	8	8.29
2010-11	9	9.93
2011-12	12	11.57
2012-13	14	16.49
2013-14	15	14.85
2014-15	16	13.21

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.4 shows that the Trend Value for the Interest Earned of the Indian bank is fluctuate because the trend value from the year 2008-09 to decreased in the year 2014-15. The highest trend value is 16.49 in the year 2012-13 and the lowest trend value is 6.65 in the year 2008-09.

Figure 1.3 presents that the Trend Value for the Interest Earned of the Indian bank.

FIGURE 1.3



Trend Value for Interest Expended of the Indian Bank

The Trend Value for Interest Expended of the Indian bank is given in Table 1.5.

TABLE 1.5

Trend Value for Interest Expended of the Indian Bank

(Rupees in Thousands Crore)

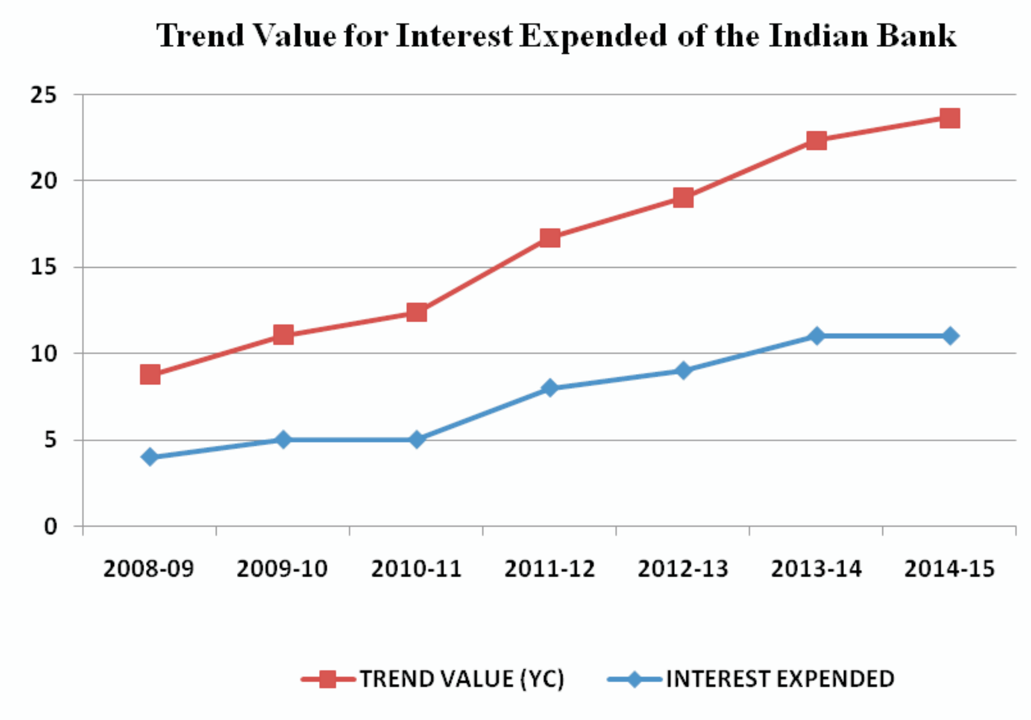
Year	Interest Expended Rs.	Trend Value (Y_C)
2008-09	4	4.75
2009-10	5	6.07
2010-11	5	7.39
2011-12	8	8.71
2012-13	9	10.03
2013-14	11	11.35
2014-15	11	12.67

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.5 shows that the trend value for interest expended of the Indian bank is continuously increased from the year 2008-09 to 2014-15. The highest trend value is 12.67 in the year 2014-15 and the lowest trend value is 4.75 in the year 2008-09.

Figure 1.4 presents the trend value for interest expended of the Indian bank.

FIGURE 1.4



Trend Value for Operating Expenses of the Indian bank

The Trend Value for Operating Expenses of the Indian bank is shown in Table 1.6.

TABLE 1.6

Trend Value for Operating Expenses of the Indian Bank

(Rupees in Thousands Crore)

Year	Operating Expenses Rs.	Trend Value (Y_C)
2008-09	2	1.8
2009-10	2	2.01
2010-11	2	2.22
2011-12	2	2.43
2012-13	3	3.06
2013-14	3	2.85
2014-15	3	2.64

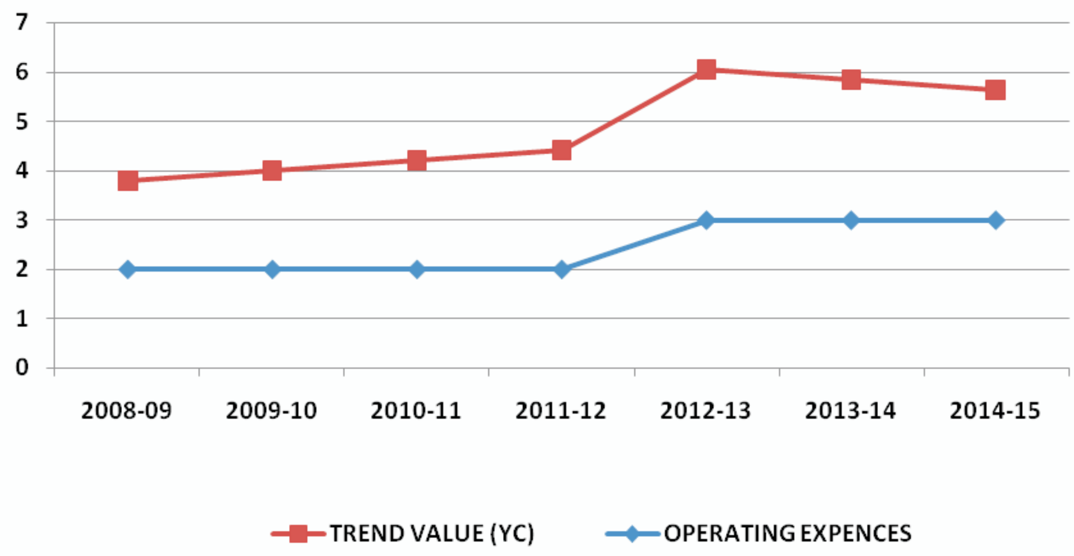
Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.6 shows that the Trend Value for Operating Expenses of the Indian bank is not stable from the year 2008-09 to 2014-15. The highest trend value is 3.06 in the year 2012-13 and the lowest trend value is 1.8 in the year 2008-09.

Figure 1.5 presents that the Trend Value for Operating Expenses of the Indian bank.

FIGURE 1.5

Trend Value for Operating Expenses of the Indian Bank



Trend Value for Net Profit/Loss of the Indian Bank

The Trend Value for Net Profit/Loss of the Indian bank is given in Table 1.7.

TABLE 1.7

Trend Value for Net Profit/Loss of the Indian Bank

(Rupees in Thousands Crore)

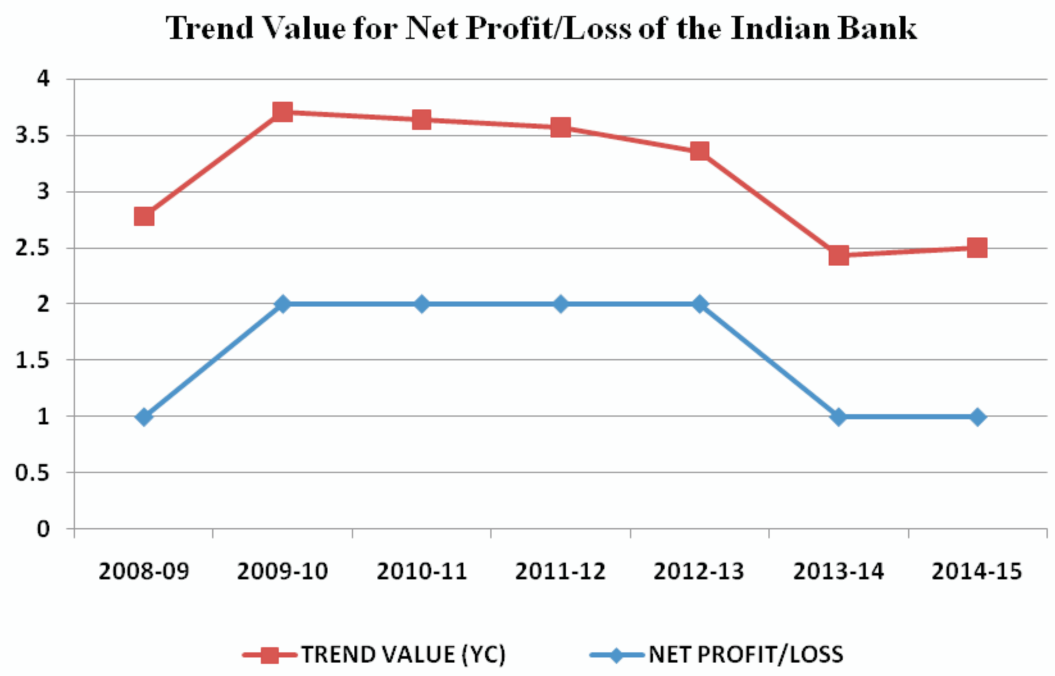
Year	Net Profit/Loss Rs.	Trend Value (Y_C)
2008-09	1	1.78
2009-10	2	1.71
2010-11	2	1.64
2011-12	2	1.57
2012-13	2	1.36
2013-14	1	1.43
2014-15	1	1.5

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.7 shows that the Trend Value for Net Profit/Loss of the Indian bank is continuously decreased from the year 2008-09 to 2014-15. The highest trend value is 1.78 in the year 2008-09 and the lowest trend value is 1.5 in the year 2014-15.

Figure 1.6 presents that the Trend Value for Net Profit/Loss of the Indian bank.

FIGURE 1.6



Trend Value for Non Performing Assets of the Indian bank

The Trend Value for Non Performing Assets of the Indian bank is given in Table 1.8.

TABLE 1.8

Trend Value for Non Performing Assets of the Indian Bank

(Rupees in crore)

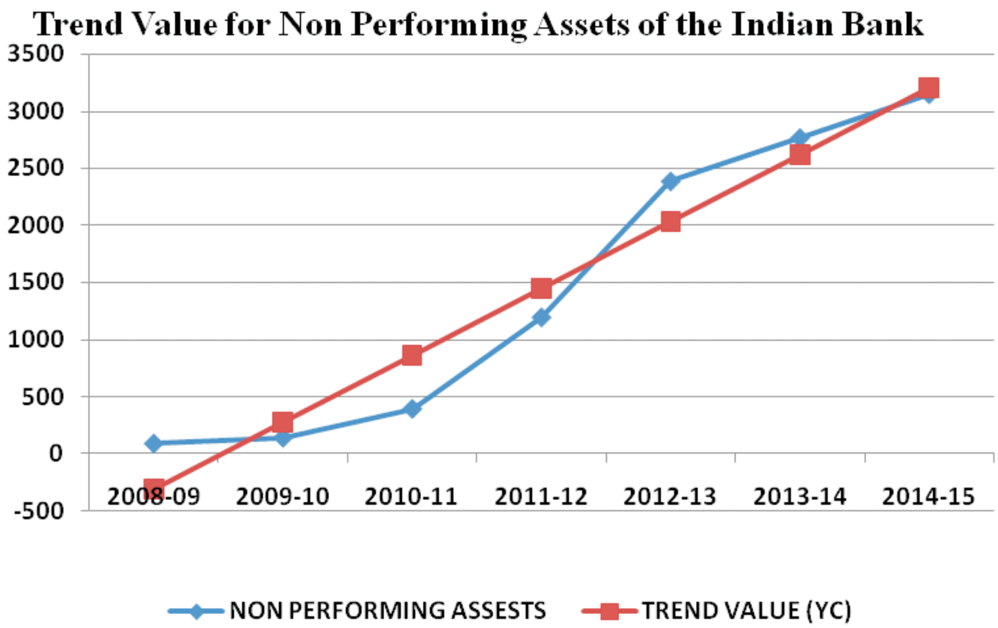
Year	Non Performing Assets Rs.	Trend Value (Y_C)
2008-09	93.81	-308.66
2009-10	144.93	276.49
2010-11	397.04	861.64
2011-12	1196.83	1446.79
2012-13	2384.30	2031.94
2013-14	2763.65	2617.09
2014-15	3146.95	3202.24

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.8 shows that the Trend value for Non Performing Assets of the Indian bank is increased from the year 2008-09 to 2014-15. The highest trend value is 3204.24 in the year 2014-15 and the lowest trend value is -308.66 in the year 2008-09.

Figure 1.7 presents that the Trend value for Non Performing Assets of the Indian bank.

FIGURE 1.7



Trend Value for Bad Debt of the Indian bank

The Trend Value for Bad Debt of the Indian bank is given in Table 1.9.

TABLE 1.9

Trend Value for Bad Debt of the Indian Bank

(Rupees in Crore)

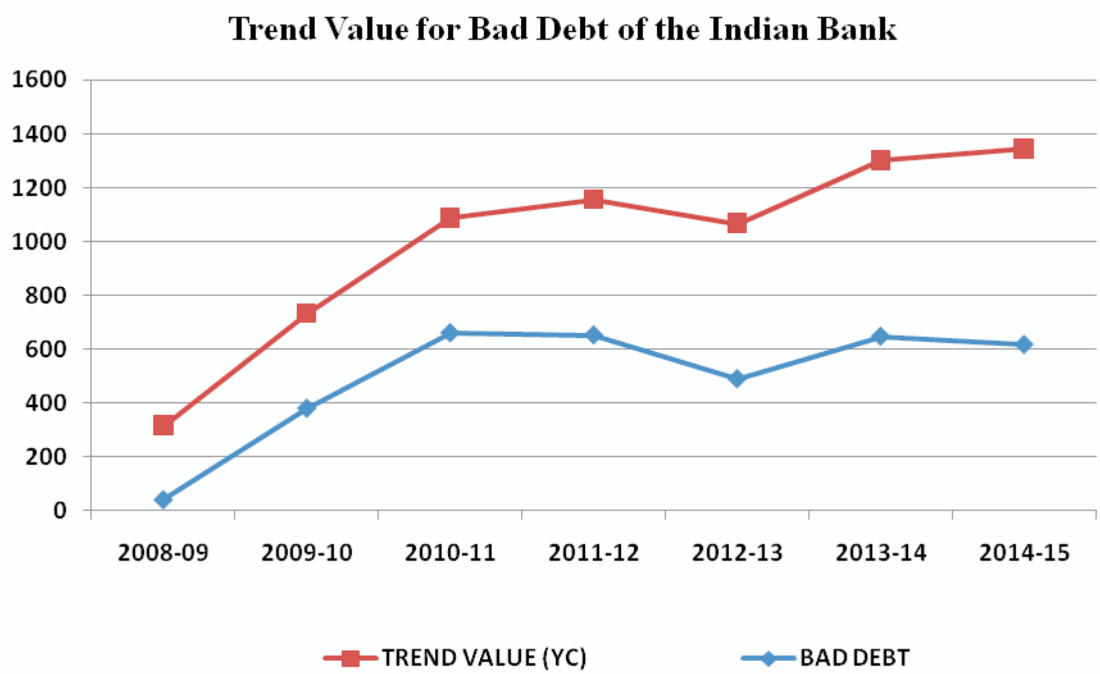
Year	Bad Debt Rs.	Trend Value (Y_C)
2008-09	40.39	274.74
2009-10	381.53	349.81
2010-11	662.48	424.88
2011-12	654.74	499.95
2012-13	491.58	575.02
2013-14	649.69	650.09
2014-15	619.21	725.16

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.9 shows that the Trend value for Bad debt of the Indian bank is continuously increased from the year 2008-09 to 2014-15. The highest trend value is 725.16 in the year 2014-15 and the lowest trend value is 274.74 in the year 2008-09.

Figure 1.8 presents that the Trend value for Bad Debt of the Indian bank.

FIGURE 1.8



Straight Line Trend of Key Financial Indicators of Indian bank

Table 1.10

Straight line trend of Key Financial Indicators of Indian bank

S. No.	Financial Indictors	Trend Value of Y_C=a+bx
1.	Deposits	Y_C = 122.71+17x
2.	Investment	Y_C = 37+4.07x
3.	Advances	Y_C = 90.29+13.43x
4.	Interest Earned	Y_C = 11.57+1.64x
5.	Interest Expended	Y_C = 8.71+1.32x
6.	Operating Expenses	Y_C = 2.43+0.21x
7.	Net Profit/Loss	Y_C = 1.57-0.07x
8.	Non Performing Assets	Y_C = 1446.79+585.15x
9.	Bad Debt	Y_C = 499.95+75.07x

Source: Computed from secondary data.

Result of Key Indicators of the Indian Bank

Table 1.11

Result of Key Indicators of the Indian Bank

S. No.	Financial Indicator	Value of a	Value of b	Oscillation	Result
1.	Deposits	122.71	17	Low	Consistent
2.	Investment	37	4.07	Low	Consistent
3.	Advances	90.29	13.43	Low	Consistent
4.	Interest Earned	11.57	1.64	Low	Consistent

5.	Interest Expended	8.71	1.32	Low	Consistent
6.	Operating Expenses	2.43	0.21	Low	Consistent
7.	Net Profit/Loss	1.57	-0.07	High	Improve
8.	Non Performing Assets	1446.79	585.15	Low	Consistent
9.	Bad Debt	499.95	75.07	Low	Consistent

Source: Computed from secondary data.

Ratio for Total Advances to Total Deposits of the Indian Bank

The Ratio for Total Advances to Total Deposits of the Indian Bank is given in Table 1.12.

TABLE 1.12

Ratio for Total Advances to Total Deposits of the Indian Bank

(Rupees in Thousands)

Year	Total Advances (A)	Total Deposits (B)	Ratio (A/B)
2008-09	51,39,65,365	72,58,18,310	0.71
2009-10	62,14,61,323	88,22,76,581	0.70
2010-11	75,24,99,056	1,05,80,41,827	0.71
2011-12	90,32,35,995	1,20,80,37,995	0.75
2012-13	1,05,64,25,468	1,41,98,01,550	0.74
2013-14	1,22,20,89,858	1,62,27,48,193	0.75
2014-15	1,25,86,35,458	1,69,22,52,717	0.74

Source: computed from the Indian Bank from 2008-09 to 2014-15.

The Table 1.12 shows that the Ratio for Total Advances to Total Deposits of the Indian Bank is not stable from the year 2008-09 to 2014-15. It is recorded high 0.75 in the year 2013-14 and low 0.70 in the year 2009-10. In the year 2014-15 is recorded 0.74.

Figures 1.9 and 1.10 present the Ratio for Total Advances to Total Deposits of the Indian Bank.

FIGURE 1.9

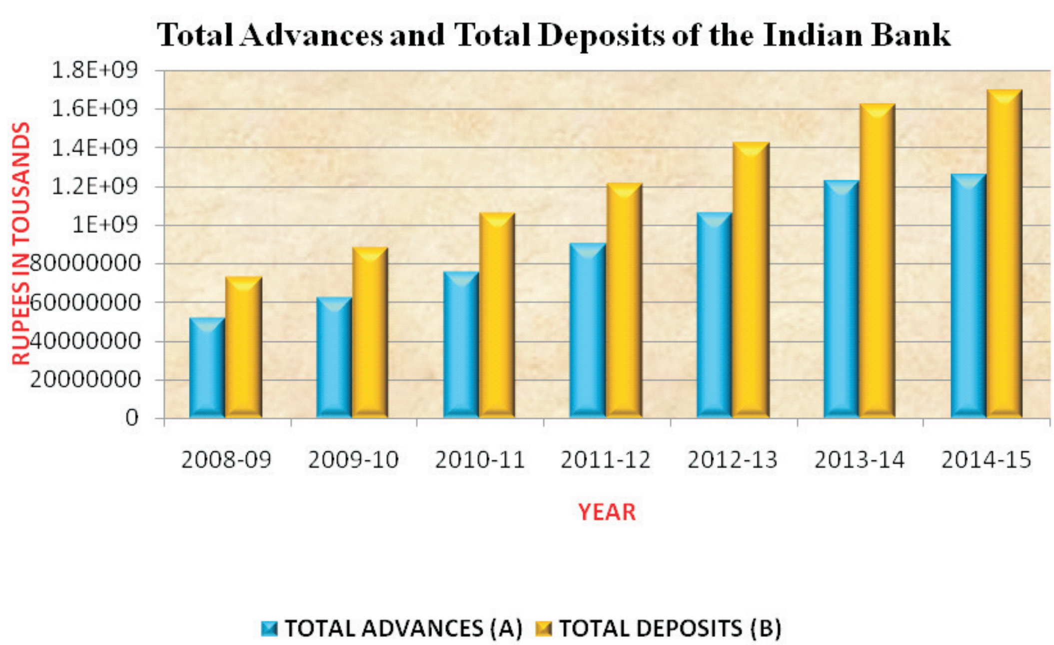
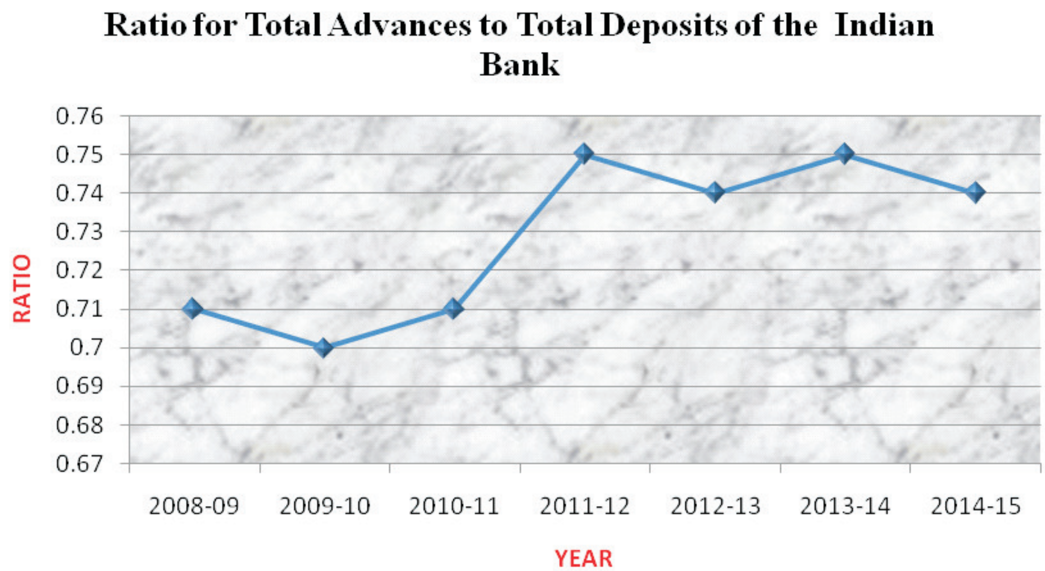


FIGURE 1.10



Ratio for Term Loans to Term Deposits of the Indian Bank

The Ratio for Term Loans to Term Deposits of the Indian Bank is given in Table 1.13.

TABLE 1.13

Ratio for Term Loans to Term Deposits of the Indian Bank

(Rupees in thousands)

Year	Term Loans (A)	Term Deposits (B)	Ratio (A/B)
2008-09	31,69,70,801	496224717	0.64
2009-10	33,74,43,984	598124901	0.56
2010-11	46,20,88,629	730940520	0.63
2011-12	51,97,15,758	838959919	0.62
2012-13	58,27,37,370	1027932642	0.57
2013-14	61,24,46,633	1182142696	0.52
2014-15	67,45,76,645	1205333406	0.56

Source: computed from the Indian Bank from 2008-09 to 2014-15.

Table 1.13 shows that the Ratio for Term Loans to Term Deposits of the Indian Bank is not stable from the year 2008-09 to 2014-15. It is recorded high 0.64 in the year 2008-09 and low 0.52 in the year 2013-14. In the year 2014-15 is recorded 0.56.

Figures 1.11 and 1.12 present the Ratio for Term Loans to Term Deposits of the Indian Bank.

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FIGURE 1.12

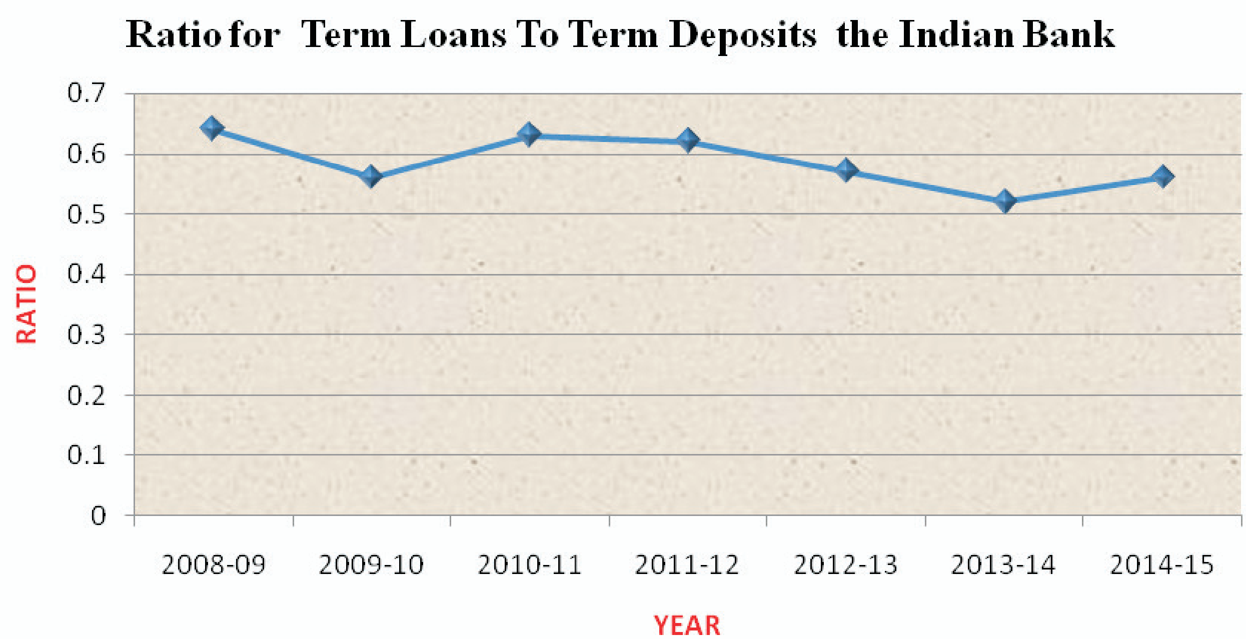
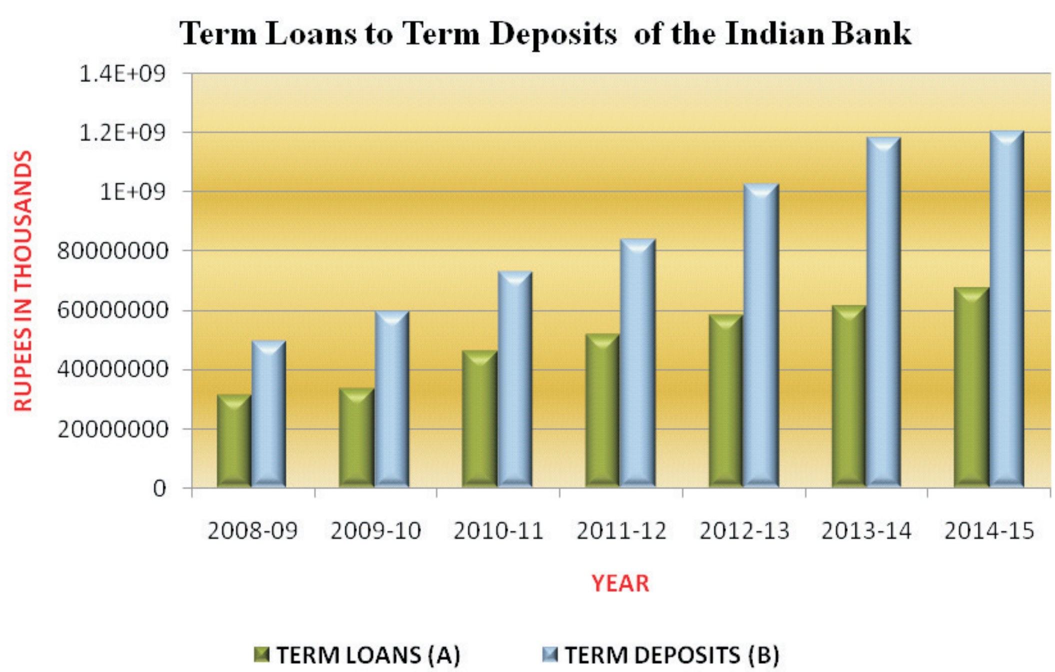


FIGURE 1.11



Suggestions

The researcher has suggested the following to authorities of Indian Bank for improving operational efficiency and financial performance.

- The authorities of Indian bank should take necessary step to reduce nonperforming assets through introducing effective collection system for collecting all loans and interest.
- The Indian bank should take necessary step to minimize bad debts.

- The Indian bank should introduce new loans scheme with low interest rate to agriculturists' customers for agricultural development thereby support to sustainable improve of the Indian national economy.
- The Indian bank should control operating expenses through systematic way in order to reduce inconsistent of operating expenses.
- The Indian bank should control non performing assets through issuing loan according to principles of lending like the security, safety, liquidity and profitability.

Conclusion

In the Indian financial system commercial banks are the major mobilisers and disbursers of financial resources. They have an all pervasive role in the growth of a developing country like India. The role of banks in accelerating the economic development of a country like India has been increasingly recognised following the nationalisation of fourteen major commercial banks in July 1969 and six more banks in April 1980,with nationalization, the concept of banking has undergone significant changes. Banks are no longer viewed as mere lending institutions. They are to serve the society in a much bigger way with a socio-economic development oriented outlook. They are specially called upon to use their resources to attain social upliftment and speedier economic development. The authorities of Indian bank has start new branches in Rural areas throughout the India and also give equal important to agricultures and industries thereby helping to support our national economical growth.

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Comparative Study of Customer Perception Towards Services Provided By Public Sector Bank And Private Sector Bank

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INTRODUCTION

Banking is a key industry in the service sector and it will not be an exaggeration to call it the financial nerve centre of the economy. The Indian banking system has the largest branch network spread over a vast area. In the era of cut throat competition, the survival of any bank depends upon the satisfied customers. Customer satisfaction is the state of mind that customers have about a bank when their expectations have been met or exceeded over lifetime of the service. Clearly defining and understanding, customer satisfaction can help any bank to identify opportunities for services innovation and serve as the basis for performance appraisal and reward system. In order to retain customers banks have to provide better quality services. A study of services provided by Private Bank and Public Bank is carried out and customers' perception is compared.

Private Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries in the areas of investment banking, life and non-life Insurance.

It offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries and affiliates in the areas of investment banking, credit cards and asset management.

NEED FOR THE STUDY

The basic requirement for this information was to examine the customer feedback and their knowledge about various services provided by the Private and Public Banks. The information was conducted to find out the level of satisfaction about the services provided by both the banks among its customers.

The information will help the bank in analyzing the reasons as to why the customers are not using the services that are provided by the bank. It will help the bank to finalize its marketing strategy by suggesting few marketing steps that would help the bank in obtaining larger market share. With the help of the information, the bank can also frame certain competitive marketing strategies to outperform the market leader.

OBJECTIVES OF THE STUDY

To find out the overall percentage of customers perception of the services provided by the bank. A comparative analysis of services provided by Private and Public Banks is dealt in the present study.

RESEARCH METHODOLOGY

The present information is based on secondary data. The information relating to the customer perception towards services provided by both the banks viz. PUBLIC and PRIVATE Banks.

VARIOUS SERVICES PROVIDED TO CUSTOMER'S:

- **Savings Account Portability**

Customer can request for transfer of Savings Account from one branch to another branch of PRIVATE Bank by giving a written request in the branch or by calling the 24 X 7 Customer Care OR placing a request through internet banking. The account is transferred within 2 working days while in Public the same action needs more time.

- **Locker Facility:**

Storing too much jewellery and valuables in the house at times becomes a security issue and an impediment in case of natural calamities. Public Bank offers a safe, trustworthy space to store valuables, jewellery, documents and other things dear of customers. Only the main branch of Private Bank provides locker facility.

- **ATM Service:**

Every customer essentially needs ATM service. This service has brought revolution in the banking industry. Proper functioning of ATM is absolutely must to cater the needs of the customer.

- **Bank Statement/Passbook:**

The Private Bank issues quarterly statement of account instead of passbook free of cost to all customers. The Public issues a passbook wherein the customer can make entries as and when he needs. These entries are made free of cost.

- **Internet Banking:**

Use of the internet to carry out financial transactions is certainly one of the most promising avenues for linking customers with financial service providers. Through the internet a customer can verify real-time account balances any time from any location, move funds instantly from one account to another, confirm that deposits have been made, submit an application for loans and credit cards and carry out online bill paying. The customers of PRIVATE bank perceive that internet banking for them is very convenient, fast and often uninterrupted. On the contrary customers of Public find this service slow and often interrupted due to frequent server down.

- **Customer Care:**

24-hour Customer Care is always available to answer any query or to take instructions in PRIVATE bank, while this 24- hour facility is not available to the customers of Public.

- **Deposit of Cheques:**

For deposition of cheques only drop box is available at Public, while in Private Bank along with drop box facility customer can ask for acknowledgement receipt.

- **Collection of Cheques**:

It is not always that the cheque is deposited at the base branch. Hence some amount is charged for the service of collection of cheques through outstation branch. The local cheques deposited for collection in PRIVATE bank are realized on the same day and the amount is credited to the customer account by the closing of the day. But in case of Public collection of cheques and their realization take 2-3 days. Even the processing of out station cheques is faster in Private Bank than Public.

- **Demand Draft Facility:**

Some respondents of Public are not satisfied with the DD facility provided by the bank. There is unusual delay in issuing of draft due to shortage of staff. Sometimes even the DD is issued after the normal working hours of the bank. PRIVATE bank issues DD immediately after getting the request from its customer.

- **Information about new products and schemes:**

Many new schemes and policies are prepared by Public, but it is not communicated to the customers properly. As the customers are mostly unaware about these schemes; they do not get the benefit of the schemes and policies. The PRIVATE bank timely provides the information about the new product and schemes by sending pamphlets and brochures to their customers.

❖ **Ambience:**

The customers of PRIVATE bank find the bank spacious, clean, well furnished and pleasant working conditions. While in Public customers suggest need of comfortable furniture (writing tables and chairs) and cleanliness.

CONCLUSION

The perceived quality of services provided by Private sector bank (PRIVATE) is better than public sector bank (Public Bank) in India. It is evident that public sector banks have a strong presence in the market, but in recent times they are facing stiff competition from Private sector banks in the range and quality of services offered. In the present scenario banks have to be service oriented in order to keep ahead of competition. Public sector banks must concentrate on providing updated information to customers regarding the new services offered by them. They must also change their policies, customer service norms and service efficiency keeping in view the strategies adopted by Private sector banks.

RECOMMENDATIONS

- Making the existing customers aware of the other products of Public Bank and take their interest feedback for the same timely.
- Proper description of charges debited from the account should be made in the account statement.
- Improved technical infrastructure in the form of uninterrupted internet connectivity and orderly working of ATMs.
- PRIVATE bank is recommended to adopt passbook system which might be helpful to increase reliability.
- Both the banks are recommended to see availability of free parking while choosing any location for a branch.
- A bank can differentiate itself with weekends and extended working hours.

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Profitability Performance Of George Town Cooperative Bank Ltd

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Profit serves as a yard stick for judging the competence and efficiency of the management. Profit determines the financial position, Liquidity and solvency of the company. Therefore, profit planning is a fundamental part of the overall management function and is an important part of the total budgeting process. The main objective of any business organisations to earn profit. The term profitability refers to an indication of the efficiency with which of the operation of the business is carried on. A poor operational performance may lead to lower profitability. Lower profitability may rise due to lack of control over the expenses. The bankers, financial institutions, Cooperative credit Societies and other creditors consider profitability ratio as an indicator to take major decisions.

OBJECTIVES OF THE STUDY

- To analyse the factors affecting profitability of George Town Cooperative Bank Ltd.
- To offer suitable suggestions on the basis of finding of the study.

METHODOLOGY

The "Case study Method" has been adopted to achieve the cited above objectives of the study. The study is purely based on the secondary data and it has been collected from the Annual Reports of George Town Cooperative Bank Ltd, Government publications, Books, Journals, Websites are the major source of secondary data.

PERIOD OF THE STUDY

The study covers a period of Five years from 2011 to 2015.

TOOLS USED FOR ANALYSIS

In order to analyses the profit and profitability position of George Town Cooperative Bank Ltd, ratio analysis has been used. The analysis is made with the help of standard financial ratios, Growth Rate and Co-efficient of Correlation.

ANALYSIS AND DISCUSSIONS

Ratio analysis is used to analyze the Sustainable Economic Development of George Town Cooperative Bank Ltd. Further it gives the information to take decisions for planning and control of activities of the Bank . This analysis enables one to identify the nature and causes of changes in profits and profitability over the period of time and this helps in pinpointing the direction of action required for altering the prospects of the Bank in future.

In order to analyse the profitability performance of George Town Cooperative Bank the following ratios have been used.

- Net profit to total assets
- Interest income to total assets

- Other income to total assets
- Total income to total assets
- Net profit to total advances
- Interest income to Total advances

Net Profit to Total Assets Ratio of George Town Cooperative Bank Ltd.,

TABLE 1 Shows Net Profit to Total Assets ratio of George Town Cooperative Bank Ltd.,

TABLE 1

Net Profit to Total Assets ratio of George Town Cooperative Bank Ltd.,

(Rs In Crores)

Year	Net profit	Total assets	Net profit/total assets (%)
2011	1.06	204.66	0.52%
2012	1.09	233.96	0.49%
2013	1.12	26.47	0.43%
2014	1.07	289.97	0.37%
2015	1.36	292.81	0.46%

Source: Source: George Town Cooperative Bank Ltd., Annual Report

From the Table 1, it is understood that the ratio of net profit to total assets is ranged between 0.37 per cent and 0.52 per cent during the study period. It is also shows that the net profit to total assets ratio was less than 1.00 per cent in all the year.

Interest Income To Total Assets Ratio Of George Town Cooperative Bank Ltd.,

Table 2 Shows Interest Income to Total Assets ratio George Town Cooperative Bank Ltd.,

TABLE 2

Interest Income to Total Assets Ratio of George Town Cooperative Bank Ltd.,

(Rs In Crores)

Year	Interest income	Total assets	Interest income /total assets (%)
2011	18.55	204.66	9.06%
2012	20.66	223.96	8.95%
2013	24.66	260.47	9.467%
2014	28.69	289.97	9.9%
2015	29.61	292.81	10.11%

Source: Source: George Town Cooperative Bank Ltd., Annual Report

The Table 2 reveals that the interest income of George Town Cooperative Bank Ltd was Rs. 18.55 crores in 2011 and Rs. 29.61 in 2015. The ratio of interest income to Total assets was 8.95 per cent in 2012 and 10.11 per cent in 2015 during the study period.

Other Income To Total Assets of George Town Cooperative Bank

Table 3 Shows Other Income to Total Assets of George Town Cooperative Bank Ltd.,

Table 3

Other Income to Total Assets of George Town Cooperative Bank Ltd.,

(Rs In Crores)

Year	Other income	Total assets	Other income/total assets (%)
2011	0.25	204.66	0.12%
2012	0.25	223.96	0.11%

2013	0.28	260.47	0.10%
2014	0.32	289.97	0.11%
2015	0.49	292.81	0.16%

Source: Source: George Town Cooperative Bank Ltd., Annual Report

The above table 3 explains the proportion of other income to total assets of George Town Cooperative Bank Ltd was 0.10 per cent in the year 2013 and 0.16 per cent in the year 2015. The other income of George Town Cooperative Bank Ltd was Rs.0.25 crores in 2012 and Rs. 0.49 crores in 2015.

Total Income To Total Assets of George Town Cooperative Bank

Table 4 Shows Total Incomes to Total Assets of George Town Cooperative Bank Ltd.,

Table 4

Total Incomes to Total Assets of George Town Cooperative Bank Ltd.,

(Rs In Crores)

Year	**Total income**	**Total assets**	**Total income/total assets (%)**
2011	18.55	204.66	9.06%
2012	20.06	223.96	8.95%
2013	24.66	260.47	9.47%
2014	28.69	289.97	9.9%
2015	29.61	292.81	10.11%

Source: Source: George Town Cooperative Bank Ltd., Annual Report

It is observed from the Table 4 that the total incomes of George Town Cooperative Bank Ltd were increased from Rs.18.55 crores in 2011 and Rs.29.61 crores in 2015. The ratio of total income to total assets was 8.95 per cent in the year 2012 and 10.11 per cent in the year 2015.

Net Profit To Total Advances Of George Town Cooperative Bank

Table 5 Shows Net Profit To Total Advances Of George Town Cooperative Bank Ltd.,

TABLE 5

Net Profit To Total Advances of George Town Cooperative Bank Ltd., (Rs In Crores)

Year	**Net Profit**	**Total Advance**	**Net Profit / Total Advances (%)**
2011	1.06	118.39	0.89%
2012	1.09	141.04	0.77%
2013	1.12	164.90	0.67%
2014	1.07	163.09	0.65%
2015	1.36	140.59	0.97%

Source: Source: George Town Cooperative Bank Ltd., Annual Report

Table 5 highlights the ratio of net profit to total advances which was 0.65 per cent in 2014 and 0.97 per cent in 2015. The total advances of George Town Cooperative Bank Ltd have increased from Rs. 118.39 crores in 2011 to Rs.140.59 crores in 2015.

INTEREST INCOME TO TOTAL ADVANCES OF George Town Cooperative Bank

Table 6 Shows Interest Income To Total Advances Of George Town Cooperative Bank Ltd.,

TABLE 6

Interest Income To Total Advances Of George Town Cooperative Bank Ltd.,

(Rs In Crores)

Year	**Interest Income**	**Total Advances**	**Interest income / Total Advances (%)**

2011	18.55	118.39	15.67%
2012	20.06	141.04	14.22%
2013	24.66	164.90	14.95%
2014	28.69	163.09	17.59%
2015	29.61	140.59	21.06%

Source: Source: George Town Cooperative Bank Ltd., Annual Report

It is observed from the Table 6 that the interest incomes of George Town Cooperative Bank Ltd were increased from Rs.18.55 crores in 2011 and Rs.29.61 crores in 2015. The ratio of interest income to total advances was 14.22 per cent in the year 2012 and 21.06 per cent in the year 2015.

CORRELATION

Correlation is the relationship between the two variables. The economic quantities variables presented and are compared to the profitability of the George Town Cooperative Bank Ltd over the years understudy. The formula for the technique of correlation Co-efficient is

$$r = \frac{\Sigma dxdy - \frac{(\Sigma dx)(\Sigma dy)}{N}}{\sqrt{\Sigma dx^2 - \frac{(\Sigma dx)^2}{N}}\sqrt{\Sigma dy^2 - \frac{(\Sigma dy)^2}{N}}}$$

Correlation Technique is used by the researcher in this study to ascertain the Interest earned and Profitability. The term interest earned means the income derived by advancing the sources of funds prudently. Interest earning is the main source of income as for as the George Town Cooperative Bank in India is concerned. Table 4.7 shows the Correlation between interest earned and Profit of George Town Cooperative Bank Ltd.

TABLE: 7

CORRELATION BETWEEN INTEREST EARNED AND NET PROFIT

(Rs In Crores)

YEAR	**INTEREST EARNED**	**NET PROFIT**	**Dx**	**Dx²**	**Dy**	**Dy²**	**DxDy**
2011	18.55	1.06	-6.11	37.33	-0.06	0.0036	0.37
2012	20.66	1.09	-4	16	-0.03	0.0009	0.12
2013	24.66	1.12	0	0	0	0	0
2014	28.69	1.07	4.03	16.24	-0.05	0.0025	-0.20
2015	29.61	1.36	4.95	24.50	0.24	0.0576	1.19
			$\Sigma dx = -1.13$	$\Sigma dx^2 = 94.07$	$\Sigma dy = 0.1$	$\Sigma dy^2 = 0.0646$	$\Sigma dxdy = 1.48$

$$r = \frac{\Sigma dxdy - \frac{(\Sigma dx)(\Sigma dy)}{N}}{\sqrt{\Sigma dx^2 - \frac{(\Sigma dx)^2}{N}}\sqrt{\Sigma dy^2 - \frac{(\Sigma dy)^2}{N}}}$$

$r = -0.037$

It could be seen from the above calculation that there is a highly positive Correlation between interest earned and profitability.

TABLE: 8

CORRELATION BETWEEN TOTAL INCOME AND NET PROFIT

(Rs In Crores)

YEAR	TOTAL INCOME	NET PROFITS	Dx	Dx^2	Dy	Dy^2	DxDy
2011	18.80	1.06	-6.14	37.7	-0.06	0.0036	0.37
2012	20.31	1.09	-4.63	21.43	-0.03	0.0009	0.14
2013	24.94	1.12	0	0	0	0	0
2014	29.01	1.07	4.07	16.56	-0.05	0.0025	-0.20
2015	30.10	1.36	5.16	26.62	0.24	0.0576	1.24
			Σdx = -1.54	Σdx^2 = 102.31	Σdy= 0.1	Σdy^2 = 0.0646	Σdxdy = 1.55

Source: Source: RBI Report on Trend and Progress of banking in India

$$r = \frac{\Sigma dxdy - \frac{(\Sigma dx)(\Sigma dy)}{N}}{\sqrt{\Sigma dx^2 - \frac{(\Sigma dx)^2}{N}}\sqrt{\Sigma dy^2 - \frac{(\Sigma dy)^2}{N}}}$$

r = -0.048

It could be seen from the above calculation that there is a Moderate degree of negative Correlation between total interest and profitability.

TABLE: 8

CORRELATION BETWEEN INTEREST EXPENDITURE AND NET PROFIT

(Rs In Crores)

YEAR	INTEREST EXPENDITURE	NET PROFITS	Dx	Dx^2	Dy	Dy^2	DxDy
2011	11.42	1.06	-5.49	30.14	-0.06	0.0036	0.33
2012	13.31	1.09	-3.6	12.96	-0.03	0.0009	0.11
2013	16.91	1.12	0	0	0	0	0
2014	20.63	1.07	3.72	13.84	-0.05	0.0025	-0.19
2015	22.20	1.36	5.29	29.98	0.24	0.0576	1.27
			Σdx = -0.08	Σdx^2 = 86.92	Σdy= 0.1	Σdy^2 = 0.0646	Σdxdy = 1.52

$$r = \frac{\Sigma dxdy - \frac{(\Sigma dx)(\Sigma dy)}{N}}{\sqrt{\Sigma dx^2 - \frac{(\Sigma dx)^2}{N}}\sqrt{\Sigma dy^2 - \frac{(\Sigma dy)^2}{N}}}$$

r = -0.002

It could be seen from the above calculation that there is a low degree of negative Correlation between Interest expenditure and profitability.

TABLE: 9

Correlation Between Total Expenditure And Net Profit

(Rs In Crores)

YEAR	TOTAL EXPENDITURE	NET PROFITS	Dx	Dx^2	Dy	Dy^2	DxDy
2011	16.74	1.06	-7.07	49.99	-0.06	0.0036	0.42

2012	19.22	1.09	-4.59	21.07	-0.03	0.0009	0.14
2013	23.81	1.12	0	0	0	0	0
2014	21.15	1.07	-2.66	7.07	-0.05	0.0025	0.13
2015	23.1	1.36	-0.71	0.50	0.24	0.0576	-0.17
			$\Sigma dx = -15.03$	$\Sigma dx^2 = 78.63$	$\Sigma dy = 0.1$	$\Sigma dy^2 = 0.0646$	$\Sigma dxdy = 0.52$

Source: Source: RBI Report on Trend and Progress of banking in India

$$r = \frac{\Sigma dxdy - \frac{(\Sigma dx)(\Sigma dy)}{N}}{\sqrt{\Sigma dx^2 - \frac{(\Sigma dx)^2}{N}}\sqrt{\Sigma dy^2 - \frac{(\Sigma dy)^2}{N}}}$$

$r = -0.83$

It could be seen from the above calculation that there is a high degree of negative Correlation between total expenditure and profitability.

SUMMARY OF FINDINGS:

- The ratio of net profit to total assets is ranged between 0.37 per cent and 0.52 per cent during the study period. It is also shows that the net profit to total assets ratio was less than 1.00 per cent in all the year.
- The interest income of George Town Cooperative Bank Ltd was Rs. 18.55 crores in 2011 and Rs. 29.61 in 2015. The ratio of interest income to Total assets was 8.95 per cent in 2012 and 10.11 per cent in 2015 during the study period.
- The proportion of other income to total assets of George Town Cooperative Bank Ltd was 0.10 per cent in the year 2013 and 0.16 per cent in the year 2015. The other income of George Town Cooperative Bank Ltd was Rs.0.25 crores in 2012 and Rs. 0.49 crores in 2015.
- The total incomes of George Town Cooperative Bank Ltd were increased from Rs.18.55 crores in 2011 and Rs.29.61 crores in 2015. The ratio of total income to total assets was 8.95 per cent in the year 2012 and 10.11 per cent in the year 2015.
- The ratio of net profit to total advances which was 0.65 per cent in 2014 and 0.97 per cent in 2015. The total advances of George Town Cooperative Bank Ltd have increased from Rs. 118.39 crores in 2011 to Rs.140.59 crores in 2015.
- The interest incomes of George Town Cooperative Bank Ltd were increased from Rs.18.55 crores in 2011 and Rs.29.61 crores in 2015. The ratio of interest income to total advances was 14.22 per cent in the year 2012 and 21.06 per cent in the year 2015.

Suggestions:

✓

o improve the profit and profitability position, the bank should take necessary initiative to reduce the high cost (Term Deposit). On the other hand it should take necessary initiative to increase the low cost deposit. The low cost deposits consist of Current Account and Savings Bank Deposits. It is otherwise known as CASA deposits.

As a part of financial inclusion steps may be taken by the bank to open No Frills Account and as per the Scheduled UCBs directives the bank should take necessary initiative to convert the existing 'no-frills' accounts into 'Basic Savings Bank Deposit Accounts' and the facilities provided under Basic Savings Bank Deposit Account

- ✓

  BSBDA) has to be utilized . The details facilities provided under this scheme are given below. .
- ✓ Modern technologies like ATM, Core Banking, and Anywhere Banking and so on should be introduced to improve the quality of services in all spheres of banking activities.
- ✓ To attract more customers the bank should bring more innovation and creativity in its deposits and loans products in general and the products relating to women and senior citizen in particular.
- ✓ To improve the profit and profitability position the Non-SLR investment has to be increased to the maximum possible limit as prescribed by the Scheduled UCBs.
- ✓ Scheduled UCBs should prepare a model scheme for granting loans. This scheme should include each and every aspect, which the bank is normally expected to look into which processing loan applications.

Conclusion

Profitability performance ratio of George Town Cooperative Bank Ltd is calculated. All the economic variables of profitability are taken into accounts which influence the profit of Scheduled UCBs in India. Almost in all cases the ratios were in a decreasing trend.

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New Opportunities To Indian Textile Export.

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INTRODUCTION

"Given the scope of the textiles in emerging economies, the Government and industry need to build a close partnership and roll out their joint vision for development and promotion of the sector, setting targets for 2025," .After quota system, it was estimated that India and china would be sharing the world textile export, Bangladesh cannot be competitive .But China and Bangladesh got position in world textile market through achieving the $165 billion and $26.1billion worth of business respectively in 2012-13 at the same time India's Total textile export was $15.7 billion only holding 6th Position. Currently, Indian Textiles and apparel sector contributes 5.2 per cent to the country's GDP. Indian textiles and apparel industry is estimated to be worth of $ 99 billion which includes both domestic consumption and exports. It is projected to grow at 8.6 % to reach $ 226 billion. So Indian exporters needs to give attention to new avenues along with improving existing industry. Present product mix of traditional textiles is not profitable therefore, more and more innovative and creative ideas of value-addition to textile products are needed.so Technical textiles, match with our goal to elevate our textile industry.

OBJECTIVES OF THE RESEARCH

1) To analyze the significance of textile industry in Indian economy
2) To understand the prospective of technical textile export
3) To study the role of government for developing textile industry
4) To review the overall condition of technical textile industry.

RESEARCH METHODOLOGY

The research is in descriptive in nature. The data has been collected from secondary sources. Reference from various journals and official websites. News from various newspapers and websites pertaining to textile industry has been taken in order to ensure reliability

INDIAN TEXTILE INDUSTRY

India is the world's one of the largest producer of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce have made India a sourcing hub. The size of Indian textile and apparel market is expected to touch US$ 221 billion by 2020.

Indian textile industry can be divided into several segments, some of which can be listed as below:

- Readymade Garments
- Hand-crafted Textiles
- Jute and Coir
- Technical textiles.
- Cotton Textiles includes Yarn
- Silk Textiles

CLASSIFICATION OF TECHNICAL TEXTILES

- Lift tech (Lifting Textiles)
- Geotech (Geo-textiles)
- Hometech (Domestic Textiles)
- Indutech (Industrial Textiles)
- Mobiltech (Textiles used in transport)
- Oekotech or Ecotech (Environmentally friendly textiles)
- Packtech (Packaging textiles)
- Sporttech (Sports textiles)
- Protech (protective textiles)
- Agrotech (Agro-textiles)
- Mobiltech (Automotive and aerospace textiles)
- Buildtech (Construction Textiles)
- Clothtech (Clothing Textiles)

Importance of Indian textile industry

The world's No.1 exporter of the textiles, China, has a share of more than 10 per cent followed by Korea with 8.1 per cent; India's share covers at 3.5 -4 per cent. In clothing exports, China holds a share of 18.5 per cent followed by Italy (6.7 per cent) and India (3 per cent). Textiles exports stood at US$ 28.53 billion during April 2013–January 2014 as compared to US$ 24.90 billion during the corresponding period of the previous year, registering a growth of 14.58 per cent. Garment exports from India is expected to touch US$ 60 billion over the next three years, with the help of government support.70 % of world fiber processing takes place in Asia. China, India and Pakistan account for 60% of world fiber consumption. Though Bangladesh and Vietnam have been emerging as competing textile economies. They depend on the imported textile inputs. Global retailers prefer single point service helping integrating suppliers of textile and clothing. Indian textile industry contributes a exclusive position in Indian economy. and mills. From the total of Indian exports 20% are from textile sector and it gives direct employment opportunities to nearly 35 million Indians primarily the weaker sections of our society. This industry contributes about 4% of India's total GDP and14% of industrial output With a very low import-intensity of about 1.5% only, it is the largest net foreign exchange earner in India, earning almost 35% of foreign exchange. This is the only industry that is self -sufficient and complete in cotton value chain producing everything from fibers to the highest value added finished product of garments.

SWOT Analysis of the textile Industry

Strength of Indian Textile industry.

- Independent & Self-Reliant industry.
- Availability of large varieties of cotton fiber and has a fast
- India has great advantage in Spinning Sector and has a presence in complete textile value chain
- Availability of Low Cost and Skilled Manpower

Weakness of Indian Textile industry.

- Unfavorable labor Laws.
- Lack of Trade Membership, which restrict to tap other potential market.
- Economies of Scale- average spinning mill-14000 spindles

- The fabric and garmenting sector need modernization, which is under process
- Infrastructural Bottlenecks and Efficiency such as, Transaction Time at Ports and transportation Time.
- Higher Indirect Taxes, Power and Interest Rates

Opportunities

- Market is gradually shifting towards Branded Readymade Garments.
- Emerging Retail Industry and Malls provide huge opportunities for the Apparel, Handicraft and other segments of the industry.
- Greater Investment and FDI opportunities are available.
- Large scope for technical textile linked with growing industrialization,
- large infrastructure projects in stream
- Growth rate of domestic Textile Industry is 6-8% per annum.
- Large potential in International Market.
- Product development and diversification to cater global needs.
- Elimination of Quota Restrictions leads to greater Market Access.

Under this component12thfive year plan Schemes:

1. Scheme for usage of Agro textiles in North-Eastern Region The Scheme has been approved during the year 2012-13 with an outlay of Rs. 55 Crores.The aim is to utilize Agro textiles in improving the Agriculture, horticulture and floricultural produce of the North Eastern States. With increasing acceptability of Agroextiles, entrepreneurship in the area of agrotextile production in the country will receive an impetus. The growth of usage of Agrotextiles products in the country will thus benefit both agriculturists as well as textile entrepreneurs in the country.

2.Scheme for usage of Geotechnical textiles in North East Region

The Scheme for usage of Geotextiles in North East Region with an outlay of Rs. 500 Crores is currently at EFC stage . The aim is to utilize Geotextiles in the infrastructure development of the North East states by providing technological and financial support by meeting the additions to project cost attributable

to the usage of Geotechnical textiles in existing/ new projects in road, hill/ slope protection, water reservoir and river bank erosion control.

3.Baseline Survey for Strengthening of Database of Technical Textile Industry:

A baseline survey that provides comprehensive information on all aspects of the technical textile industry in India is vital to understanding the past developments and the progress made in the sector, and for identifying key challenges, growth potential and opportunities. The aim of the study is to identify the market size, consumption, trade trends, number of units, type of units, type of products produced, investment, turnover, employment etc., in the various technical textile segments in India.

4.**FDI Promotion Initiatives** Realizing that technology transfer is one of the key success factors in establishing large scale manufacturing units in the field of technical textiles, the Government has taken bold of steps to encourage FDI in this sector. FDI up to 100% is allowed in this

segment under automatic route and several Central and State government agencies have been instituted to facilitate the investment process For international organizations.

5. The other Initiatives being implemented by the Ministry of Textiles for Technical textiles are:

1) Major machinery used in the manufacture of technical textiles has been covered under Technology Up gradation Fund Scheme (TUFS).

2) Specified machinery used for the production of technical textiles is covered in the concessional customs duty list of 5%.

Specific technical textile products are covered under Focus Product Scheme.

Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2% of FOB value of exports.

FINDINGS

- India`s export registered negative growth 0f -5.7% in 2012-13.
- Textile export is contributing nearly 10.5% in overall export of the country.
- Ministry of textiles, Government of India has taken more initiatives and introduced many schemes to support and improve the technical textiles industry in India.
- Under technical textiles, we could see that, our country entrepreneurs those involved in technical textiles concentrating much and satisfy only the domestic market much rather than export, but there are plethora's of opportunities available in this sector. India is having huge raw material base, skillful human resources, different geographical and climatic condition, excellent government policies and schemes, larger investment opportunities etc in one hand, in other hand big markets available to technical textiles in receiving end, these products is not only meant for developed economies and it meant for less developed economies also, they much require the technical textiles products even developing nations can be imported from India.

SUGGESTION

- ✓ Awareness is required among textile manufacturer regarding the technical textiles.
- ✓ Value additions of technical textiles must be exhibited everywhere.
- ✓ The government should support and encourage entrepreneurs to develop new products in technical textiles.
- ✓ Government regulation/guidelines are much needed to encourage the production and export of certain technical textiles.
- ✓ It is important to identify and distinguish technical textiles items from the conventional items in terms of HS Codes.so that the exporter will give more concentration over it.

CONCLUSION

The textile policy 2013 will help india`s textile industry. "The technical textile industry has grown from Rs 50,000 crores in 2010-11 to Rs 75,000 crores in 2011-12. This is further expected to grow to over Rs one lakh crores by 2012-13 due to huge growth in auto and other related sectors. In such a scenario, Gujarat is emerging as a technical textiles hub with an industry size of over Rs 20,000 crores," India's growing population has been a key driver of textile consumption growth in the country. Changing lifestyle, rising incomes and increasing demand for quality products are set to fuel demand for apparel. The Government of India (GOI) is taking initiatives to attract foreign investments in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France. The government has allowed 100 per cent foreign direct investment (FDI) in the sector through the automatic route. In the 12th Five Year Plan (2012-17), the government plans to spend US$ 9.1 billion on textiles as against US$ 4 billion in the 11th Plan.). It reflects the competitiveness of Indian textile industry and emphasis the need for a comprehensive trade policy to fill the gap.

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Insurance For Risk Cover & Source Of Investment In India

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Introduction

Insurance gives certainty to human life. Insurance is also one of the best source of good investments. by taking a policy of insurance we can do both works together- Certainty of life and investment. So insurance is a good topic for research. We can find out here some important facts regarding insurance. The insurance industry of India consists of 57 insurance companies of which 24 are in life insurance business and 33 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the sole public sector company. Apart from that, among the non-life insurers there are six public sector insurers. In addition to these, there is sole national re-insurer, namely, General Insurance Corporation of India (GIC Re). Other stakeholders in Indian Insurance market include agents (individual and corporate), brokers, surveyors and third party administrators servicing health insurance claims. Out of 33 non-life insurance companies, five private sector insurers are registered to underwrite policies exclusively in health, personal accident and travel insurance segments. They are Star Health and Allied Insurance Company Ltd, Apollo Munich Health Insurance Company Ltd, Max Bupa Health Insurance Company Ltd, Religare Health Insurance Company Ltd and Cigna TTK Health Insurance Company Ltd. There are two more specialised insurers belonging to public sector, namely, Export Credit Guarantee Corporation of India for Credit Insurance and Agriculture Insurance Company Ltd for crop insurance.

Insurance In India

refers to the market for insurance in India which covers both the public and private sector organizations. It is listed in the Constitution of India in the Seventh Schedule as a Union List subject, meaning it can only be legislated by the Central government. The insurance sector has gone through a number of phases by allowing private companies to solicit insurance and also allowing foreign direct investment. India allowed private companies in insurance sector in 2000, setting a limit on FDI to 26%, which was increased to 49% in 2014. However, the largest life-insurance company in India, Life Insurance Corporation of India is still owned by the government and carries a sovereign guarantee for all insurance policies issued by it.

History of insurance in india.

In India, insurance has a deep-rooted history. Insurance in various forms has been mentioned in the writings of Manu. The fundamental basis of the historical reference to insurance in these ancient Indian texts is the same i.e. pooling of resources that could be re-distributed in times of calamities such as fire, floods, epidemics and famine. The early references to Insurance in these texts have reference to marine trade loans and carriers' contracts.

Insurance in its current form has its history dating back until 1818, when Oriental Life Insurance Company was started by Anita Bhavsar in Kolkata to cater to the needs of European community. The pre-independence era in India saw discrimination between the lives of foreigners (English) and Indians with higher premiums being charged for the latter. In 1870, Bombay Mutual Life Assurance Society became the first Indian insurer.

At the dawn of the twentieth century, many insurance companies were founded. In the year 1912, the Life Insurance Companies Act and the Provident Fund Act were passed to regulate the insurance business. The Life Insurance Companies Act, 1912 made it necessary that the premium-rate tables and periodical valuations of companies should be certified by an actuary. However, the disparity still existed as discrimination between Indian and foreign companies. The oldest existing insurance company in India is the National Insurance Company , which was founded in 1906, and is still in business.

The Government of India issued an Ordinance on 19 January 1956 nationalizing the Life Insurance sector and Life Insurance Corporation came into existence in the same year. The Life Insurance Corporation (LIC) absorbed 154 Indian, 16 non-Indian insurers as also 75 provident societies—245 Indian and foreign insurers in all. In 1972 with the General Insurance Business (Nationalization) Act was passed by the Indian Parliament, and consequently, General Insurance business was nationalized with effect from 1 January 1973. 107 insurers were amalgamated and grouped into four companies, namely National Insurance Company Ltd., the New India Assurance Company Ltd., the Oriental Insurance Company Ltd and the United India Insurance Company Ltd. The General Insurance Corporation of India was incorporated as a company in 1971 and it commence business on 1 January 1973.

The LIC had monopoly till the late 90s when the Insurance sector was reopened to the private sector. Before that, the industry consisted of only two state insurers: Life Insurers (Life Insurance Corporation of India, LIC) and General Insurers (General Insurance Corporation of India, GIC). GIC had four subsidiary companies. With effect from December 2000, these subsidiaries have been de-linked from the parent company and were set up as independent insurance companies: Oriental Insurance Company Limited, New India Assurance Company Limited, National Insurance Company Limited and United India Insurance Company Limited.

Industry Structure

By 2012 Indian Insurance is a US$72 billion industry. However, only two million people (0.2% of the total population of 1 billion) are covered under Mediclaim, whereas in developed nations like USA about 75% of the total population are covered under some insurance scheme. With more and more private companies in the sector, this situation is expected to change. ECGC, ESIC and AIC provide insurance services for niche markets. So, their scope is limited by legislation but enjoy some special powers.

Insurance Repository

On 16 September 2013, IRDA launched 'Insurance Repository' services in India. It is a unique concept and first to be introduced in India. This system enables policy holders to buy and keep insurance policies in dematerialized or electronic form. Policy holders can hold all their insurance policies in an electronic format in a single account called electronic insurance account. Insurance Regulatory and Development Authority of India has issued licenses to five entities to act as Insurance Repository:

Legal Structure

The insurance sector went through a full circle of phases from being unregulated to completely regulated and then currently being partly deregulated. It is governed by a number of acts. The Insurance Act of 1938 was the first legislation governing all forms of insurance to provide strict state control over insurance business. Life insurance in India was completely nationalized on 19 January 1956, through the Life Insurance Corporation Act. All 245 insurance companies operating then in the country were merged into one entity, the Life Insurance Corporation of India. The General Insurance Business Act of 1972 was enacted to nationalize about 100 general insurance companies then and subsequently merging them into four companies. All the companies were amalgamated into National Insurance, New India

Assurance, Oriental Insurance and United India Insurance, which were headquartered in each of the four metropolitan cities. Until 1999, there were no private insurance companies in India. The government then introduced the Insurance Regulatory and Development Authority Act in 1999, thereby de-regulating the insurance sector and allowing private companies. Furthermore, foreign investment was also allowed and capped at 26% holding in the Indian insurance companies.

In 2006, the Actuaries Act was passed by parliament to give the profession statutory status on par with Chartered Accountants, Notaries, Cost & Works Accountants, Advocates, Architects and Company Secretaries. A minimum capital of US$80 million (Rs.400 Crore) is required by legislation to set up an insurance business.

Market Size

Government's policy of insuring the uninsured has gradually pushed insurance penetration in the country and proliferation of insurance schemes are expected to catapult this key ratio beyond 4 per cent mark by the end of this year, reveals the ASSOCHAM latest paper. The number of lives covered under Health Insurance policies during 2015-16 was 36 crore which is approximately 30 per cent of India's total population. The number has seen an increase every subsequent year as 28.80 crore people had the policy in the previous fiscal.

During June 2016 to May 2017 period, the life insurance industry recorded a new premium income of Rs 1.87 trillion (US$ 29.03 billion. . The life insurance industry reported 9 per cent increase in overall annual premium equivalent in April-November 2016. In the period, overall annual premium equivalent (APE)- a measure to normalise policy premium into the equivalent of regular annual premium- including individual and group business for private players was up 16 per cent to Rs 1,25,563 crore (US$ 18.76 billion) and Life Insurance Corporation up 4 per cent to Rs 1,50,456 crore (US$ 22.48).

Investments

The following are some of the major investments and developments in the Indian insurance sector. New India Assurance filed the prospectus for initial public offering (IPO) in which it will sale a total stake of 14.56 per cent to raise around Rs 7000 crore ($1.07 Billion) and it plans to use the capital raised for supporting growth of its business and maintaining solvency levels. New York Life Insurance Company, the largest life insurance company in the US, has invested INR 121 crore (US$ 18.15 million) in Max Ventures and Industries Ltd for a 22.52 per cent stake, which will be used by Max for investing in new focus areas of education and real estate. New York Life Investments, the global asset management division of New York Life, along with other investors like Jacob Ballas, will own a significant minority ownership in Centrum Capital by being one of the leading global investors in buying the available 30 per cent stake worth US$ 50 million of Centrum Capital. Aviva Plc, the UK-based Insurance company, has acquired an additional 23 per cent stake in Aviva Life Insurance Company India from the joint venture (JV) partner Dabur Invest Corporation for Rs 940 crore (US$ 141.3 million), thereby increasing their stake to 49 per cent in the company.

Government Initiatives

The Union Budget of 2017-18 has made the following provisions for the Insurance Sector: The Budget has made provisions for paying huge subsidies in the premiums of Pradhan Mantri Fasal Bima Yojana (PMFBY) and the number of beneficiaries will increase to 50 per cent in the next two years from the present level of 20 per cent. As part of PMFBY, Rs 9,000 crore (US$ 1.35 billion) has been allocated for crop insurance in 2017-18.

By providing tax relief to citizens earning up to Rs 5 lakh (US$ 7500), the government will be able to increase the number of taxpayers. Life insurers will be able to sell them insurance products, to further reduce their tax burden in future. As many of these people were understating their incomes, they were not able to get adequate insurance cover.

Demand for insurance products may rise as people's preference shifts from formal investment products post demonetisation.

The Budget has attempted to hasten the implementation of the Digital India initiative. As people in rural areas become more tech savvy, they will use digital channels of insurers to buy policies. The Government of India has taken a number of initiatives to boost the insurance industry. Some of them are as follows:

Government of India launches Pradhan Mantri Vaya Vandana Yojana, a pension scheme which will provide guaranteed 8 per cent annual return to all the senior citizen above 60 years of age for a policy tenure of 10 years.

The Union Cabinet has approved the public listing of five Government-owned general insurance companies and reducing the Government's stake to 75 per cent from 100 per cent, which is expected to bring higher levels of transparency and accountability, and enable the companies to raise resources from the capital market to meet their fund requirements.

The Insurance Regulatory and Development Authority of India (IRDAI) plans to issue redesigned initial public offering (IPO) guidelines for insurance companies in India, which are to looking to divest equity through the IPO route.

IRDAI has allowed insurers to invest up to 10 per cent in additional tier 1 (AT1) bonds, that are issued by banks to augment their tier 1 capital, in order to expand the pool of eligible investors for the banks.

Road Ahead

The future looks promising for the life insurance industry with several changes in regulatory framework which will lead to further change in the way the industry conducts its business and engages with its customers. Insurance Penetration mark is expected to cross 4 per cent mark in the year 2017 as it has shown a continuous increase in the year 2014 and 2015 with market penetration rate of 3.3 per cent and 3.44 per cent respectively.

Authorities

The primary regulator for insurance in India is the Insurance Regulatory and Development Authority of India (IRDAI) which was established in 1999 under the government legislation called the Insurance Regulatory and Development Authority Act, 1999. The industry recognizes examinations conducted by the IAI (for 280 actuaries), III (for 2.2 million retail agents, 361 brokers, 175 bancassurers, 125 corporate agents and 29 third-party administrators) and IIISLA (for 8,200 surveyors and loss assessors). There are 9 licensed Web aggregators. TAC is the sole data repository for the non-life industry. IBAI gives voice to brokers while GI Council and LI Council are platforms for insurers. AIGIEA, AIIEA, AIIEF, AILICEF, AILIEA, FLICOA, GIEAIA, GIEU and NFIFWI cater to the employees of the insurers. In addition, there are a dozen Ombudsman offices to address client grievances.

Insurance Education

A number of institutions provide specialist education for the insurance industry, these include; National Insurance Academy, Pune, specialized in teaching, conducting research and providing consulting services in the insurance sector. NIA offers a two-year PGDM program in insurance. NIA was founded as Ministry of Finance initiative with capital support from the then public insurance companies, both Life (LIC) and Non-Life (GIC, National, Oriental, United & New India). Institute of Insurance and Risk Management, Hyderabad, was established by the regulator IRDA. The institute offers Postgraduate diploma in Life, General Insurance, Risk Management and Actuarial Sciences. The institute is a global learning and research center in insurance, risk management, actuarial sciences. They provide consulting services for the financial industry. Amity School of Insurance Banking and Actuarial science (ASIBAS) of Amity University, located in Noida and established in 2000, offers MBA programs in Insurance, Insurance and Banking, and M.Sc./B.Sc. actuarial sciences to a Post Graduate Diploma in Actuarial Sciences. Pondicherry University is offering mba in insurance management. Pondicherry university is the only central university which offers insurance management in India. Birla Institute of Management Technology is a graduate business school located in Greater Noida, established in 1988, offers a PGDM-IBM program in insurance business management. This program was launched in 2000 by the Centre for Insurance and Risk Management and is accredited by the Insurance Regulatory and Development Authority. Life Office Management Association (LOMA), USA is BIMTECH's educational partner and BIMTECH is an approved centre for LOMA examination. The Chartered Insurance Institute (CII), UK has accorded recognition (by way of credits) to the BIMTECH PGDM-IBM program. Their two-year PGDM program in insurance business has been recognized as equivalent to the Associate level of the Insurance Institute of India, Mumbai. National Law University, Jodhpur offers a two-year MBA and one year MS (for engineering graduates) program in insurance.

Public Sector

1. Agriculture Insurance Company of India
2. National Insurance Company
3. New India Assurance
4. The Oriental Insurance Company
5. United India Insurance Company

Private Sector

1. Bajaj Allianz General Insurance
2. Bharti AXA General Insurance
3. Cigna TTK
4. HDFC ERGO General Insurance Company
5. ICICI Lombard
6. IFFCO Tokio
7. L&T General Insurance
8. Liberty Videocon General Insurance
9. Max Bupa
10. Reliance General Insurance
11. Religare
12. Tata AIG General

Export Credit Guarantee Insurance Companies

1. Aviva India
2. Bajaj Allianz Life Insurance
3. Star Union Dai-ichi Life Insurance
4. Exide Life Insurance
5. HDFC Standard Life Insurance Company
6. ICICI Prudential Life Insurance
7. IDBI Federal Life Insurance
8. IndiaFirst Life Insurance Company

Health Insurance Companies

1. Max Bupa Health Insurance Company
2. Star Health and Allied Insurance

"National Health Insurance Programme" is a government-run health insurance scheme for the Indian poor. It provides for cashless insurance for hospitalization in public as well as private hospitals. The scheme started enrolling on April 1, 2008 and has been implemented in 25 states of India. A total of 36 million families have been enrolled as of February 2014. In the starting RSBY is a project under the Ministry of Labour and Employment. Now it is transferred to Ministry of Health and family welfare from April 1, 2015.

Every "below poverty line" (BPL) family holding a yellow ration card pays 30 (45¢ US) registration fee to get a biometric enabled smart containing their fingerprints and photographs. This enables them to receive inpatient medical care of up to 30000 (US$450) per family per year in any of the empanelled hospitals. Pre-existing illnesses are covered from day one, for head of household, spouse and up to three dependent children or parents. In the Union Budget for 2012-13, the government made a total allocation of ? 1096.7 crore (US$160 million) towards RSBY. Although meant to cover the entire BPL population, (about 37.2 per cent of the total Indian population according to the Tendulkar committee estimates) it had enrolled only around 10 per cent of the Indian population by March 31, 2011. Also, it is expected to cost the exchequer at least 3350 crore (US$500 million) a year to cover the entire BPL population.

The scheme has won plaudits from the World Bank, the UN and the ILO as one of the world's best health insurance schemes. Germany has shown interest in adopting the smart card based model for revamping its own social security system, the oldest in the world, by replacing its current, expensive, system of voucher based benefits for 2.5 million children . The Indo-German Social Security Programme, created as part of a co-operation pact between the two countries is guiding this collaboration.

One of the big changes that this scheme entails is bringing investments to unserved areas. Most private investments in healthcare in India have been focused on tertiary or specialized care in urban areas. However, with RSBY coming in, the scenario is changing. New age companies like Glocal Healthcare Systems, a company based out of Kolkata and funded by Tier I Capital Funds like Sequoia Capital and Elevar Equity are setting up State of Art Hospitals in Semi Urban - rural settings. This trend can create the infrastructure that India's healthcare system desperately needs.

As per report from Council for Social Development, it was found that this scheme has not been very effective. Increase in outpatient expenditure, hospitalization and medicines have compelled insurance companies to exclude several diseases out of their policies and thus making it not affordable for BPL families. Report also has found that most of the beneficiaries are from higher classes and not targeted beneficiaries.

Pradhan Mantri Suraksha Bima Yojana

Pradhan Mantri Suraksha Bima Yojana	
Country	India
Prime Minister	Narendra Modi
Ministry	Finance
Key people	Arun Jaitley

Launched	9 May 2015; 11 months ago
Status: Active	

Pradhan Mantri Suraksha Bima Yojana is a government-backed accident insurance scheme in India. It was originally mentioned in the 2015 Budget speech by Finance Minister Arun Jaitley in February 2015. It was formally launched by Prime Minister Narendra Modi on 9 May in Kolkata. As of May 2015, only 20% of India's population has any kind of insurance, this scheme aims to increase the number.

Overview

Pradhan Mantri Suraksha Bima Yojana is available to people between 18 and 70 years of age with bank accounts. It has an annual premium of 12 (18¢ US) excluding service tax, which is about 14% of the premium. The amount will be automatically debited from the account. In case of accidental death or full disability, the payment to the nominee will be 2 lakh (US$3,000) and in case of partial Permanent disability 1 lakh (US$1,500). Full disability has been defined as loss of use in both eyes, hands or feet. Partial Permanent disability has been defined as loss of use in one eye, hand or foot. This scheme will be linked to the bank accounts opened under the Pradhan Mantri Jan Dhan Yojana scheme. Most of these account had zero balance initially. The government aims to reduce the number of such zero balance accounts by using this and related schemes.

Criticism

Private Banks have complained that the Government should focus on upper middle class instead of the poorer section. Western scholars and Congress have argued that financial inclusion is a myth and serving such large number of people would only increase the burden and work-load of public sector.

Mode Of Payment Of Premium

The premium amount will be deducted from the account holder’s savings bank account through ‘auto debit’ facility in one installment for the entire year, as per the option to be given on enrollment. Members may also give one-time mandate for auto-debit every year till the scheme is in force, subject to re-calibration that may be deemed necessary on review of experience of the scheme from year to year

Termination Of Benefit Cover

In following cases the cover will be terminated and no benefit will be payable to the subscribers.

1. On attaining age 70 years or the age nearest birth day
2. At the time of renewal in subsequent years,due to insufficiency of balance to keep the insurance in force the account gets closed.
3. In case a subscriber is covered by more than one account and premium is paid by the subscriber intentionally, insurance cover will be restricted to one only and the premium shall be liable to be forfeited.
4. If the insurance cover is ceased due to any technical reasons such as insufficient balance on due date or due to any administrative issues, the same can be reinstated on receipt of full annual premium, subject to conditions that are to be issued in future. During this period, the risk cover will be" suspended" and reinstatement of risk cover will be at the sole discretion of Insurance Company.

Pradhan Mantri Suraksha Bima Yojana Participating banks will deduct the premium amount in the same month when the auto debit option is given, preferably in May of every year, and remit the amount due to the Insurance Company in that month itself.

List of Life Insurance Companies in India

List of Life Insurance Companies	Claim Settlement Ratio
AEGON Life Insurance	95.31 %
Aviva Life Insurance	81.97 %
Bajaj Allianz Life Insurance	91.30 %
Bharti AXA Life Insurance	80.02 %
Birla Sun Life Insurance	88.45 %
Canara HSBC OBC Life Insurance	92.99 %
DHFL Pramerica Life Insurance	83.64 %
Edelweiss Tokio Life Insurance	85.11 %
Exide Life Insurance	89.36 %
Future Generali India Life Insurance	90.26 %
HDFC Standard Life Insurance	95.02 %
ICICI Prudential Life Insurance	96.20 %
IDBI Federal Life Insurance	84.79 %
IndiaFirst Life Insurance Company Ltd - India First	71.87 %
Kotak Life Insurance	89.09 %
Life Insurance Corporation of India	98.33 %
Max Newyork Life Insurance	96.95 %
PNB MetLife Insurance	85.36 %
Reliance Life Insurance	93.82 %
Sahara Life Insurance	90.30 %

SBI Life Insurance	93.39 %
Shriram Life Insurance	60.24 %
Star Union Dai-ichi Life Insurance	80.73 %
Tata AIA Life Insurance	96.80 %

Life Insurance Companies Brief Details

There are currently, a total of 24 life insurance companies in India. Of these, Life Insurance Corporation of India (LIC) is the only public sector insurance company. All others are private insurance companies. Many of these are joint ventures between public/private sector banks and national/international insurance-financial companies.

Private life insurance companies in India got access to the life insurance sector in the year 2000. Most private players have tied up with international insurance giants for their life insurance foray.

AEGON Life Insurance Company

AEGON Life Insuranceis a joint venture between one of the world's leading financial service organization and Bennett, Coleman & Company. The company is focused to provide a customer centric business along with an excellent and innovative working professionals. Started its operation in year 2008 the company works with a multiple channel distribution strategy with an aim to help people to plan their life in a much better way. The company has launched an array of products that focuses on offering best suited plans to the customers to meet their financial goal. The plans offered by the company are term plan, endowment plan, Group plan, ULIP plan, pension plan, protection plan, saving plan, child plan and ruler plan.

Aviva Life Insurance Company

Aviva Life Insurance is the largest and the most popular insurance provider in the world. The company is a joint venture between the Dabur Group and Aviva Group. With 121 networked center across the country Aviva Life Insurance serves a large number of customer base country wise. Among the other insurance companies in India the company is known to first introduce Unit Link and Unitized With-Profit Plan in the market. The Aviva Life Insurance Company offers a wide variety of plans to the customers. These plans fulfills all the needs and necessities of the buyers at a very economical price. Some of the most common plan offered by the company are protection plan, ruler plan, child plan, retirement plan, saving plan, health plan, term plan and group insurance plan.

Bajaj Allianz Life Insurance Company

Bajaj Allianz Life Insurance is a joint venture between the European financial services company Allianz SE and Bajaj Finserv Limited. The company has gained name as one of the top most life insurance brand in India. Among the other life insurance companies in India Bajaj Allianz Life Insurance Company meet its customers need by providing them a huge range of products right from ULIP and Child Plan to Group and Health Insurance. The company provide a huge array of customized products that cater the every single demand of the customer and provide them a transparent benefit. Launched in year 2001 this life insurance company provides a one stop solution to the customers and help them in achieving their financial goals.

Bharti AXA Life Insurance Company

Headquartered in Mumbai Bharti AXA Life Insurance is a life and general insurance provider company. The company is a joint venture between Bharti Enterprises and AXA Group. The customers can choose from the wide range of policies offered by the company ranging from investment plans to traditional plan or life insurance plan to child plan. The company is flourishing immensely and has a network of 123 offices in different cities across India. The customers has witnessed a maximum grievances resolved by the company in a year and had experienced a claim settlement ratio of 80.00%. The policies offered by the company has a maximum tenure of 65 years and the age criteria for the plans starts from minimum 18 years to maximum 65 years.

Birla Sun Life Insurance Company

With a 2.5 million of customer base the Birla Sun Life Insurance is one of the leading insurance company in India. Birla Sun Life Insurance came in to existence with the joint venture between Aditya Birla Group and Sun Life Financial Inc. The company is known as a pioneer of Unit Linked Life Insurance plans and has over 600 branches spread over 500 cities across the country. A complete range of insurance services is offered by Birla Sun Life Insurance like protection plan, child plan, health and retirement solution, ULIP plan, customized group product and life stage product to provide compete satisfaction to the customers. With a claim settlement ratio of 88.45 % the company offers the best plans for the customers.

Canara HSBC OBC Life Insurance Company

Launched on year 2008 Canara HSBC OBC Life Insurance is a joint venture between HSBC Insurance Holding Ltd, Canara Bank and Oriental Bank. The company works as a pan India network with around 7000 branches of the three shareholder banks across the country. Moreover, the company provides necessary training and coaching to the bank staff across the 28 centers in country. With a huge customer base the company provides most customized products to meet the needs of the buyers. The policies offered by the company has a maximum tenure of 40 years and the eligibility criteria ranges from minimum 18 years – maximum 70 years.

DHFL Pramerica Life Insurance Company

Situated in Gurgaon DHFL Pramerica Life Insurance is considered to be India’s premier Life Insurance Providers. The company serves with 67 branches and 2000 employees spread across the country. Although despite of being a new company the firm is growing by heaps and bounds and had made a remarkable place in the market. The company offers a variety of plans to the customers within a maximum tenure of 30 years. The company has a claim settlement ratio of 84.00 % from year 2015-2016 and is ranked for maximum grievances settled over the year. DHFL Pramerica Life Insurance have a huge customer base and provide one stop solution for all insurance needs.

Edelweiss Tokio Life Insurance Company

Edelweiss Tokio Life Isuranceestablished in 2011 is a newly formed private sector insurance provider in India. Edelweiss Group of India and Tokyo Marine Holding of Japan joined hand together and has formed Edelweiss Tokio Life Insurance Company. The company offers a host of life insurance products to the customer with high returns and guaranteed interest payment. Some of the most common plans offered by the company are saving plans, endowment plans, child plans, protection plans and retirement plans. Above this to fulfill the requirements of the customer the company also provide add-on coverages like accidental death benefit rider, accidental total and permanent disability rider and critical illness rider.

Exide Life Insurance Company

Found in year 2000 the Exide Life Insurance Company started its operation in 2001. The company was formerly known as ING Vysya Life Insurance Company Ltd. and is 100% owned by Exide industries Ltd. Exide Life Insurance has a network of 200 offices across the country and is supported by over 35,000 advisors. The company is ranked as top 10 Trusted Life Insurance Brand in India. As compared to the other insurance companies in India the plan offered by the company is customized in a way to fulfill the requirements of the customer and is available at very affordable rates. With a customer centric approach the plans are categorized into protection, saving, investment and retirement plan. For all your insurance needs the Exide Life Insurance offers a one stop solution to the customers.

Future Generali India Life Insurance Company

Established in year 2007, Future Generali Life Insurance India is a joint venture between Generali Group, Future Group and Industrial Investment Trust Limited. The company has a network of 98 branches over India and since its inception it has sourced over 11 Lakh policies. The company offers one stop solution for all types of financial security to the customer and serves their products on different areas like saving protection, policies and Unit Linked Policies. The policies are offered with a maximum tenure up to 75 years and the eligibility criteria ranges from least 18 years to maximum 56 years. The company has a record of maximum grievances settled and provide a claim ratio of 90.61%.

HDFC Standard Life Insurance Company

HDFC Standard Life Insurance Corporation India is a joint venture between Housing Development Financial Corporation Ltd. and Standard Life Plus. Founded in year 2000 HDFC Standard Life insurance is one of the leading insurance firm in India. The company has currently 27 retail and 8 group products in portfolio. In order to meet the various needs of the customer the company provides an array of individual and group insurance solutions like pension plan, saving and health plan, protection plan, child plan and women plan. With over 414 branches spread in 900 cities and towns in India the company has a claim settlement ratio of 95.02%. HDFC Life Insurance Company offers plans in a much customized way to fulfill the requirements of the customer.

ICICI Prudential Life Insurance Company

ICICI Prudential Life Insurance Corporation of India is a joint venture between ICICI Bank Ltd.; one of the India's leading private sector bank and Prudential Plus; one of the largest international financial service group. The company began its operation in December 2000 as the first private sector Life insurance in India. For over a decade the company has maintained its top most position amongst the private life insurer in country. To fulfill the different life stage requirements of the customer, ICICI Prudential Life Insurance provides an array of products that enables the buyers to achieve the long term goal. ICICI Prudential life insurance offers products like term plan, ULIP plan, Pension Plan, Child Plan and Investment Plan.

IDBI Federal Life Insurance Company

Formed in 2008 IDBI Federal Life Insurance is a joint venture between IDBI Bank, Federal Bank and Ageas a European Insurance Company. With a partnered individual. The bank also offers ingenious technological solution to its customers. To be eligible for IDBI Federal Life Insurance one should have a minimum age limit of 18 years to maximum age limit of 55 years. The company has a record of maximum grievances over a short period of time and provide a claim settlement ratio of 84.79% for a year.

India First Life Insurance Company

The two Indian public sector bank, Bank of Baroda and Andhra Bank went into a joint venture with U.K based investment firm Legal and General and has launched India First Life Insurance Company. Headquartered in Mumbai the company offers investment funds, insurance plans and other policies. The company offers a wide range of plans to cater the need of every individual like saving plans, protection plans, pension plans, term plans and child plans. With a network branches of 4,800 across the country the company serves over 1000 cities in India and offers a claim settlement ration of 72.21% over a year. India First Life Insurance Company Ltd not only fulfills all the needs of the customer additionally the plans offered to the customer is also very economical.

Kotak Mahindra Life Insurance Company

Headquartered in Mumbai the J.V between Kotak Mahindra Group and Old Mutual Fund is Kotak Mahindra Life Insurance. It is one of the fastest growing insurance company in India that has a 4 million trusted policyholder nationwide. Keeping their customers in high priority the company provides a much affordable range of term plan, ULIP plan, child plan, saving plan, investment plan, protection plan and retirement plan. The company has much gained name in the market for delivering outstanding value to its customer through customized products and excellent service. The Kotak Mahindra Life Insurance provide plans with a maximum tenure of 30 years and eligibility criteria with minimum 18 years to maximum 65 years.

Life Insurance Corporation (LIC) India Company

Life Insurance Corporation of India is the oldest insurance sector of our country. Established in 1956, one of the largest insurance company of India is a state owned insurance group and investment firm that offers a range of insurance products to its customers. Some of the common products that is offered by the company are life insurance plans, pension plans, child insurance plans, unit linked plans, special plans and group scheme. With a networkof 2,048branches the company has a huge number of employees operating in different cities and town all over the country. LIC has a claim settlement ratio of 98.19% with maximum grievances settled over year.

Max Life Insurance Company

Max Financial Service Ltd. and Mitsui Sumitomo Insurance Co.Ltd joined hands together and has launched Max Life Insurance as one of the foremost insurance company in India. With multi-channel distribution partner and high service providing agencies the company offers the most comprehensive long term protection, saving and retirement schemes. With a strong customer centric approach the company offers one stop solution for all types of insurance and investment needs. Max Life Insurance has a strong track record of 15 years and offers superb investment expertise. With a claim settlement ratio of 96.23% the company has a maximum grievances resolved over a year.

PNB MetLife Insurance Company

An association of Punjab National Bank PNB MetLife Insurance is one of the fastest growing life insurance company in India. The company has over 1,800 corporate clients in India and is spread over 150 different location in country. The company is well known for its protection and retirement products. Apart from this there are various plans like child plan, saving plan, ULIP plan, Monthly income plan and money back plan that is offered to the customer. PNB MetLife Insurance Company in India came into action in year 2008 and was recognized as best private sector insurance company for the year 2013-2014. For the insurance products offered by the company the eligibility criteria starts from minimum 18 years –maximum 65 years old.

Reliance Life Insurance Company

One of the India's largest life insurance firm Reliance Life Insurance is a part of Reliance capital of the Reliance Group. The company has over 10 million policyholder country wise with a network close to 1,230 branches across the country. The company is currently the largest non-bank supported private life insurer in India. Reliance Life Insurance has claim settlement ration of approximately 95.01% and have a record of maximum grievances resolved over a year. The company mainly target products to individuals along with the group sand corporate entities. The company offers some of the most comprehensive plans like retirement, children, protection, investment and health plan. The maximum tenure of the policies are 35 years and the eligibility criteria to avail the criteria starts from minimum 18 years – maximum 55 years.

Sahara Life Insurance Company

Established in 2004, Sahara Life Insurance is India's first wholly owned private life insurance company. With acknowledgeable presence in most part of the country the company serves almost all the sections of the society right from ruler to middle class and urban based. With a customer centric approach the Sahara Life Insurance Provides an extensive range of products like money back plan, unit link plan, term assurance plan,endowment plan and group assurance plan to cater the insurance needs of every individual. The company has a claim settlement ration of 89.97% and has resolved the maximum number of grievances for the customer over the year.

SBI Life Insurance Company

Introduced in year 2001, SBI Life Insurance Company is a Joint venture between State Bank of India and BNP Paribas Cardif. Holding a share of 6.12% of the total market currently the company is the biggest private sector insurance company in India. SBI Life Insurance Company offers an inclusive range of life insurance and pension products at a very economical rate. With a claim settlement ratio of 95.70% the customers have testify the most number of grievances resolved by this company. As one of the top most insurance company in India it offers variant plans like saving plan, unit link plan, protection plan, child plan and pension plan to cater the need of an individuals.

Shriram Life Insurance Company

Shriram Life Insurance was established in year 2005, by a joint venture between Shriram Group and Sanlam Group. The company has a network of 630 branches across the different countries in India and caters the diverse needs of the customers from the different cities of the country. The company take pride for efficient usage of capital and low operation cost. The major key features of the company is that it focuses on ruler market and serve the more economically weaker section of the society. With a variety of plans offered by the company the maximum tenure of the policy ranges up to 25 years and the eligibility criteria ranges from minimum 18 years to maximum 65 years.

Star Union Dai-Ichi Life Insurance Company

The Bank of India, Union Bank of India and the largest life insurance company of Japan Dai-Ichi Life entered into joint venture and has launched Star Union Dai-Ichi

Life Insurance Co.Ltd. As one of the paramount insurance solution provider in country the company provides a wide range of insurance products to the customers. Star Union Dai-Ichi Life Insurance cater a large number of customers and clients across the country from numerous economic and social background. The company pledge a long term commitment towards their buyers and have earned trust over long years. As a customer centric company this leading insurance company India offers various products like saving plan, wealth plan, protection plan, child plan, pension plan, credit life plan and term plan.

TATA AIA Life Insurance Company

TATA Sons and the AIA Group teamed up to form a joint venture and has launched TATA AIA life Insurance Company. In this venture the majority of stake i.e. 75% is held by TATA Sons and 26 % by AIA Group of company. The company works with a customer centric approach and offers an extensive range of Insurance Product to people, association and corporate insurance buyers. Started working in year 2001 the company provides various plan in multiple segments like group plan, child plan, wealth plan, protection plan, saving plan and micro insurance plan. Among the numerous insurance companies in India, TATA AIA Life Insurance has made a remarkable position in the insurance sector of the country.

List of General Insurance Companies in India

Sr.No	Company Name
1	Agriculture Insurance Company of India
2	Apollo Munich Insurance
3	Bajaj Allianz General Insurance
4	Bharti AXA General Insurance
5	Cholamandalam MS General Insurance
6	Cigna TTK Health Insurance Company Ltd - Cigna TTK
7	ECGC (Export Credit Guarantee Corporation of India)
8	Future Generali India Insurance Company Ltd
9	HDFC ERGO General Insurance
10	IFFCO Tokio General Insurance Company Limited
11	L&T General Insurance
12	Liberty Videocon General Insurance
13	Magma HDI General Insurance

14	Max Bupa General Insurance
15	National Insurance Company Limited
16	New India Assurance
17	Oriental Insurance Company
18	Raheja QBE General Insurance Company Ltd - Raheja QBE
19	Reliance General Insurance
20	Religare Health Insurance
21	Royal Sundaram General Insurance Co. Limited
22	SBI General Insurance Company Ltd
23	Shriram General Insurance Company Ltd
24	Star Health and Allied Insurance
25	Tata AIG General Insurance
26	United India Insurance
27	Universal Sompo General Insurance

Indian Insurance Market

The insurance industry of India consists of 53 insurance companies of which 24 are in life insurance business and 29 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the sole public sector company. Out of 29 non-life insurance companies, there are six public sector insurers, which include two specialised insurers namely Agriculture Insurance Company Ltd for Crop Insurance and Export Credit Guarantee Corporation of India for Credit Insurance. Moreover, there are 5 private sector insurers are registered to underwrite policies exclusively in Health, Personal Accident and Travel insurance segments. They are Star Health and Allied Insurance Company Ltd, Apollo Munich Health Insurance Company Ltd, Max Bupa Health Insurance Company Ltd, Religare Health Insurance Company Ltd and Cigna TTK Health Insurance Company Ltd. The reinsurance programmes of Indian direct insurance companies transacting direct insurance business are supported by Indian Reinsurer/s, Foreign Reinsurer Branches(FRBs), Llyod's India(including its syndicates and service companies) and the Cross Border Reinsurers. Other stakeholders in Indian Insurance market includeapproved insurance agents, licensed Corporate Agents, Brokers, Common Service Centres, Web-Aggregators, Surveyors and Third Party Administrators Servicing Health Insurance claims. Insurance Laws (Amendment) Act, 2015 provides for enhancement of the Foreign Investment Cap in an Indian Insurance Company from 26% to an Explicitly Composite Limit of 49% with the safeguard of Indian Ownership and Control. Insurance penetration of India i.e. Premium collected by Indian insurers is

3.44% of GDP in FY 2015-16. Per capita premium underwritten i.e. insurance density in India during FY 2015-16 is US$ 54.7. Here are some performance highlights of the Indian insurance industry.

Life Insurance Business Performance:	2015-16		2014-15	
	Public Sector	Private Sector	Public Sector	Private Sector
Premium Underwritten (Rs in Crores)	266444.21	100499.02	239667.65	88433.49
New Policies Issued (in Lakhs)	205.47	61.92	201.71	57.37
Number of Offices	4892	6179	4877	6156
Benefits Paid (Rs in Crores)	141201.05	60565.05	144125	67054
Individual Death Claims (Number of Policies)	761983	114697	755901	121927
Individual Death Claims Amount Paid (Rs in Crores)	9690.17	2946.49	9055.18	2733.49
Group Death Claims (Number of lives)	247504	297833	273794	192989
Group Death Claims Amount Paid (Rs in Crores)	2494.03	2303.00	2037.27	1483.55
Individual Death Claims (Figures in per cent of policies)	98.33	91.48	98.19	89.40
Group Death Claims (Figures in per cent of lives covered)	99.69	94.65	99.64	91.20
No. of Grievances reported during the year	64750	139951	80944	198048
Grievances resolved during the year	64750	145125	80944	193119
Grievance Resolved (in percent)	100	103.69	100.00	97.51

Non-Life Insurance Business Performance:	2015-16		2014-15	
	Public Sector	Private Sector	Public Sector	Private Sector
Premium Underwritten (Rs in Crores)	47691	39694	42549.48	35090.09
New Policies Issued (in Lakhs)	671.32	549.44	677.82	504.97
Number of Offices	8414	2389	8207	2200
Net Incurred Claims (Rs in Crores)	38104.27	21764.44	31567.75	19430.46

Grievances Resolved During the Year	17718	42493	16105	43318
Grievance Resolved (in percent)	99.49	101.65	101.54	96.63

Stand Alone Health Insurance Companies	**2015-16**				**2014-15**			
	Gross Direct Premium (Rs in Crores)	Net earned premium (Rs in Crores)	U/W Profit / Loss (Rs in Crores)	Net incurred claim ratio	Gross Direct Premium (Rs in Crores)	Net earned premium (Rs in Crores)	U/W Profit / Loss (Rs in Crores)	Net incurred claim ratio
	1	2	3	4	5	6	7	8
Star Health and Allied Insurance	2007	1513	N.A.	53.81%	1469	1017	N.A.	63.96%
Apollo Munich Health Insurance	1022	774	N.A.	64.61	803	655	N.A.	60.03%
Max Bupa Health Insurance	476	393	N.A.	59.53	372	315	N.A.	55.16%
Religare Health Insurance	503	287	N.A.	57.25	275	154	N.A.	61.13%
Cigna TTK Health Insurance	143	70	N.A.	78.66	21	6	N.A.	64.33%
Specialised Insurer in Agriculture	**2015-16**				**2014-15**			
	1	2	3	4	5	6	7	8
Agriculture Insurance Co. Ltd.	3521	1862	61.66	99.66	2740	1598	Loss 158	108.47%
Specialised Insurer in export credit insurance	**2015-16**				**2014-15**			
	1	2	3	4	5	6	7	8

Export Credit Guarantee Corporation of India Limited	1321	979	Loss 250	102	1362	1019	loss 291.91	114%

Conclusion

To become an insurance advisor in India, Insurance Act, 1938 mandates that the individual has to be "a Major with sound mind". After the advent of IRDA as insurance regulator, it has framed various regulations, viz. training hours, examination and fees which are amended from time to time. Since November 2011 IRDA has introduced a syllabus (IC-33) conceived and developed by CII, London. The syllabus mainly aims to make an Insurance Agent a financial professional. Recent Initiatives. We can decide on a brand and its products based on its style, reviews, after services and durability, then buying a travel insurance plan/or deciding which travel insurance company to choose, based on its market stability, policy features, inclusion and exclusions is not much different. The logic is same; we need the best products or services, which meets our needs and requirements in the best possible way. You can't only consider the sum assured or the premium which will go out of your pockets, but also, risks and uncertainties are given a cover under the chosen travel insurance plan. If you look into the above mentioned points, you would be able to decide which travel insurance plan or company seems fit with your travel needs. It is advisable to compare travel insurance plans online from different sites, and based on your research and considerations, you can make the final decision.

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