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PROBLEMS AND PROSPECTS FOR ENTREPRENEURSHIP DEVELOPMENT IN MANUFACTURING OF AYURVEDIC MEDICINES

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Abstract

Ayurvedic medicine, world's oldest medicinal system, originated in India and evolved over thousands of years. This heritage has great economical potential for the country. Entrepreneurship Development is the key factor for the development of country's economy. The entrepreneurship in manufacturing Ayurvedic medicines has many opportunities for growth of entrepreneurs as well as development of country. However, there are many problems which need to be taken care. The present paper examines the production related problems and prospects for entrepreneurship development. A structured Likert five point scale questionnaire was used to collect information from Food and Drug Administration registered Ayurvedic manufacturing units in Western Maharashtra. From the population of Food and Drug Administration registered Ayurvedic medicines manufacturers in Western Maharashtra by proportionate stratified random sampling; a sample of sixty manufacturers has been selected for collection of information. The focus of the study is to understand the various opportunities for the entrepreneurs engaged in manufacturing of Ayurvedic medicines, various problems faced by entrepreneurs and suggesting ways to overcome the problems. This study and its suggestions will be of great use and a guide for the entrepreneurs engaged in manufacturing of Ayurvedic medicines.

Keywords: *Entrepreneurship development, Ayurvedic medicines, Manufacturing, Problems and Prospects, Western Maharashtra*

ENTREPRENEURSHIP DEVELOPMENT IN MANUFACTURING OF AYURVEDIC MEDICINES – PROBLEMS AND PROSPECTS

Introduction

The entrepreneurial development is the key to country's economic development. In fact, it is one of the most critical inputs in the economic development of any region. In the present paper, Ayurvedic medicinal system which is the most popular worldwide and having great potential for entrepreneurial growth, has been chosen for the study of entrepreneurship development. The present paper focuses on various production related problems as well as prospects for the entrepreneurs of Ayurvedic medicines. A structured questionnaire was used to collect information from sixty Food and Drug Administration registered Ayurvedic manufacturing units in Western Maharashtra.

The purpose of the study is to understand the various opportunities for the entrepreneurs in manufacturing of Ayurvedic medicines, various problems faced by entrepreneurs and suggesting ways to overcome the problems.

Significance

- The present research will be very useful for the entrepreneurs engaged in manufacturing of Ayurvedic medicines as it attempt to motivate the entrepreneurs of Ayurvedic medicines by making them realize the business potential of Ayurvedic medicines and by suggesting ways to overcome various problems.
- This study will also be helpful to motivate entrepreneurs to innovate the products which also will help customer to get good quality medicines at reasonable price.

Methodology:

The present study is based on primary as well as secondary data. The primary data has been collected through a structured Likert- 5 point scale questionnaire and personal interview with Food and Drug Administration registered Ayurvedic medicines manufacturers of Western Maharashtra. From the population of 152 Food and Drug Administration registered Ayurvedic medicines manufacturers in Western Maharashtra, by proportionate stratified random sampling, a sample of 60 manufacturers has been selected for collection of information. Secondary data has been collected from reference books, journals, magazines and reliable internet sources. The researcher has used MS Excel and SPSS (Statistical Package for Social Science, Version 20.0) for analysis of data. MS Excel is used for preparing tables and graphs. The statistical technique Test-Retest method is used to check the reliability of the given datasets and Friedman's Chi Square Test is used for the analysis of problems and prospects of entrepreneurship development.

Objectives:

1. To study the production related problems of entrepreneurs of Ayurvedic medicines manufacturing in Western Maharashtra.
2. To study the production related prospects of entrepreneurs of Ayurvedic medicines manufacturing in Western Maharashtra.
3. To suggest ways to overcome production related problems of entrepreneurs of Ayurvedic medicines manufacturing.

Hypotheses of the study:

1. Adulterations problem and standardization of formulations are major production related problems faced by entrepreneurs of Ayurvedic medicines manufacturing in Western Maharashtra
2. Role of FDA, AYUSH and WHO and loan license practices are potential production related development prospects for entrepreneurs of Ayurvedic medicines manufacturing in Western Maharashtra

Entrepreneurship Development in Manufacturing of Ayurvedic Medicines:

Ayurvedic medicines are popular worldwide and as people have started realizing the side effects of allopathic medicines, the inclination towards using Ayurvedic medicines is

more. Many Universities including India have started courses in Ayurvedic treatment which also indicated its growing popularity and acceptance globally.

Worldwide demand for herbal products has increased at an annual rate of 8 percent during 1994-2001, and as per the forecast of World health Organization the herbal market would be worth \$ 5 trillion by the year 2050. Europe and United States are the major herbal products market of today with 41 percent and 20 percent market share respectively. India's share in global herbal market is 2.5 percent where is China is doing it at 13 percent.

Although India has a strong base and tradition along with knowledge and skill, it has neglected the opportunities in global market due to inadequate care and insufficient scientific approach for its production and promotion.

In 2006, Government of India set up the Ministry of Micro, Small and Medium Enterprises (Ministry of MSME), that offers support as framework assets, subsidizes, preparing, and tax breaks. Currently, Government of India along with various state governments are providing various schemes like Pradhanmantri Mudra Yojana, approval of small scale financial banks and various campaigns like Start Up, Stand Up and Skill India to motivate entrepreneurs. This has created an environment favorable for entrepreneurs to explore various opportunities in Ayurvedic medicinal system.

In the present paper researcher has specifically studied various production related problems and opportunities for entrepreneurs engaged in manufacturing of Ayurvedic medicines.

The major problem is related with standardization of formulations and quality. Many entrepreneurs face problem in collecting and authenticating raw material. Adulteration in raw material is too a serious issue, which directly affects the quality of formulations. The respondents grabbed the attention of researcher toward the substitution, adulteration, and heavy metal and microbial contamination as the major problems in Ayurvedic medicine manufacturing.

For increasing productivity, technologically advanced machinery is required, however, researcher found that many entrepreneurs face the problem of getting proper machinery and are therefore using traditional machinery.

Conventional quality control methods often become insufficient because of the complex nature of herbal medicines. To overcome this problem, one or more compounds are selected as markers for identification and quality assessment by the natural products analysts.

Researcher found that the entrepreneurs face the problems related to filing the patent as they find documentations is difficult, time consuming and costly procedure. The respondents also stressed on the problems of shortage of experts in formulations.

Majority of respondents are positive towards the cultivation practices of raw material and feel it will be benefit to the Ayurveda industry.

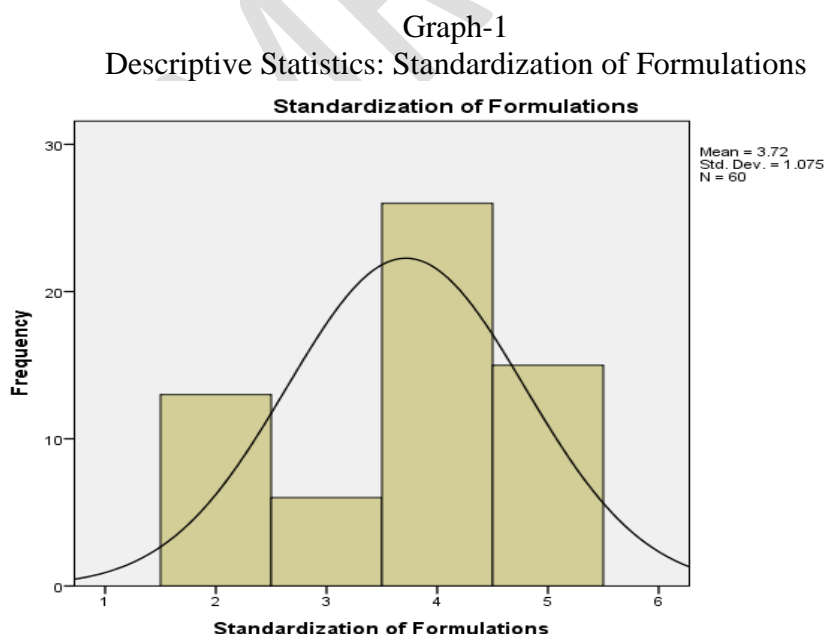
Government bodies like FDA, AYUSH and WHO set regulations and guidelines for manufacturing of Ayurvedic medicines. These institutes are helping in promoting Ayurvedic medicine manufacturing business as well as supporting research activity, patent as well as financial assistance. The manufacturers in Ayurvedic medicines agree that these institutes are prospect for their development. The government policies and loan licensing practices are also supporting these manufacturers and majority respondents agree that it is a prospect for them.

Ayurveda knowledge is a traditional based knowledge which is preserved and transmitted to one generation to another generation. Ayurveda is a practical common sense based on experiences passed on from generation to generation. For the preservation of traditional knowledge AYUSH is providing large funds for research and innovation for making of patents. The majority of Ayurvedic medicine manufacturers agree that government patent policy is a prospect for them.

Production related Problems of Entrepreneurs of Ayurvedic medicines manufacturing:

A. Standardization of Formulations:

From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that they face problems related to standardization of formulations.



B. Patenting Problems:

Table-1
Descriptive Statistics: Patenting problems

Sr. no.	Parameter	Value
1	Mean	3.47
2	Standard Deviation	1.17
3	Skew ness	-0.47
4	Kurtosis	-0.58
5	Coefficient of Variance	33.7

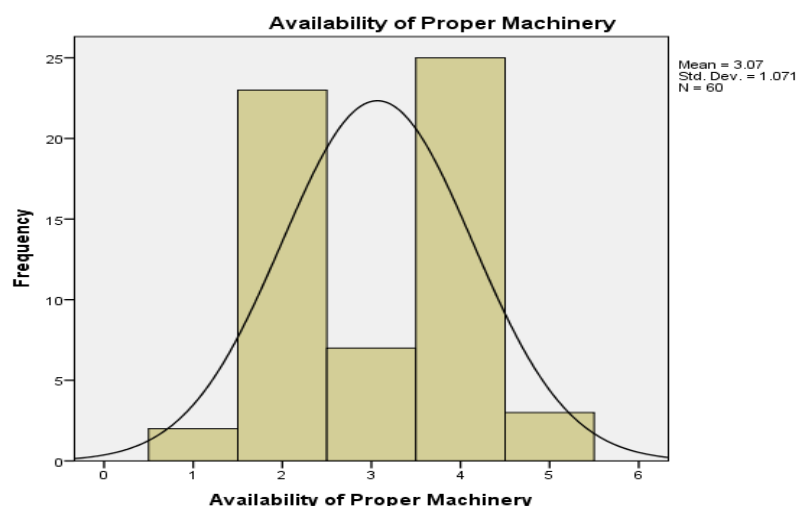
Mean=3.47, Standard Deviation =1.17 and Coefficient of Variance = 33.7. Since, Coefficient of Variance is more than 33 percent, mean is a not a meaningful value. Hence interpretation is based upon the frequency distribution table.

From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that they face the patenting problems.

C. Availability of Proper Machinery:

Mean=3.07, Standard Deviation =1.07 and Coefficient of Variance = 34.85. Since, Coefficient of Variance is more than 33 percent, mean is not a meaningful value. Hence, interpretation is based upon frequency distribution table.

Graph-2
Descriptive Statistics: Availability of proper machinery



From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that they face problem of availability of proper machinery.

D. Adulteration Problem:

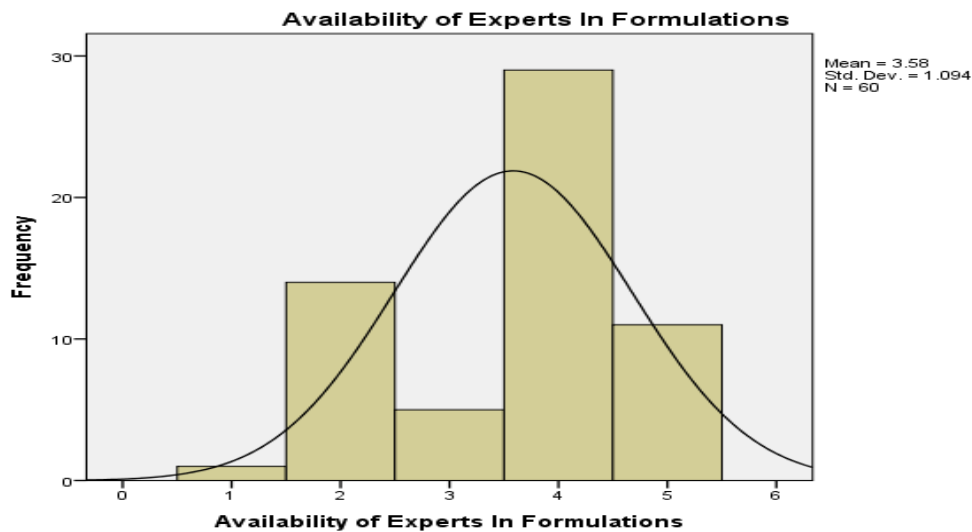
Table-2
Descriptive Statistics: Adulterations problem

Sr. No.	Parameter	Value
1	Mean	4.05
2	Standard Deviation	0.98
3	Skew ness	-0.77
4	Kurtosis	-0.40
5	Coefficient of Variance	24.19

Mean=4.05, Standard Deviation =0.98 and Coefficient of Variance = 24.19. Since, Coefficient of Variance is less than 33 percent, mean is a meaningful value. Skew ness is -0.77. Since Skew ness is a negative value, the curve is left skewed curve and data is piled up on right. Kurtosis is -0.40. Since, Kurtosis is a negative value; the curve is short and flat. Skew ness and Kurtosis values further reaffirm the meaningfulness of mean. From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that they face the adulterations problem.

E. Availability of Experts in Formulations:

Graph-3:
Descriptive Statistics: Availability of experts in formulations



Mean=3.58, Standard Deviation =1.09 and Coefficient of Variance = 30.44. Since, Coefficient of Variance is less than 33 percent, mean is a meaningful value. Skew ness is -0.54. Since Skew ness is a negative value, the curve is left skewed curve and data is piled up on right. Kurtosis is -0.82. Since, Kurtosis is negative value; the curve is short and flat. Skew ness and Kurtosis values further reaffirm the meaningfulness of mean.

From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that they face the problem of availability of experts in formulations.

Testing of Hypothesis:

Hypothesis-1: Adulterations problem and standardization of formulations are major production related problems faced by entrepreneurs of Ayurvedic medicines manufacturing in Western Maharashtra

Statistical Test: Friedman's Chi Square Test:

H_0 : Production related problems do not differ in magnitude (mean ranks are equal).

H_1 : Production related problems do differ in magnitude (mean ranks are not equal).

Level of Significance: $\alpha=0.05$

Findings w.r.t. H-1:

X^2 (df= 4)= 26.8, P-Value= 0.00

Conclusion w.r.t. H-1:

Since P-Value (0.00) is less than the level of significance (0.05) , the null hypothesis is rejected. Hence, it is concluded that production related problems differ in magnitude. To find out where the difference lies, we referred to ranks table.

From the ranks table, it can be seen that adulterations problem has mean rank of 3.65, standardization of formulations has 3.16, availability of experts in formulations has 2.98, patenting problems has 2.83 and availability of proper machinery has a mean rank of 2.39. Hence, the top three production related problems faced by entrepreneurs are:

- Adulterations problem
- Standardization of formulations
- Availability of experts in formulations

Production related Prospects for Entrepreneurs of Ayurvedic medicines manufacturing:

A. Cultivation Practices of Raw Material:

Table-3

Descriptive Statistics: Cultivation practices of raw material

Sr. No.	Parameter	Value
1	Mean	3.55
2	Standard Deviation	0.91
3	Skew ness	-0.64
4	Kurtosis	-0.59
5	Coefficient of Variance	25.63

Mean=3.55, Standard Deviation =0.91 and Coefficient of Variance = 25.63. Since, Coefficient of Variance is less than 33 percent, mean is a meaningful value. Skew ness is

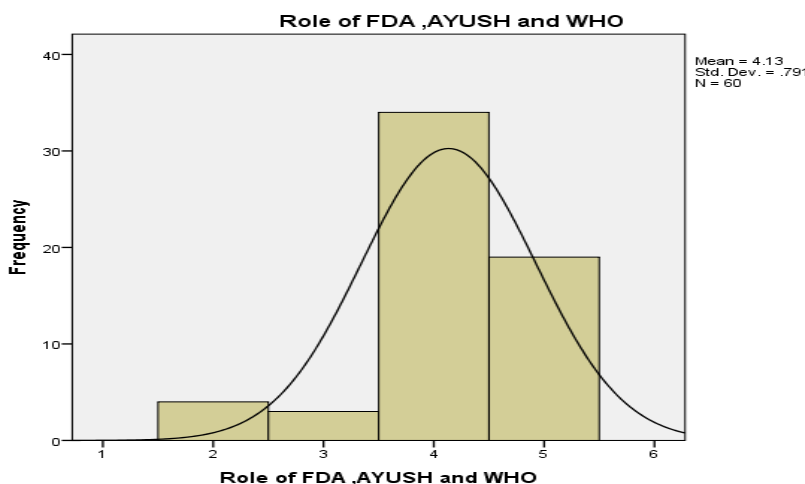
-0.64. Since Skew ness is a negative value, the curve is left skewed curve and data is piled up on right. Kurtosis is -0.59. Since, Kurtosis is a negative value; the curve is short and flat. Skew ness and Kurtosis values further reaffirm the meaningfulness of mean.

From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that cultivation practices of raw material is a prospect for them.

B. Role of FDA, AYUSH and WHO:

Mean=4.13, Standard Deviation =0.79 and Coefficient of Variance = 19.12. Since, Coefficient of Variance is less than 33 percent, mean is a meaningful value. Skew ness is -1.09. Since Skew ness is a negative value, the curve is left skewed curve and data is piled up on right. Kurtosis is 1.55. Since, Kurtosis is a positive value; the curve is tall and narrow. Skew ness and Kurtosis values further reaffirm the meaningfulness of mean.

Graph-4
Descriptive Statistics: Role of AYUSH and WHO



From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that role of FDA, AYUSH and WHO is a prospect for them.

C. Loan License Practices:

Table-4
Descriptive Statistics: Loan license practices

Sr. No.	Parameter	Value
1	Mean	3.65
2	Standard Deviation	0.73
3	Skew ness	-0.67
4	Kurtosis	0.33
5	Coefficient of Variance	20

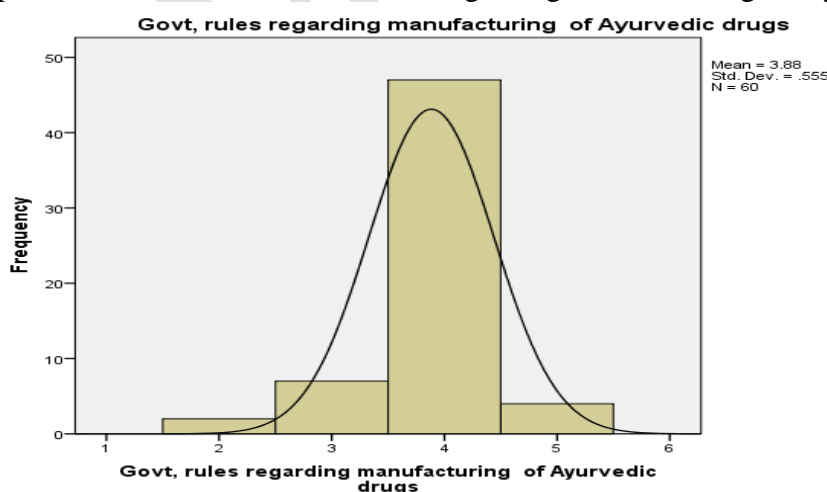
Mean=3.65, Standard Deviation =0.73 and Coefficient of Variance = 20. Since, Coefficient of Variance is less than 33 percent, mean is a meaningful value. Skew ness is -0.67. Since Skew ness is a negative value, the curve is left skewed curve and data is piled up on right. Kurtosis is 0.33. Since, Kurtosis is a positive value; the curve is tall and narrow. Skew ness and Kurtosis values further reaffirm the meaningfulness of mean. From the frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that loan license practices is a prospect for them.

D. Govt. Rules regarding Manufacturing of Ayurvedic Drugs:

Mean=3.88, Standard Deviation =0.55 and Coefficient of Variance = 14.17. Since, Coefficient of Variance is less than 33 percent, mean is a meaningful value. Skew ness is -1.28. Since Skew ness is a negative value, the curve is left skewed curve and data is piled up on right. Kurtosis is 3.88. Since, Kurtosis is a positive value; the curve is tall and narrow. Skew ness and Kurtosis values further reaffirm the meaningfulness of mean.

Graph-5

Descriptive Statistics: Government rules regarding manufacturing of Ayurvedic drugs



From frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that Govt. rules regarding manufacturing of Ayurvedic drugs is a prospect for them.

E. Government Patent Policy:

Table-5
Descriptive Statistics: Government patent policy

Sr. No.	Parameter	Value
1	Mean	3.53
2	Standard Deviation	0.76
3	Skew ness	-1.27
4	Kurtosis	2.51
5	Coefficient of Variance	21.52

Mean=3.53, Standard Deviation =0.76 and Coefficient of Variance = 21.52. Since, Coefficient of Variance is less than 33 percent, mean is a meaningful value. Skew ness is -1.27. Since Skew ness is a negative value, the curve is left skewed curve and data is piled up on right. Kurtosis is 2.51. Since, Kurtosis is a positive value; the curve is tall and narrow. Skew ness and Kurtosis values further reaffirm the meaningfulness of mean. From frequency distribution table, it can be concluded that among the respondents, except those who were indifferent, most of the respondents agree that Govt. patent policy is a prospect for them.

Testing of Hypothesis:

Hypothesis-2: Role of FDA, AYUSH and WHO and Loan license practices are potential production related development prospects for entrepreneurs of Ayurvedic medicines manufacturing in Western Maharashtra

Statistical Test: Friedman's Chi Square Test:

H_0 : Prospects related to production do not differ in magnitude (mean ranks are equal).

H_1 : Prospects related to production do differ in magnitude (mean ranks are not equal).

Level of Significance: $\alpha=0.05$

Findings w.r.t. H-2:

X^2 (df= 4)= 28.551, P-Value= 0.000

Conclusion w.r.t. H-2:

Since P-Value (0.000) is less than the level of significance (0.05) , the null hypothesis is rejected. Hence, it is concluded that prospects related to production differ in magnitude. To find out where the difference lies, we referred to ranks table.

From the ranks table, it can be seen that Role of FDA, AYUSH and WHO has the mean rank of 3.68, Govt. rules regarding manufacturing of Ayurvedic drugs has 3.22, loan license practices has 2.75, cultivation practices of raw material has 2.72 and Govt. patent policy has the mean rank of 2.63. Hence, the top three prospects related to production for entrepreneurs are:

- Role of FDA, AYUSH and WHO
- Govt. Rules regarding manufacturing of Ayurvedic drugs

c) Loan license practices

Findings

- It was observed from the study that among the respondents, except those who were indifferent, 68.3 percent respondents agreed that they face problems related to standardization of formulations, 55 percent respondents agreed that they face patenting problems, 46.7 percent respondents agreed that they face the problem of availability of proper machinery, 75 percent respondents agreed that they face the adulterations problem, 66.6 percent respondents agreed that they face the problem of availability of experts in formulations. (Table-1,2 Graph-1,2,3)
- The study revealed that among the respondents, except those who were indifferent, 66.6 percent respondents agreed that cultivation practices of raw material is a prospect for them, 88.4 percent respondents agreed that role of FDA, AYUSH and WHO is a prospect for them, 66.7 percent respondents agreed that loan license practices is a prospect for them, 85 percent respondents agreed that Govt. rules regarding manufacturing of Ayurvedic drugs is a prospect for them, 60 percent respondents agreed that Govt. patent policy is a prospect for them. (Ref: Table-3,4,5 Graph-4,5)

Conclusion

1. The entrepreneurs in manufacturing of Ayurvedic medicines face various production related problems like standardization of formulations, patenting problems, availability of proper machinery, adulterations problem and availability of experts in formulations.
2. From the descriptive statistics, testing of hypothesis-1 and analysis of rank table, it can be concluded that the top three production related problems faced by entrepreneurs are:
 - a) Adulterations problem
 - b) Standardization of formulations
 - c) Availability of experts in formulations
3. The entrepreneurs in manufacturing of Ayurvedic medicines have various production related prospects like cultivation practices of raw material, role of FDA, AYUSH and WHO, loan license practices, Govt. rules regarding manufacturing of Ayurvedic drugs, and Govt. patent policy.
4. From the descriptive statistics, testing of hypothesis-2 and rank table, it can be concluded that the top three prospects related to production for entrepreneurs are:
 - a) Role of FDA, AYUSH and WHO
 - b) Govt. rules regarding manufacturing of Ayurvedic drugs
 - c) Loan license practices

Suggestions

1. For the development of formulations, standardization, production, and overall growth, there is a need of the experts. The Ayurveda institutes, Government and Association of manufacturers should put their efforts to increase awareness and conduct regular training programs to educate the entrepreneurs in the important areas like standardization of formulation, patenting process, supply of proper machinery and identify the adulteration.

2. The formulations and process of Ayurvedic manufacturing is not standardized. Government should take steps to amend the related acts such as Drugs and Cosmetic acts to deal with such issues.
3. Well-designed Clinical tests should be made mandatory to Ayurvedic medicines which can increase the faith of public in the quality and efficacy of Ayurvedic medicines.
4. Obtaining GMP certifications should be made mandatory to Ayurvedic manufacturing units. Certain aspects related to maintaining quality of formulations are missing in Drugs and Cosmetic Act. Government should take initiative to amend the act which will help to improve quality standards.
5. Due to scarcity of herbs, the problem of adulteration in Ayurvedic medicines is on rise. The government and Association of manufacturers should organize training programmes for entrepreneurs to cultivate rare species of herbs, and scientific methods of collection of herbs. This can help entrepreneurs' dependability of suppliers and they can get genuine and quality raw material.
6. Farmers should be motivated to cultivate the genuine medicinal plant and encourage them through buy back scheme. This will provide the quality & genuine raw material as well as increase the income source of farmers. This will help to overcome from monopoly of supplier, shortage of genuine raw material and an adulteration.
7. Government should put strict actions on those who are responsible in illegal collection and trading of rare medicinal plants. This can reduce the scarcity of medicinal plants.
8. The medicinal plants are required to be standardized for its constituents and parts by documentation and providing scientific tests to identify, and testing purity which help to control quality of the formulations.
9. Entrepreneur should follow the rules and guidelines given by WHO, FDA and AYUSH while these WHO, FDA and AYUSH should demonstrate some flexibility in their norms.
10. Today, the various diseases due to improper life styles, lack of exercise and changing weather conditions, and spread of different species of viruses is on rise. The entrepreneurs should take initiatives to formulate new medicines instead of just imitating the other products. They should involve in research and development for the new formulations. This can help them to increase their market share and can create an competitive edge over the other streams of medicines

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REDUCING PRE-SETTING TIME OF ROUGH GRINDING MACHINE

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Abstract

This project documents efforts to reduce pre-setting time of the rough grinding machine at R4 line in roller manufacturing department. The average presetting time had 5.3 (5 hours and 18 minute) hours per setting. Monthly frequency of presetting is 5 to 7 times. Therefore average pre-setting time is 33 hours per month. The loss due to this to the company was Rs. 0.97 Lakh per month. By eliminating non value added activities we have reduced time. For this we have fabricated tools trolley, stand by frame for existing drum assembly and reduced distance of the tool collection. Techniques used include Pareto, why-why and Cause and effect analysis. We have also used scatter plot, bar diagram and line diagram for presentation of changes. Payback period and benefit cost analysis is used for economic justification. We became successful to reduce the time by 24 %. The overall benefit due to this is Rs. 2.80 Lakh per year.

Key words: Grinding machine, Presetting time, Tasks and task time

REDUCING PRE-SETTING TIME OF ROUGH GRINDING MACHINE

Introduction

This project is being taken up in the bearing manufacturing company at Chinchwad, Pune. This project is devoted for reducing pre-setting time of rough grinding machine. It is situated in roller line of the roller manufacturing department. It consist of seven work stations namely rough grinding, end grinding, height sorting, finish grinding, track honing, visual inspection system, tube packing. Due to higher set up time we have selected this machine for project. Primary and secondary data are collected for this project by us. Implementation of corrective actions is carried out in one month.

Details Of The Organization

The Pune plant is situated at Chinchwad in Maharashtra. It has three division like TRB (tapper roller bearing), DGBB (deep grove ball bearing) and Hub bearing unit. In this plant 1900 employees are working on different positions. The turnover of the plant is nearly SEK1600 Million. The manufacturing of bearing process include various operation like heat treatment ,rough grinding, finish grinding, honing, washing, oiling. The overall size of the bearing varies from 30 mm to 100 mm. It is supplied to automobile sector, wind mill, mining sector, railway and home appliances.

Problem In Hand

The roller manufacturing line consists of seven work station namely rough grinding, end grinding, height sorting, finish grinding, track honing, visual inspection system and tube packing. Our problem is related to rough grinding machine. Where we found the pre-setting time is highest in all machines. The time for rough grinding machine is 5.3 hours which is highest among the all machine. The operation of pre-setting is time required for changing machine tools and its inserts suitable for other type of job. We had to carry out pre-setting of the machine 5 to 7 times in month. The average period of pre-setting time is 33 hours in month. The line is stopped during the period.

Aim And Objectives

Aim: "To reduce the presetting time of the rough grinding machine using lean management technique". Accordingly we have stated objectives as below:

- 1) To study and assess the activities carried out under pre-setting in detail.
- 2) To make arrangement for reduction of time for these activities we hereby decide to reduce the pre-setting time from present 5.3 to 4 hours.
- 3) To establish new procedure of pre-setting time of rough grinding machine.
- 4) To observe the new procedure for 2 months and take review of its impact on productivity and overtime.

Review Of Relevant Literature

In the SKF training centre book [1] describes that presetting is the process of converting a line or machine from running one product to another. This Changeover times can last from a few minutes to as much as several weeks in the case of automobile manufacturers retooling for new models. It is the operation in the manufacturing process where the biggest potential exists for overall improvements in efficiency. At the same time, it is an operation without an individual responsibility or organizational function. It cuts across the whole channel structure – from raw material input to packaging and delivery. In our case it was 33 hours per month.

This project is carried out on centerless grinding single axis machine. In Rough grinding operation 250 μ to 300 μ microns are grinded off from longitudinal surface track of roller.

In the paper B Vijaya Ramnath et.al [2] Setup time and changeover time reduction through lean manufacturing concept – Single Minute Exchange Die (SMED). This work was carried out in the actuation unit assembly of a leading automobile cylinder manufacture in India. The objective of this paper is to reduce the cycle time in assembly of master cylinder by implementing various modernized techniques using lean manufacturing concept.

It is carried out by Rahul R. Joshi, et. al, [3], This Study is carried out in one of the automotive industry. The SMED system proved a track record in many types of industries. Single Minute Exchange of Dies (SMED) is the approach to increase output and reduce quality losses. The cycle time for the bottle-neck operation is 8 minutes. There seems to be enough scope for reducing this cycle time. The output of about 50-55 pcs/shift and 168 pcs/day i.e. $168 * 25 = 4200$ pcs /month. The main objective of this paper

to reduce cycle time of a operation by using Single Minute Exchange of Dies (SMED). The SMED technique was applied to the bottle neck Operation, the total time taken to perform the operation was decreased by 20 percent from 480 sec to 385 sec. The Company Started producing the Number of Components increased from 168 to 176 per day. In our case study also we have adopted same concept for reducing presetting time.

Janez Kusar et.al; 2010 [4] have reduced set the set up time of the jet-machine. It was 20 minutes before implementation of the project. The target value was a reduction of 50%. The team first documented the elements of the existing jet-machine setup, recorded microelement setup times, drew the path made by the setup operator, took photos of setup details and filmed the whole setup procedure with a video camera. The SMED workshop on the reduction of jet-machine setup time will be repeated until the goal has been achieved: a setup time shorter than 10 minutes. In our case the setup time before was 6 hours which has reduced to 4 hours.

Dhake, Rajebhosale, 2013 [5] Lean manufacturing envisages the reduction of the seven deadly wastes referred to as MUDA. Setup time forms a major component of the equipment downtime. This paper focused on the application of Single Minute Exchange of Die and Quick Changeover Philosophy for reducing setup time on Solder Past Printing Machine (bottleneck machine) in a electronic speedo-cluster manufacturing company. Convert Internal Setup Activities into External Setup Activities, Reduce / Simplify / Eliminate Internal & External Setup Activities and standardizing the process were key actions undertaken in this project. This has increased the availability of the machine by 10% and production possibilities were increased by 2670 units per month. Further it was indicated that there is enough scope for the improvement in the reduction.

Data Collection

Internal sources are used for the data collection. For writing literature review we have used company's library and internet. We have collected primary and secondary data for this project. Primary data are collected for the period of 7 months i.e. on the following:

1. Pre-setting time in minutes as per our observation and presetting sheet maintained for the purpose. It also records frequency of presetting.
2. Production per day and monthly is collected with permission of production manager from production log book.
3. Over time data is collected help of production manager and HR department.

Secondary Data is available data collected by the company is the files/ SAP system. It is a time-series data for the period of 8 months. Tasks involved in the presetting, task times, frequency, overtime, standard procedure etc were collected for the study.

Corrective Actions

The recommendations of the project team are implemented of in a period of one month after due permission. Removing the drum assembly for the specific type of rollers and refitting the same with parts was a tedious and time consuming activity requiring 60 minutes. We have fabricated stand by drum assembly of rough grinding machine which now required 30 minutes only. About 10 additional tasks out of 40 were standardized and

reviewed time standards are determined. The list of task and corresponding times are given in the table 2. New trolley is fabricated in order to fix location of tools. Use of trolley has reduced the travel distance of operators which they had to go for collecting tools. Thus unnecessary elements of the tasks are reduced.

The standard process of pre-setting is recommended herewith for execution. In this process we have suggested systematic tasks for pre-setting of rough grinding machine. This includes 10 activities. The process now recommended includes following. Thus the time on the carrying out of internal tasks are saved by converting the same external task.

- Check the new type tools like grinding wheel, frame, drum and fasteners while running production.
- Prepare the assembly of drum and frame while running production.
- Clean the machine and removing the exiting type tools and keep on location.
- Sorting the fasteners (bolts, nuts and screw).
- Removing the grinding wheel and kept on location.
- Assembling the new grinding wheel.
- Assembling the drum and frame assembly.
- Adjusting angle and back-off position.
- Dress the grinding wheel and adjust the drum and grinding wheel speed.
- Adjust the quality parameter.

Data Analysis

In the Ishikawa fishbone diagram shows the man, method, machine and material is effective mode of the main cause. It is directly affect on pre-setting time. 4M have greater impact on pre-setting time this is shown in fish bone diagram as given below. The causes are analyzed in the team members.

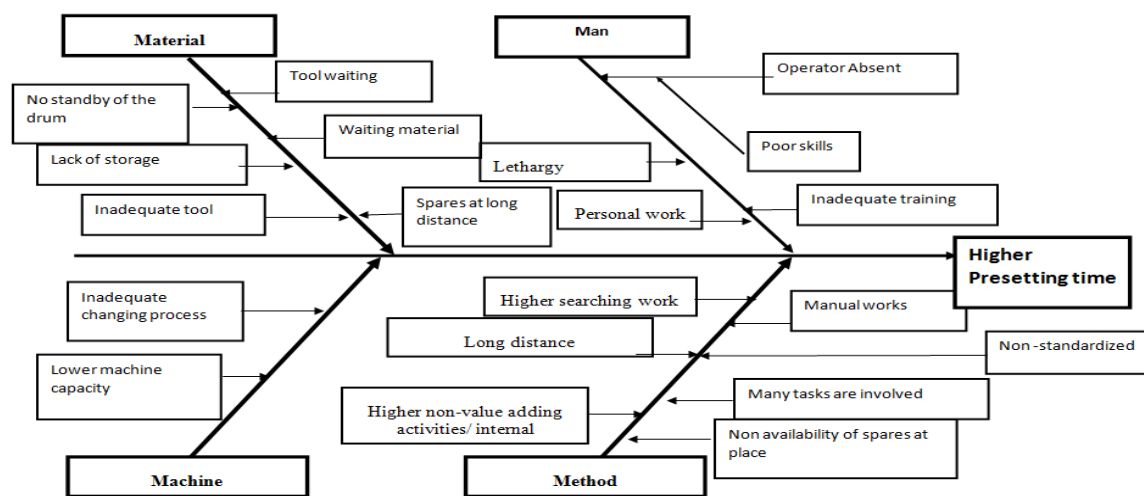


Fig1: Cause and effect analysis

On the basis of key causes we have set up why-why analysis to find out the root cause or conforming the vital causes. The causes are revealed in the cause and effect analysis. This will reach us to the root cause behind the problem.

Table 1: Why-why analysis			
Question	Answer-1	Answer 2	Answer 3
Question	Many tasks are time consuming		
Why	Tasks are manual		
Why	Some tasks take more time		
Why	We have to use existing drum assembly	Higher distance of the store	No standard time
Why	No standby drum	No storage arrangement at work	Manual variation
Decision	Assembly of new drum	Fabrication of new trolley	Set up standard method and time

Above analysis revealed that three actions are highly associated with the higher resetting time: Assembly of new drum (standby), fabrication of trolley according to requirement and setting up of standard method. We have carried out corrective actions accordingly.

We have first enumerated tasks in the presetting activity of the grinding machine before implementation of the project. The task times are measured and averaged. Before implementation the total set up time was 6 hours (362 minutes). After carrying out detailed study of the tasks we have reduced time of 10 tasks out of 40. The major reduction of time was in “assembling the drum and their parts” task. For this we have prepared the standby drum instead of using the loaded drum. Other tasks are as below.

Table 2: Tasks and times of presetting				
S/N	Tasks in presetting	Time in minutes		
		Before	After	Reduction
1	Pick up tool box	2	2	0
2	Clean the machine	5	5	0
3	Disconnect of interconnection	5	5	0
4	Remove the top cover	1	1	0
5	Remove the top support Allen bolts and top support	2	2	0
6	Remove the V guide	2	2	0
7	Remove the drum bolts	5	5	0
8	Remove drum assembly	10	10	0

9	Disassemble drum their parts	15	15	0
10	Open drum	5	5	0
11	Remove grinding wheel cover	2	2	0
12	Remove grinding wheel bolts	5	5	0
13	Open grinding	5	5	0
14	Clean the machine	5	5	0
15	Clean the previous tools	5	5	0
16	Placed to location	2	2	0
17	Pick up the new type tooling	5	5	0
18	Sorting the bolts and fasteners	5	5	0
19	Assembling the drum and their parts	60	30	30
20	Drum assembly placed in machine	5	5	0
21	Drum assembly fitted in location	10	5	5
22	Drum bolts are fitted	5	5	0
23	Grinding Wheel is placed in machine	10	10	0
24	Fit to the grinding wheel	25	10	15
25	Fit the bolts	10	5	5
26	Fitting v- guide	20	10	10
27	Grinding wheel angle adjust	15	5	10
28	Drum angle adjust	15	5	10
29	Fit the top support	5	5	0
30	Connect the interconnection	10	10	0
31	Distance setting of the grinding wheel and dresser	20	5	15
32	Put in top cover	2	2	0
33	Grinding wheel start	2	2	0
34	Grinding wheel dressing	15	15	0
35	Grinding wheel stop and distance adjust the wheel and drum	10	5	5
36	Adjust the grinding wheel and drum speed	5	5	0
37	Start the machine	5	5	0
38	First the checking the quality of rollers	15	5	10
39	Adjust the quality	10	5	5
40	Machine ready for this operation	2	2	0
Total		362	242	120

Thus the presetting time has reduced form 362 minutes (6.0 hours) to 242 minutes (4 hours). Thus we achieved 120 minutes reduction in the presetting time here. The overall results of this are given in the subsequent section.

Overall Results

The overall results of the project are tabulated in the following table.

Table 3: Overall results				
Criteria	Before	After	Unit	Results
Average presetting time per month	33	25	Hours	24% reduced
Time for one presetting	6	4	Hours	33% reduced
Reduction time for drum and their parts assembly	60	30	Minutes	50% reduced
Machine availability for production	202	210	Hours	4% increased
Average production per month	40810	43896	Nos	8% increased
Overtime cost per month	24000	9060	Rs.	62% decreased
Profit from increased production per month		14400	Rs.	

The total profit through this project is Rs. 23460 /- (9060 + 14400) per month or Rs. 2.80 Lakh per year. The expenditure on the implementation was Rs. 80000/- which is one time. Thus it will take about 3.5 months. The benefit cost ration is 28% per month which is very high.

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SERVICE SECTOR POTENTIAL OF INDIA: SCEPTICISM VS CONVICTION**Mohammad Idrees Ul Islam**Ph.D scholar, Department of Management Studies,
University of Kashmir, Jammu Kashmir.**Dr. Shabir Ahmad Bhat**Professor, Department of Management Studies,
University of Kashmir, Jammu Kashmir.***Abstract***

In contemporary times, social economic growth of a country depends a lot on its Service sector. Accessibility to quality services is crucial for the welfare of any economy. More than half of India's Gross Domestic Product is contributed by its service sector. Since 1950, contribution of Service sector to GDP has went from 29 per cent to 57.3 per cent of GDP in the year 2013. India 's potential for service economy is unparalleled as there is growing middle class with higher ambitions, varying consumption pattern, rising retail market, developing domestic & international market for IT/ITES, government initiatives like introduction of UID and projected BPO/KPO lead in future. With the restoration of US economy and other markets for Indian IT-BPO sector in different parts of the world and the rise in domestic demand, the service led economy will definitely propel into higher trajectory in near future. Growth in this sector is a reality, but not all pervasive.

Keywords: *Services sector India, service skepticism, services potential, growth in services*

SERVICE SECTOR POTENTIAL OF INDIA: SCEPTICISM VS CONVICTION**Introduction**

Service sector is the salvation for the economic development of any nation. It is today the big and fastest growing sector worldwide contributing to the worldwide economy and providing employability to more individuals than any other sector. Proving to be a boon for the developing and under developed nations. (Subramanian & Arimohan, 2014) say that the advances in the service sector is due to upsurge in urbanization, privatization and more demand for intermediate and end consumer services. Accessibility to value services is essential for the welfare of an economy.

During 1990s, India ranked one of the fastest growing countries in terms of economics due to the advent of this sector. This sector includes facilities like transport, telecom, banks, insurance, communication facilities, ecommerce, storage facilities, travel and tourism, logistics services, consultancy services, legal services, information and communication technology, advertising agency, various modes of media like television, newspaper, radio, etc. In addition, the service sector also includes certain services which are not directly helpful in the manufacture process, but are very vital for good quality of

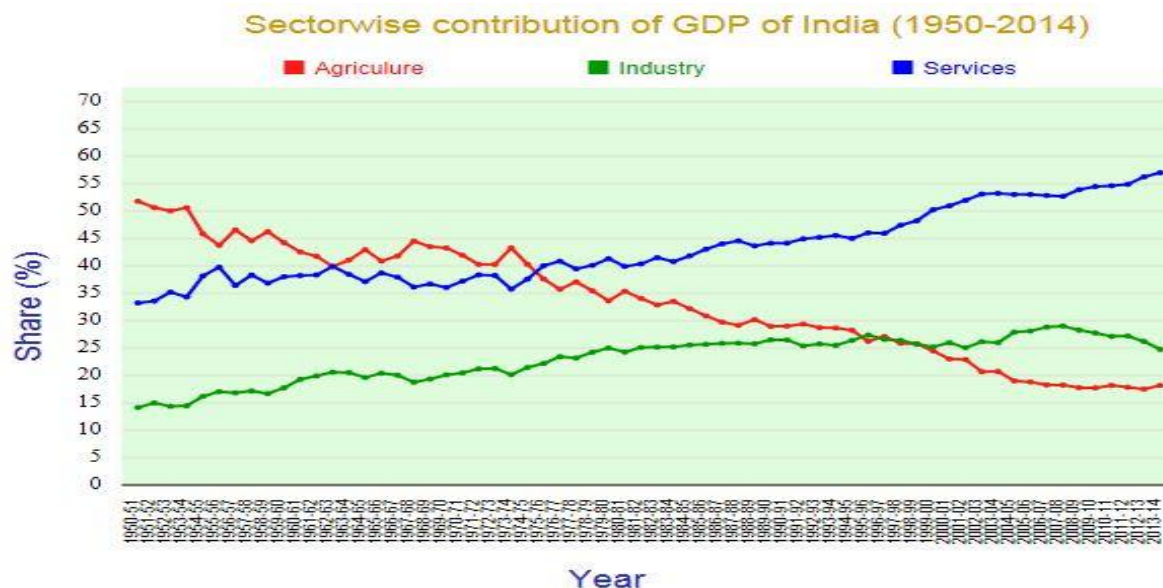
life. For example, services of doctors, teachers, nursery for kids, designers, domestic service providers etc. In line with the international trend the service sector in India, is growing rapidly. India has developed as a service-led economy. Service sector in India is contributing more than fifty percent to India's Gross Domestic Product.

Current paper deals with the potential inherent in this sector to build a strong economy in this case that is Indian economy. Truth be told, not everyone is convinced from this sector's potential to bring large scale positive change in the economy. It has its share of skeptics as well, who raise lots of questions ranging from questioning its share in the GDP to ability to generate employment. On the other hand, various researches support that this sector does possess a potential to develop an economy and most of the sceptics are baseless as we will find out. Some sceptics do have some ground beneath their feet. This sector has its share of shortcomings due to the very nature of the industry and for a country like India some limitations exist because of socio-political factors. We will answer the question in this paper whether the growth potential of service sector in India is a reality or some mirage? Which disappears once we take a closer look at it.

Scepticism and Growth Structure

Scepticism resulted into uncertainties about quality and sustainability of the surge in service-sector productivity. As per their observations employment in service sector is concentrated with in the informal sector, personal services and public administration activities with inadequate spillovers and relatively limited scope for productivity development. Doubts have also been raised about the employment generation capacity of this sector and say that the surge in numbers are only because of relabeling of jobs which were previously done in house by manufacturing organizations (Panagariya, 2008); (Pattanaik & Nayak, 2011); (Amirapu & Subramanian, 2015). So, the jobs previously done themselves by manufacturing businesses shifted to services sector for various optimizations. However, the portion of service sector in GDP is continuously growing in India. According to staticstimes.com, in 1950-1951 the composition of Agriculture & allied, Manufacturing, and Services sector was 51.81 per cent, 14.16 per cent, and 33.25 per cent, respectively at current prices. Today the share of Agriculture & allied sector has declined at 18.20 per cent in 2013-14. Whereas the share of services sector has improved to 57.03 per cent. Share of Manufacturing has also increased to 24.77 per cent. Some are of the opinion that due to the above-mentioned data that service sector is itself sufficient in bring socio-economic change, but that is not the case in reality. As these researchers (Eichengreen & Gupta, 2011) found out that the sustainable economic development of the country and high living standards of citizens may require shifting of their work-profiles from agriculture to manufacturing and service sectors. Both are important and not just one or the other. This again emphasizes the fact that for an economy to develop its should have symmetric growth. Particularly, services that have been liberalized have also grown-up significantly quicker than other services. An example is the IT industry. This transformation has been quantitatively significant as well. In 1970s most of the services were essentially heavily regulated, leading to various bottlenecks in growth. Since then majority of them have since been partially or wholly deregulated acting as a catalyst to induce growth (Eichengreen & Gupta, 2011).

Graph below shows the sector wise change in GDP of India over the years:



IT Industry

This sector is the fastest growing sector of the country with Information technology industry being the lead star. According to the National Association of Software and Services Companies – NASSCOM, the IT- Business Process Management (IT-BPM) sector in 2014 saw renewed demand for total worldwide sourcing business, which grew by 9-10 per cent over 2013, almost double the global technology spend growth. India upheld its headship place in the sourcing field with a stake of 55 per cent. New global delivery centres added in 2014 recorded a remarkable development of 49 per cent with over 27 per cent additions from India. Total sales (international + domestic) for financial year 2015 stood at USD 146 billion, a growth of approximately 13 per cent over last year, an overall year on year accumulation of approximately USD 17 billion. Sector's contribution relative to India's GDP is set to come close to 9.5 per cent and share in total services exports greater than 38 per cent. For the FY2016, NASSCOM forecasts the industry to add sales of USD 20 billion to the existing industry sales of USD 146 billion. Export sales for FY2016 is expected to grow by 12 to 14% and touch USD 110-112 bn. Domestic sales (including ecommerce) for the same timeframe will grow at a rate of 15-17% percent and is expected to touch USD 55-57 billion during the year.

Employment and Services

The contribution of service sector in employment has been increasing. The pattern of the sectoral share of employment has also changed over the period of time with the share of agriculture falling and of industry and services rising steadily. Services share in employment was at 28.5 per cent in 2011-12. In comparison to the year 1970-71 in which the contribution of service sector to employment was just 16 per cent. It can be said that from the contribution of services to GDP and to employment. It is understood that

increased development in the economy and that of the service sector has failed to create decent jobs. The high growth segments of the services which is the IT industry still remains highly skill-focused. A majority of individuals are still stuck in the low productivity agricultural sector and the only substitute for them is to transfer into low productivity informal activities in the services sector. Service sector as a whole does not share the overall growth. But that being said not all scepticism is supported by empirical evidence. There is an obvious real-time growth in services and is not just outsourcing of jobs from manufacturing and agriculture into services. What was previously thought by many to be the case. But, only a relatively small portion of the growth of demand for services reflects outsourcing from manufacturing or agriculture. Maximum service production activities that does not go towards exports, in fact, derives from final demand in the Domestic markets (Eichengreen & Gupta, 2011).

Share of various services in the GDP

The positive impact of the new economic policies is evident. But, all services do not enjoy similar benefits of these policies. According to economic indicators of various services in India for 2014-15 these show a justifiable decent outcome in tourism, railways, telecom, and aviation. The share of trade, transportation, communication, banking, business services and community services has increased in GDP since the policies of 1991. Estimates of the Centre for Monitoring Indian Economy (CMIE) derived from limited firm-level data indicates improved performance in retail trading, aviation, telecom, and transport logistics. The share of banking in GDP has also improved since the crash of 2007- 08 which led to global slowdown in economies. The government from time to time also try to reduce the share of public administration in order to curb expenditure on administration to reduced fiscal deficit. Government is also increasing expenditure on internet, education, research, health, medical etc. this leads to increase in share of community services in GDP.

Challenges and Problems

As a gateway to robust development in India service sector faces various challenges. Biggest challenge of all is to maintain the competitiveness or market share in the industries in which it has already made a mark such as IT/ITCS and telecommunication. Its competitiveness is being affected by other nations providing same services to the customers at cheaper rates. So, going forward and being relevant is a big challenge for these service provider companies.

There is also the concern of service quality of public sector companies and related customer satisfaction from those services (Kumari, 2016); (Agrawal, et al. 2016). Evidence from various different service sector industries like hospital and bank found that service quality of public sector organization was not so good or it was less then private sector organization. It tries to compare gaps of service quality for the satisfaction and expectations of customer in banking sector. The study resulted into reporting lower service gap in private sector than public sector. Reasons behind poor service quality of public sector organization was lack of resource, poor management, low transparency and lack of customize services. It has been suggested that by improving the service quality it is possible to improve customer satisfaction of public sector organization. Reliability and

assurance are the dimensions where no significant difference has been observed between public and private sector banks.

Another list of challenges and problems like limit in the foreign direct investment, tax policies, licensing policies, lack of infrastructure to support growth, cost of capital going up, transaction cost, freight and power, limited internet access, customs duty structure in some products, delay in the promotion of conducive business environment. All these barriers and more will act as a roadblock to services in catching up with the global gains in terms of worldwide presence. Even then in India telecommunication industries are most preferred in terms of Foreign investment and Mauritius and Singapore are such countries which revealed full confidence in India concerning to FDI inflow (Saini et al., 2016). However, India receives comparatively much lesser FDI than China and other smaller economies in Asia. To achieve the highest foreign investment, it needs to develop such an attractive investment avenue, need to frame liberal economic policies and require to develop the level of Infrastructure.

Other research studies evaluated the extent to which total quality management (TQM) practices have been applied in Indian service industries (Talib & Faisal, 2016). The research findings are supported by an empirical study conducted on a sample of 172 top and middle managers in Indian service industries. The outcome shows that six TQM practices i.e. top-management commitment; customer focus; process management; quality systems; teamwork; and communication are successfully implemented across the Indian service industries whereas eleven practices are in part applied.

Scholars like (Suvakkin & Gnanasekaran, 2015); (Mukherjee, 2015) argue that growth only in a service sector of an economy cannot be sustained and should be accompanied by simultaneous growth in manufacturing and agriculture as well. This is where the initiatives lack and this is where the government need to focus their attention. They should take initiatives to develop all the three sectors of the economy. That would lead to sustainable growth gradually and eventually.

Government steps

The Indian Government is well aware of the important role of promoting growth in service-sector and thus makes available several incentives in different areas such as healthcare, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, etc. Following are the few steps taken by the government in recent past for the promotion of this sector:

- The Government is planning to liberalise its visa policies, which involves allowing multiple-entry tourist and business visas. This is expected to boost India's services exports significantly.
- The Government of India has announced its plan to increase the quantity of public service centres or e-Seva centres to 250,000 from 150,000 at present to empower rural level entrepreneurs to interact with national experts for supervision, also helping in the distribution of e-services to them.
- The Government is looking into a two-rate structure for the goods and service tax(GST), under this step key services will be taxed at a lesser rate in comparison to the usual rate.

This will facilitate businesses in maintaining a low price and thus minimize the influence on customers due to rise in tax.

- By the end of the year 2016, all unconnected Indian villages to the telecom network by nearly 10 % is under planning to involve by Government.
- As a part of wider tactic to lessen the use of cash and thus constrain the parallel economy running external to legitimate financial system. The Government has planned to provide tax benefits for dealings made electronically through credit/debit cards, mobile wallets, net banking and other ways.
- Through Government Initiative Reserve Bank of India (RBI) has permitted third-party white label automated teller machines (ATM) to receive international cards, plus international prepaid cards and has also permitted white label ATMs to tie up with any commercial bank for cash supply.
- Introduction of UID program for the masses.

Way Forward

Service sector progress is affected by both local and global characteristics. The sector is expected to perform well in the Year 2017-2018. As per Mr Dilip Chenoy, MD and CEO of National Skill Development Corporation, some improvement in worldwide growth and recovery in manufacturing growth will push the services sector growth to above 7 per cent in 2017-2018. The Indian services management market is anticipated to grow at 17 per cent compound annual growth rate (CAGR) between 2015 and 2020 and exceed the \$19 billion target supported by thriving real estate, retail, and hospitality sectors. The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in 2017-2018. Loss of growth drive in commodity-producing sectors had unfavourably squeezed transport and storage sectors over the past years. The financing, insurance, real estate, and business services are also anticipated to continue their upright path in 2017-2018. The progress of the community, social and personal services are directly connected through government spending and we believe that the government will remain committed to financial consolidation in 2017-2018. This sector has come to play an increasingly central role in Indian economy amounting to 68.6 percent of the overall average growth (Rose et al., 2016). It thus demonstrates the ability of the services holding immense potential to fast-track the growth of an economy and improve quality of life for the people. They offer countless commercial prospects to the stakeholders. They have the ability to provide significant number of employment opportunities in the economy as well as grow its per capita income. Promotion of entrepreneurship in this sector can facilitate lessening the much-debated issue of unemployment. (Rose et al., 2016) worked on a paper that emphasizes the significance of service sector in the India economy and the necessity for entrepreneurial development. They also put forward an action plan for achieving entrepreneurial growth.

Suggestions from the author

Following suggestions can further boost the growth of service sector:

- Endorsing technical innovations.
- Extra focus on research and development will reduce the dependence on import of Technology.
- Investing in new infrastructure and modernising it.

- Easing visa policies.
- Invest in the skill and technology to improve human resource quality.
- Removal of local bottlenecks to encourage entrepreneurship.
- Promoting competition to elevate the quality of life.

Conclusion

We are lead to the conclusion that the new economic policies have a positive impact on the services sector. The sector has showed a speedy and strong progress since the policies of 1991. The development rate of this sector improved, during planning period the share of services sector in GDP and its contribution to GDP growth also improved. The new economic initiative promoted mostly the trade, transport and communication, banking, business service and community services. These services attained a major share in the service sectors contribution to GDP. But still there are services like hotels and restaurants, railway, storage, real estates, legal services, personal services like domestic, beauty shops, etc. and other services like internet, television broadcast, entertainment, sanitary, electricity, etc. are not up to the mark and require attention. Government should also invest more in skill enhancement programs of its population to help them move from low to high productive services. Number of people are still stuck in the agricultural sector or low productivity informal activities in the Services sector with no alternatives. The high growth industries in the service sector remain very skill intensive.

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A STUDY OF GREEN MARKETING AND SUSTAINABLE DEVELOPMENT: OPPORTUNITIES AND CHALLENGES WITH SPECIAL REFERENCE TO KASHMIR

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Abstract

In the advanced period of globalization, it has turned into a test to keep the clients and in addition buyers in overlap and even keep our regular habitat safe and that is the greatest need of the time. The world must be produced by the necessities of the general population, however with the commitment of reasonable improvement as a complete procedure, supportable advancement is tied in with influencing models subjectively to meet to the financial needs and interests of natives, while killing or fundamentally diminishing the effects that undermine or damage the earth and common assets. As society turn out to be more worried about the common habitat, organizations have started to alter their procedure trying to address society's new issues. A few organizations have rushed to acknowledge the fresher difficulties or changes like ecological administration, minimization of the waste lining up with hierarchical exercises. Nowadays' ideas of green showcasing are coming to fruition as one of the key business methodologies of the organizations for picking up the upper hand, guaranteeing feasible utilization of their items in the business sectors and getting a charge out of reasonable improvement in future. Understanding the significance of green promoting in economical improvement, this paper is for the most part centered around the effect of the green showcasing on maintainable advancement and related open doors and difficulties in J&K

Key words: *sustainable development, green marketing, globalization.*

A STUDY OF GREEN MARKETING AND SUSTAINABLE DEVELOPMENT: OPPORTUNITIES AND CHALLENGES WITH SPECIAL REFERENCE TO KASHMIR

Introduction:

The colour green is an off shoot of the English verb “growan” which means ‘to grow. Green has generally been related with expectation and development and it additionally speaks to nature. Over some stretch of time, the shading has for all intents and purposes turn into an equivalent word for condition. As assets are restricted and human needs are boundless, it is critical for the advertisers to use the assets productively without squander and additionally to accomplish the association's target. So green showcasing is unavoidable.

Definitions:

- According to the American Marketing Association, “Green marketing is the marketing of products that are presumed to be environmentally safe. Thus, green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising”.
- As per Stephen et al. 1996, “Green Marketing describes an organizations effort at designing, promoting, pricing, and distributing products that will not harm environment”.
- As per Sanjit, 2008, “Green Marketing involves developing and promoting products and services that satisfy customers want and need for quality, performance, affordable pricing and convenience without having a detrimental input on the environment”.
- According to Pride and Ferrell, 1991, P.88, “The specific development, pricing, promotion and distribution of products that do not harm the environment”.

Green marketing has been determined with the help of certain parameters namely, focus development of products, green objective setting, legal compliance, responding to competitive initiatives.

Ethics In Green Marketing:

Friedman says that business have no social responsibility beyond that of increasing profits so long as it stays within the rules of the game, that is, engage in open and free competition without deception or fraud. In other words, business has no business to consider question of good or evil, stillness of social justice or environmental sustainability. This raises the question of whether there is a distinction to be drawn between ethical action and good business sense. Green marketing may be viewed as a strategy for the future or for profitability. Decision-making in business has become complex as environmental questions have been raised about all aspects of corporate activity. Since business is in the community and works within a physical and ethical framework, it has to consider the environment as an ethical issue.

As economy witness growth, then, it will be implied in increasing competition resulting in degradation of the economic resources and this will be harmful to ecosystem on a large scale. Though, there three R's of environmentalism are: 1) Reduce, 2) Reuse and 3) Recycle.

Green marketing in its basic form can be differentiated from ordinary practiced marketing in the sense of its concern on ecological balancing. It is basically open and targeted approach towards marketing. It is balancing of the strategic links to marketing and environmental awareness. In short green marketing is seen as; i) open-ended long-term perspective, ii) focuses strongly on nature, iii) It treats an intrinsic value over and above its usefulness to society, and finally iv) focuses on global concerns than country based welfares.

Objectives:

- To conceptualize green marketing
- To understand impact of green marketing on sustainable development
- To examine the challenges and opportunities for green marketing

- To identify the importance and need of green marketing

Research Methodology: The research is exploratory in nature; it focuses secondary sources of data.

Review of literature:

Andrea Prothero (1990), found that, in order to keep up a noticeable position inside business, advertisers may need to receive a system which includes more than "window-dressing". Instead of considering the transient chances of being "green" an all the more long haul see is required with the goal that the potential perils can likewise be tended to. England is moving far from the main period of green and turning into a darker shade simultaneously. Showcasing divisions in this way need to deliver merchandise of a superior quality which have a more extended life expectancy and are created in a way which is as safe to nature as could reasonably be expected. Changing your organizations bundling isn't sufficient. The suggestions are in no way, shape or form a thorough rundown of the issues advertisers ought to consider for what's to come. This paper is planned to give a wide comprehension without bounds part of promoting and how the expanded significance set on environmentalism has prompt the standards of showcasing being liable to "awful press".

It has been recommended that so as to keep up a conspicuous position inside business advertisers may need to change their exercises. One way is the appropriation of SMC (Societal Marketing Concept) whereby items might be given on the understanding that the earth won't experience the ill effects of such generation forms.

Sumesh R. Nair and Nelson Oly Ndubisi (2011) · identified three groups of stakeholders (core influencers, intermediate influencers, and moderate influencers) who exert varying degrees of pressure and influence on organizations and their commitment to environmental well being. Three strategies (Strategic green Alliance, Strategic green Comradeship, and Strategic Green Harmony) were also suggested to connect with the three different stakeholders group. The models in the papers are developed using the insights gathered from the existing literature in the field of environmental marketing. The models offer new perspectives to understanding and satisfying the needs of the stakeholders better. The papers are useful for environmental strategists while developing their strategic options to satisfy the important stakeholders of their organizations.

Green Marketing Practices In India

The first shoe company to market itself as green is Nike and marketing for Air Jordan shoes as environment-friendly. The company has reduced the use of highly adhesive glue to protect environment. This was their strategy to protect for environment. There is one another case of similar initiative made by Kansai Nerolac. This company has worked on removing hazardous heavy metals. It has not added any lead or other such heavy metals in its manufacturing process.

There are more cases of similar nature who have marketed their products by focusing on removing one or more inventory products from their manufacturing process. The decisions made by these companies are very small but they have promoted it at

international level to take advantage of this decision in boosting their sales and market penetration. Though the initiative raised by the companies are essential.

Sustainable development as per the “Report of the World Commission on Environment and Development (United Nations, 1987)” can be viewed as a pattern of resource use that aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but in the indefinite future. Sustainable development is the form of development which aims at sustainable consumption and sustainable economic growth and tries to protect the environment. The field of sustainable development can be conceptually broken into three constituent parts: environmental sustainability, sociopolitical sustainability and economic sustainability. The two terms sustainable development and sustainable consumption are the two facets of the same coin. Sustainable development refers to maintaining long-term economic, social and environmental capital. While sustainable consumption becomes the way of life. Sustainable consumption is using resources in a way that minimizes harm to the environment while supporting the well-being of people.

Determinants Of “Green Marketing”

- Setting Green Objectives
- Demonstrate Social Responsibility
- Comply with the legislation
- Respond to competitive initiatives
- Provide accurate environmental information
- Identify products with green characteristics
- Focus product development on sustainability
- Set realistic prices
- Eliminate unnecessary packaging

Challenges Related To Green Marketing In India:

Lack of standards is one of the most important challenges or unawareness about what is “green”, according to Joel Makower. Indeed, there are no defined limitations of how much good may be treated as enough, when the question comes to a product or a company claiming green marketing. This lack of awareness among consumers, marketers etc. have slowed the growth of green marketing. Because, consumers are often doubtful, about their claims. In spite of these challenges, green marketing has continued to gain popularity, especially in view of growing global concern about climate change. This growing concern and government regulations in many countries have forced companies to advertise their role in reducing the effect on climate change, and the result it is having on their products and services.

Industry wise there are some more challenges illustrated below:

1) Electronic Waste:

In the digital age, we take digital lifestyle for granted. But in the process of digitalization, we are overshadowing the impact of digitalization on the environment. Many of us are quite unaware that digitalization pollutes our environment. The waste generated from

electronic accessories accounts for environment pollution and in its generic term it is known as “e-waste” or electronic waste.

Many countries across the world are facing the problem of e-waste. These wastes are used for land filling that contaminates the ground water. Soil becomes acidified due to disposition of acids and sludge obtained from melting computer chips-an example is the water shortage due to contamination of water resources at Guiyu (Hongkong), a thriving area of illegal e-waste recycling. Open burning of e-wastes exhausts poisonous gases, responsible for polluting the air, landfills lead to environmental hazards. Mercury will percolate when certain electronic devices such as circuit breakers are destroyed. Likewise, polychlorinated Biphenyls (PCBs) from condensers, both Polybrominated Diphenyl Ethers (PBDE) and cadmium from brominated flame retardant plastic or cadmium-containing plastics percolate into the soil and groundwater if landfilled improperly. In addition to this, significant amount of lead mostly from cone glass of cathode ray tube is also released into water and makes it acidic if improperly landfilled. Open-air burning of plastics in order to recover copper and other metals is the most dangerous form of burning e-waste because toxic emissions from open air burning affects both the local environment and global air as it contributes highly toxic by-products to the atmosphere throughout world.

To overcome the alarming problem of e-waste many countries have stepped on to a common platform to find some effective solution for this problem. In this regard, the Basel convention is to control and reduce movements of hazardous and other wastes across boundaries of nations and frame strategic plans for prevention and minimization of their generation, and also environment -friendly sound management of such wastes along with active promotion of the transfer and use of technologies. To have a better control it should be checked in its initial stage that is at the point of generation by waste minimization techniques and eco-friendly product design.

2. Bio-fuel:

The use of fossil fuels is continuously increasing, which the increased emissions of greenhouse gases like carbon dioxide are causing global warming. To overcome this, problem, we need to develop alternative sources of fuel and bio-fuel is one of them, Bio fuels have a strong potential to provide immediate solutions for environmental problems. The bio fuels, currently blended with fossil fuels, comprise ethanol and bio-diesel. The production of biodiesel are uniform in most of the countries known as transesterification, although, the source of raw material varies based on the agro climatic condition of the region. Majority of the countries in the world use edible oil raw material source for production of biodiesel. The objective of biodiesel use is to reduce the oil trade deficit as well as emission of green house effect.

3. Organic Farming:

Organic farming is a new concept, similar to the traditional methods of farming where chemical use is avoided to improve crops yield. The excessive use of chemical and pesticides resulted in the depletion of the soil quality and eventually makes it a barren land. This can be avoided, if organic or eco-farming is more encouraged.

4) Population, Industrial, and Economic development and Environmental Pollution: a Question of natural debt trap:

A growing population, rapid economic development, and political and social demands exceed the mandate and capabilities of any corporation in an emerging economy (Hart, 1997), and India is no exception to this. Industrial development in India also streamed a rapid exploitation of natural resources. This is logical consequence of rapid population growth. To cater to the needs of increased population needs employment of industrialization is seem to be essential. The ultimate impact of this rapid industrialization is naturally on enhancing industrial pollution.

It is true that natural resources of the countries are belongs to the particular nation though, exploitation of these resources are able to create debt of these resources. The debt which is need to be repaid by all the countries as ecosystem doesn't limit to the particular region or country.

5) Role of Small Enterprises:

Governmental measures are in sync with the policy of industrialization, they tend to ignore the environmental hazards. In metros like Delhi where, industrial units operate right in the middle of the residential areas, these SMEs have become an environmental eyesore. Due to lack of regulation and their stringent enforcement by statutory bodies, courts have been forced to intervene leading to many an avoidable ugly situation between the citizens, government, industry and the courts.

6) Limited Scientific Back-up:

The environmentally friendly and socially responsible actions of the firms, do not have a full proof scientific back-up. Thus the firms are not confident to take these steps lest they are proved wrong tomorrow. They may be protecting themselves from potential future negative black lash; if it is found that their actions in the past were wrong (**Lalit Sharma:**

Green Marketing;

Ultimately, Green marketing should not be considered as one more approach to marketing. It has to be pursued with much greater vigour as it has environmental and social impact. With global warming looking largely, it is important that green marketing becomes the norm rather an exception, or just a fad

Opportunities: Green Marketing

As demands change, many firms see these changes as an opportunity to be exploited and have a competitive advantage over firms marketing non-environmentally responsible alternatives. Some examples of firms who have strived to come more environmentally responsible, in an attempt to better satisfy their consumer needs are

- Competitive advantage
- Increasing the consumer base
- Government legislation and receiving subsidies from Government
- Reduction in cost
- Corporate social responsibility

Interestingly, green marketing continues to be an issue of global interest. IN fact India is the pioneering country in initiating this green marketing approach. Many companies are adopting green for capturing market opportunity of green marketing such as McDonald's for replacing shell packaging with waxed paper.

In construction industry also green approach is visible to certain extent. Particularly green approach in construction industry has been seen in extended towards utilization of ecofriendly materials. The material which is less harmful to the nature is prefer for the utilization.

Conclusion:

The conclusion based on the above research may be summarized in below points, such as the present research gives an indication that most of the people are un-aware of the global indication of ecological harms. Global warming, carbon emission are the latest topics under concern but neglected by most of the nations. But government and corporates need to put its concern on higher rank to avoid further mishap. The method adopted for the curious and caring behavior is obviously called as green marketing. The awareness of peoples of regarding ecofriendly products and insisting on green is a valid source of converting customer behavior into buying decision. This will help both the corporate to earn profit and also it will essential to conserve nature. It is true that these initiations are on lower side but starting small is always better that to be late.

For making Green marketing successful which will help in creating positive impact on sustainable development the marketers needs to create awareness among the people so that they can relate themselves with the cause and do efforts for the same.

Sustainable development can be achieved through green-marketing. It can be a medium for developing strategies and policies. This leads to understanding and addressing of potential poverty and resource scarcity gaps. It also guides the society to find out alternate ways to economics, production and livelihood models, which results into protecting environmental balance, development and growth prospects. Credibility is the key towards the successful green marketing. So one should never exaggerate environmental issues and keep idealistic expectations and make sample communication with people that they have faith.

Observing the recent trends in green marketing, it has got importance in the global scenario. Sustainable development is a need of an hour. It can fulfill this need.

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ROLE, STATUS & PROSPECTUS OF TOURISM AND ECO TOURISM.

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Abstract

Tourism is a growing industry in many parts of the world. Tourists visit different places depending on their personal interests. Different tourist destinations hold different attractions for tourists. Tourism has emerged as an important sector of the economy. It is found to be an economic bonanza which contributes substantially to the development process. If the managerial decisions are creative, innovative and sensitive, we expect a lot from the tourism industry. The rate of success in the tourism industry is sizeably influenced by the instrumentality of supporting industries, such as hotel, transportation, communication, banking or so. This industry has been divided into three parts namely, accommodation, tour operators and transportation. The developed countries and to be more specific the leading tourist generating countries of the world, such as USA, UK, Germany, France, Australia, Spain, Singapore have assigned due weightage to the principles of modern marketing in managing the tourism industry. In the Indian perspective we need a basic change in the national development policy for tourism.

Key words:- tourism, economic growth, ecotourism, marketing mix, SWOT Analysis.

ROLE, STATUS & PROSPECTUS OF TOURISM AND ECO TOURISM.

Scope of the study:-

The geographical scope of the present study is confined with Indian scenario. The topical scope focuses on the prospects and futures of tourism industry. The functional scope is confined to the positions of tourism industry in economical development of Maharashtra.

Objectives of the study:-

1. To understand the concept tourism.
2. To study the status of tourism industry in India.
3. To investigate the issues and challenges faced by tourism industry.
4. To evaluate the effective techniques applied in tourism industry.

Methodology:-

The **primary data** has collected through informal discussion and conversation with the related

Personnel of the institution like Maharashtra Tourism Development Corporation (MTDC).and Tour Agencies. Also **Secondary data** has collected from published literature, annual reports, journals, reference books magazines etc.

Introduction:-**Tourism -the concept**

Tourism denotes the temporary, short-term movement of people to destination outside the place where they normally live and work and their activities during their stay at these destinations. Tourism is a composite industry. It consists of various segments which can produce a wide range of products and services.

The following points emerge regarding tourism:-

- It is temporary, short-term movement of people.
- Totality of relationship.
- Activity involving a mixture of material and psychological elements and concerned with the utilization of leisure hours.
- By nature it is a composite industry consisting of different segments.

Tourists are:-

- Persons traveling for pleasure, health and domestic reason.
- Persons arriving in the course of sea cruise.
- Persons traveling for business purposes.
- Persons traveling for convention.

Tourism industry in India:-

Though there is a lot of scope to improve tourism and gain revenues in this sector, the government of India has taken a longer time to take active steps in the direction than other countries. India lags behind countries like Malaysia, Singapore, and Thailand in promoting tourism. However, it has come up with the '*Incredible India*' campaign to promote Indian tourism internationally. The initiative to promote tourism in India was first actively taken up by Kerala tourism. Today, many states follow Kerala's example in promoting their tourism. Further, the historical importance of monuments like the TajMahal, the Lotus Temple etc. and the temples of the south, have equally attracted the tourists. The tourism industry should not only concentrate on promoting and selling packages to foreign tourists, but should also induce domestic tourists to use the services. The Price of a tourist package is the main criterion for people in India to consider making a trip. Therefore tourism companies should make these packages accessible and available for the domestic travelers too.

Tourism – Important segment of Indian economy.

Tourism has become an important segment of Indian economy contributing substantially to its foreign exchange earnings. The foreign exchange earning during the year 2000 was Rs.14238 crores as compared to Rs.12951 crores during the year 1999.

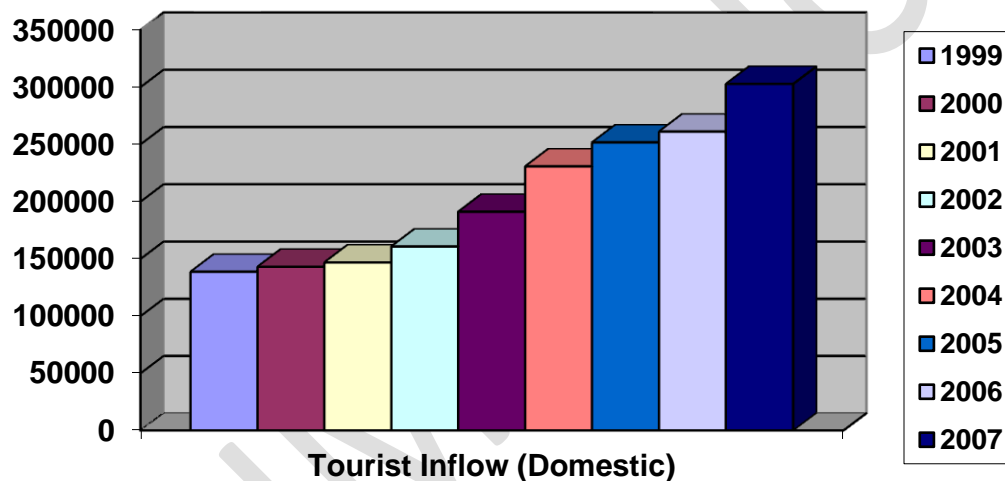
Table:- foreign money income from tourism

Year	Estimated Income (in crores)	Change of percentage
1995	4378	-
1996	5951	37.8
1997	6611	11.1
1998	7129	7.8
1999	8430	18.2
2000	10046	19.2
2001	10511	4.6
2002	12150	15.6
2003	12951	6.6

Source:- *Tourist Arrivals in India 2004*

Tourism provides vital and wide ranging benefits to an economy:-

This can be summarized by observing below chart.



Source: *Department of Tourism, Government of Maharashtra.*

Tourism marketing mix:- Effective tool for marketing tourism industries.

Tourism marketing mix is an important tool for increasing efficiency of tourism sectors. Effective implementation of marketing mix enhances the growth in tourism economy.



Figure:-Elements of tourism marketing mix.

The marketing mix elements of tourism industry play an important role in creating an image of the tourist destination, building awareness of the services, increasing revenues for the industry.

Data Analysis and Interpretation:

Foreign Tourists-

Foreign tourist arrival during 2007 is estimate at 1,04,568 showing an increase of about 10% over the year 2006. Table given below indicates the arrival of foreign tourist to Maharashtra during the last five years and percentage change over the previous year.

Tourist arrival from abroad 2003-2007

Tourist Arrival	2003	2004	2005	2006	2007
Number of Tourists	66139	69309	90635	95209	104568
% change over previous year	+5.06	+4.79	+30.77	+5.05	+9.83

Domestic Tourists-

Domestic tourists arrival during 2007 was estimated at 12,84,375 as against 10,27,236 in 2006 recording an increase of 25% over the previous year. The following table indicates

the number of domestic tourists who visited Maharashtra during the last five years and percentage of change over the previous year.

Arrival of domestic tourists in Maharashtra

Tourist Arrival	2003	2004	2005	2006	2007
Number of Tourists	866525	948991	994140	1027236	1284375
% variation over the previous year	+36.62	+9.52	+4.76	+3.33	+25.03

Estimates of Earning from Tourism in Maharashtra:-

Earnings from Tourism are very difficult to estimate due to various reasons. However on the basis of sample studies conducted from time to time for the estimation of expenditure pattern and average number of stay of tourists and leanings from foreign tourists. Following table represents earnings from Tourism since 1998.

Year	Earnings(Rs. In crores)
1998	14.22
1999	17.07
2000	17.41
2001	17.50
2002	21.15
2003	26.99
2004	28.28
2005	59.75
2006	105.72
2007	116.11

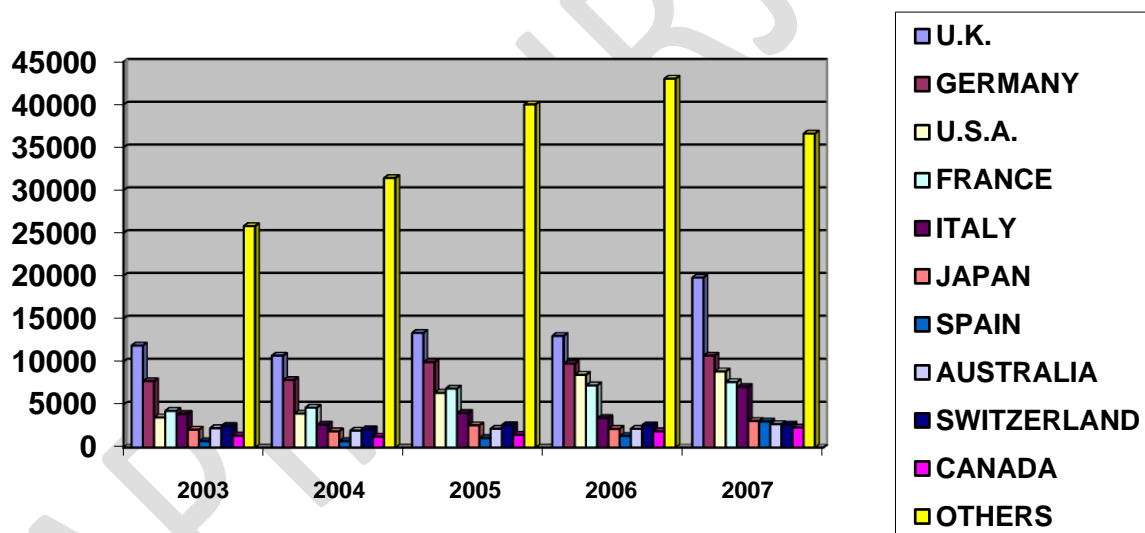
Trends in tourist Arrival to Maharashtra and India:-

It is estimated that total foreign tourist flow to Maharashtra in 2007 was 104568 which constitutes 6.69% of the total foreign tourists visited India. The following table indicates the number of foreign tourist arrived in Maharashtra from 2003 to 2007 in relation to the total number of foreign tourist visited India.

Sr.No.	Year	No.of foreigners to India	No.of foreigners to Maharashtra	% share of foreign tourist arrival to Maharashtra
1	2003	1329950	66139	4.97
2	2004	1236120	69309	5.61
3	2005	1434737	90635	6.32
4	2006	1442643	95209	6.60
5	2007	1562016	104568	6.69

Below table indicates the number of foreign tourists in terms of their country of origin is shown from 2003 onwards.

Sr.No.	Name of Country	2003	2004	2005	2006	2007
1	U.K.	11864	10699	13345	12989	19798
2	GERMANY	7740	7864	9953	9772	10700
3	U.S.A.	3515	3955	6379	8470	8858
4	FRANCE	4282	4650	6861	7241	7624
5	ITALY	3918	2659	4034	3456	7069
6	JAPAN	2087	1901	2597	2182	3099
7	SPAIN	741	757	1123	1363	3044
8	AUSTRALIA	2265	1984	2196	2191	2736
9	SWITZERLAND	2520	2133	2614	2595	2680
10	CANADA	1397	1276	1494	1905	2335
11	OTHERS	25810	31431	40039	43045	36625
	TOTAL	66139	69309	90635	95209	104568



Findings:-

- Effective implementation of marketing mix enhancing the growth in tourism economy.
- Ecotourism is the new aspectus for attracting tourists towards India.
- It is found that foreign tourists arrival have increased from previous year.
- Most of domestic tourists who visited Maharashtra during last years indicate fluctuation in percentage of change over the previous year.
- It is noted that earnings from Tourism is increasing over the years.
- It is clear that foreign tourist inflow to Maharashtra is steadily increasing over the years.

- It is observed that United Kingdom remained on the top of all the tourist generating countries for Maharashtra, followed by Germany, U.S.A., France and Italy.

Conclusion:-

The evaluate study carried out on tourism sector which one of the growing industry in India. Tourism bringing socio-economic benefits to the community and the state, specially in terms of expanding the employment opportunities, generation of profits, tax generation, Foreign exchange generation or so. Tourism offers opportunities to the new generation in taking up the activities helpful in image building and strengthening the national image. The Tourism industry has performed moderately well in some parameters and is considered debatable in certain cases. The statistical growth is a welcome indicator for the tourism sector. In future, the increasing intellectual capital in tourism can be transformed into industry competitiveness and sustainability.

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EMPLOYEE ASSISTANCE PROGRAMS-CONCEPTUAL UNDERSTANDING***Dr Bharati Ranjit Kumar****(Associate Professor at Sinhgad Business School, Erandwane, Pune)****Abstract***

Growth and success never comes without any cost. Many a times organizations in the event to catch up with the ever increasing competition in India end up with increased work pressure and no fixed hours of work for their employees. Employees on the other hand feel that they are not only becoming low performer but are also losing their work life balance.

The urge to provide some professional help to the working individuals to enable them manage anxiety and stress at work place gave birth to a concept called EAP, the Employee Assistance Program with a motto of enabling individuals to make positive changes in their life.

This conceptual paper will assist organizations to understand strategic value of an EAP and recognize the EAPs efforts and contribution in helping organizations to achieve business goals.

Key Words: Employee Assistance program, stress, counselling, strategic support for handling an organizational change.

EMPLOYEE ASSISTANCE PROGRAMS-CONCEPTUAL UNDERSTANDING

Working individuals are not only vulnerable to work related issues but at times their personal issues also have a long lasting effect on their work. Individuals often find it difficult to cope with stress on their own and at times require some support to address a wide range of personal, legal, medical, financial issues along with work related issues. EAP, the employee assistance program is a specially designed external counseling facility provided to the employees. The USB of this program is to maintain full confidentiality while dealing with any issues of the employees so as to build up the confidence in the person and to help him make positive changes in his life within a focused and confidential setting.

Understanding the concept of EAP, it is typically combination of services including support and counselling activities sponsored by the employer. Confidentiality is the crux of the programme and the employer is also at times not aware about who is using the counselling services, unless the manager has advised an employee to seek EAP for a specific performance related or personal problem affecting work adversely.

It will not be wrong to say organizations that believe in the concept of work life balance and well-being of the employees can't ignore the importance of providing psychological support to their employees. Traditionally many organizations were of the opinion that work life balance initiatives are part of health and safety programs in the workplace, and thus this resulted in providing a strong health and safety policy for the employees. With technological advancement increasing competition the intra-personal and inter-personal relations are suffering the most, thus it has become important now to come up with a

holistic solution to this issue of work life balance. The best probable solution in current time seems to be a sound counselling program not only for improving work-life balance for employees but reducing all types of stress on the job.

Past few years have seen organizations using various activities like practicing yoga, meditation etc as some solutions for capturing and reducing job stress in workplace but this is also a fact that often work-pressure long working-hours, working in night shifts or flexi shifts disturb the biological clock of an individual and result into frustration. When people are asked to work beyond their capacity they get frustrated and usually there is no mechanism in the companies for venting this frustration. Traditional methods like yoga and meditation can for some time help in handling the frustration these methods can suppress the agitation within an individual but cannot be a perfect solution to this problem. Hence a holistic solution is a must to capture this increasing work stress and frustration.

The EAP has travelled a long way through various terminologies and activities since 1940.



Literature Review:

Talking about the journey of the employee assistance program, America was the first country to adopt it in 1920s, working under the influence of drugs or drinks was a common factor and so during those times the organizations were using EAP mostly to tackle drinks and drug related problems at the workplace. Much later, the Government came up with Drug Free workplace act of 1988 as a result it became necessary for the federal employees and employees of firm's under government contract to have access to EAP services. EAP was a mandate. Thus one can say that in the west EAP has travelled a long way.

Looking at India, the EAP related government initiatives came into existence from the year 2007 onwards in the form of Employee Assistance Workgroup (EAP Workgroup). This initiative is a result of contract between 'Mental Health Services Administration, U.S Department of Health and Human Services' and 'Center for Mental Health Services, a division of the substance Abuse'. The EAP workgroup is created by National Business Group on Health with strong suggestions to increase the coordination and integration of employee assistance programs. Systematic examination of good practices and evidence-based-approach for design and delivery of effective assistance program were some of the main responsibility of the EAP workgroup.

By the year 1970, EAPs started playing a major role in helping the employers address a variety of organizational concerns related with employees that could lead to decline of worker-morale. This could also lead to health issues, physical as well as mental and further violence. This resulted into rapid growth in the EAPs. Today we see that majority of Fortune 500 Companies offer EAPs with various health and productivity related services to enhance organizational performance on one hand and provide support and guidance to employees and their dependents on the other hand. With ever changing workforce with complex multiple needs resulting from shifting market forces, EAPs are today at a critical stage or juncture.

Services Offered by EAPs

Any and every type of help including personal well-being and work related which directly or indirectly affects the work performance negatively is combated with the help of EAPs. These programs are made available 365 X 24 hours.

Services & resources can include

- Services for addressing personal problems and concerns, such as
 - interpersonal relationships,
 - legal problems, and financial difficulties or planning.
- Counseling and guidance related with family and work-life issues, such as parenting, child-care or care giving for elderly family members.
- Health related assistance for health promotion and wellness, such as smoking cessation and weight loss.
- Personal and Emotional wellbeing through mediation and conflict resolution services.
- EAPs may also provide training and/or consultation to managers and supervisors (e.g., on wellness programs, business retention, disaster planning).

Consultants offering EAPs offer short-term, confidential, behavioral counseling in person or by telephone. These consultants offer free counseling sessions that can vary, usually between three and 12 sessions.

Usually the consultants providing EAPs are staffed with a variety of professionals including social workers, psychologists, psychiatrists, counselors, and psychiatric nurses. The employees in the organisation should accept and support the hard-work/efforts to integrate roles and responsibilities between their EAP and broader human resource functions which will result in the enhancement of the existing program value.

EAP Cost / Benefit Statistics / Research Data Backed by Evidence

As per the *Pricewaterhouse Coopers Survey, 2000*, 57 percent of students studying in business-graduation-class in eleven countries reported that work-life balance is the first career priority for them.

*¹ A 2001 study by Personal and Work Outcomes of Employee Assistance Services showed interesting results. When EAP services were provided to the employees the work loss was avoided in 60% of cases with an average savings of 17 hrs per case. Out of these cases 72% showed better work productivity. The average gain was forty-three percentage.

*² In 2001 itself Watson Wyatt Study indicated that an employer sponsored EAP program can reduce an employee's disability costs, medical cost and worker compensation cost.

*³ A study shows that when legal/financial work life- services are provided work loss was captured in 39% of the cases and work productivity was improved in 36% of the cases. Attridge, M. (2002, June).

Employee assistance program outcomes were similar for (phone and In-person) and legal/finance consultation clients. *(Presented at the American Psychological Society Conference, New Orleans, LA. In 2002)*

*⁴ The 35% companies who offered EAP show that they've increased such assistance since the 9-11 terrorist attacks. Fifty-Seven percent of employers who have increased their workplace support options say their employee attitudes have changed for the better and 74 percent of employees who say their company offers workplace support find it valuable or helpful. *(Cigna Report, 2002)*

*⁵ The Society for Human Resource Management's 2001 Annual Benefits Survey provides testimony of strong EAP market penetration, with 67 percent of 754 human resource professionals responding that their organization offers an EAP, five percent stating their organization plans to offer one in the coming year, and only 24 percent stating they do not offer one. *(Society of Human Resource Management. (2001). Annual Benefits Survey. Alexandria, VA.)*

*⁶ By 2001, Open Minds, a behavioral health industry research and consulting firm estimated enrollment figures of 51 million in stand-alone EAPs and 15.5 million in integrated EA/MBHC programs-a 245 percent increase since 1994 and a 13.3 percent increase since 1999 (Open Minds, 2000). Open Minds. (2000). *Yearbook of managed behavioral health market share in the United States, 2000-2001. Gettysburg, PA.*

In the United-States,

The percentage of companies having more than 5000 employees and having EAPs is Ninety-Seven.

The percentage of companies having employee strength between 1001 to 5000 and having EAPs is Eighty.

The percentage of companies having employee strength between 251 to 1000 and having EAPs is Seventy-Five.

EAPs are growing world-wide almost majority of countries have started appreciating the EAPs and out of the total market of EAPs in the globe, United-States has the most saturated market.

(All These figures and statistics are from Employee Assistance Professionals Association, The Non-Profit Times, the Exchange Magazine, and U. S. Labor Department)

India is not behind when it comes to employee counseling. With a focused objective of stress-management including personal and family issues, in 2001, IBM piloted an EAP for 3000 employees in India. IBM implemented the EAPs with the help of printed materials; some major key deliverables included orientation programs, face-to face counseling and referral services. IBM's also has a Web Site, which aids in online manager stress intervention resource which falls under the IBM Global Stress Management program.

(In favour of Counselling – Supporters and implementers of employee counselling)

EMC2
GE-ITC
ANZ-OT
HP INDIA
CSC INDIA
IBM INDIA
L& T INFOTECH
I-FLEX SOLUTIONS
METLIFE INSURANCE
TEXAX INSTRUMENTS
MIND TREE CONSULTING
DELL INTERNATIONAL SERVICES
COGNIZANT TECHNOLOGY SOLUTIONS

Observed Delivery Model of EAP

It is been observed that majority of employers offer EAP's through various modes. Some companies may use the External help that is from the External organizations or stand-alone specialists or may use a internal EAP staff. The statistical figures regarding the same are as follows

- External Organizations or Stand-Alone (used by 40 % companies)
- Insurance Health plan / managed care (utilized by 29 % companies)
- Internal EAP Staff with contracted vendors (utilized by 24% companies)
- Internal EAPs using staff (used by 7% companies)

Tabular presentation of Delivery Model of EAP

Delivery Model	Pro's	Con's
Internal EAPs using staff	Maximum Personal touch	*Expensive *Confidentiality at risk *Changes Perception towards one's using EAP *One point of Contact may cause delay in handling issues
Internal EAP Staff with Contracted Vendors	*High Personal Touch *Better Provider Access	*Still Expensive *Effects on Perception
Insurance Health Plan	Inexpensive Easy to Add to Benefits	*Lack of Marketing *No Acct Management *Lower Utilization
Stand Alone	*Dedicated EAP Network *Better Utilization *Broader Scope of Services *Strong Account Management	More Expensive than Insurance

Many organizations have benefited from adopting the EAPs for their employees. Significant benefits are reaped by the employers in the form of decrease in absenteeism and turnover. With EAPs employers spend less time on personal issues of the employees and can take care of more important issues. These programs also help in reducing work-related accidents and also gains in productivity.

Conclusion

Within every organisation, Employee Assistance Programme is voluntary. It can be a work-based. Some employees have problems, personal or related to work. EAP providers are ready to support them with free, confidential assessments. Even they can have short term counseling, referrals and follow-up sessions. Organisational needs and challenges can be addressed by the EAP counselors by working as a consultant with managers and supervisors. By doing this they can address the issues of preventing and controlling emergency situations like workplace-violence, trauma etc. EAP addresses a range of problems from minute to high risk one. Consumption of alcohol and other substance, family-problems, abuse, mental-stress, psychological disorders etc. are broad and complex issues which affects the emotional and mental of well-being. EAP helps in such situations.

Strong belief in the benefits of EAP itself is the first step towards the beginning of a process that involves sophisticated and sensitive decisions related to employees at every step in the organization. Like any other HR initiative, the key to a successful EAP lies in two folds, first in creating buy-in from management and second making ready its users (employees) to avail its benefits. Once the management has decided to implement EAP, the most critical decision emerges: choosing the right EAP provider. An immaculately framed and designed EAP can fall flat on its face and be fruitless if employee do not make use of the program. To make EAP successful the role of HR Department is very important. HR's prime agenda must be to communicate with the employees and create awareness about credibility and benefits of the program.

For dispersal and execution of EAP an organization must start by undertaking a comprehensive orientation program to help employees understand and appreciate the value of EAP. The orientation program also educates employees about the service provider, and how EAP would work under strict confidentiality. It will also help employees get a deeper understanding of how EAP services can help them resolve their personal and interpersonal conflicts, issues and concerns. Organization can use variety of communication mediums like posters and brochures, articles in-house newsletters and the intranet on an ongoing basis to keep the EAP momentum on.

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AN ANALYTICAL STUDY OF THE FACTORS INFLUENCING CUSTOMERS BEHAVIOR IN TOURISM INDUSTRY: PUNE REGION

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Abstract

Tourism industry in India is at boom and has contributed to sizable number in GDP. However, it is facing lot of challenges through it advance customer. These are unlike like previous customers who select the product that was available in the market, now the customer demands the product that are suitable for themselves, or select from number of options, more on individuality. In general customer became more knowledgeable and choosy. Understanding these types of customers has become more complex, moreover, developing marketing strategy became complex. The present study is an attempt to find out the factors which are most effective in influencing such customers. Moreover, it also reveals customers area penchants. In addition to these, the study also focused on the group preferential attributes. Initially pilot work was carried out to identify the most effective influencing factors. Survey method was used to collect samples with the help of designed questionnaire. In the final survey the primary data was collected from 128 respondents in Pune region, whereas secondary data was used to understand the pre-research works in the same area. The data was then analyzed with the help of Simple Graphical Method, Cross-tabulation, Chi-Square test, and Conjoint Analysis. The finally outcome of the study was presented accordingly. The study indicated that people get fascinated by the picture representation of the places they opt to visit. Moreover, domestic customers preference lies in mountainous regions, these people generally opt for places like Rajasthan, etc. In the group attributes people go by the liking of place and choice of the places which had been ideologies by peers' experiences.

Keywords: *Tourism, Domestic Consumer Behavior, Preferential Factors.*

AN ANALYTICAL STUDY OF THE FACTORS INFLUENCING CUSTOMERS BEHAVIOR IN TOURISM INDUSTRY: PUNE REGION

Introduction

Tourism industry is highly in demand as today's customer is highly stressed. It is the practice of travelling for pleasure, especially on for holidays with family or for business. It is an organized journey during which several places are visited¹. This can be for leisure or for the business of organizing and executing tours by appealing, accepting, and entertaining tourists. It could be domestics as well as worldwide. The World Tourism

¹ <https://www.importantindia.com/18774/essay-on-tourism/>

Organization defines tourism more generally, in terms which go "beyond the common perception of tourism as being limited to holiday activity only", as people "traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes"². Government has also played an important role in tourism industry.

Indian governmental organisations have impacted tourism significantly by requiring that each state of India have a corporation to administer support tourism related issues. Government has allowed 100 per cent foreign investment under the automatic route in the hotel and tourism related industry, according to the consolidated FDI Policy, released by DIPP, Ministry of Commerce and Industry, Government of India. The terms hotel includes restaurants, beach resorts and other tourism complexes providing accommodation and /or catering and food facilities to tourists.

Area wise and population wise, Maharashtra is the third largest state in India. It has Arabian Sea in the West. Its boundaries are shared with Gujarat, Madhya Pradesh, Andhra Pradesh, Karnataka and Goa³.

Statistical View

- Tourism in India is the 3rd largest foreign exchange stipendiary for the country and accounts for 9.6 % of the GDP.
- The tourism and hospitality sector's direct contribution to GDP in 2016, was US\$ 71.53 billion.
- In year 2006–17, direct contribution of tourism and hospitality to GDP is expected to register a CAGR of 14.05 per cent, and the direct contribution of travel and tourism to GDP is expected to reach US\$ 147.96 billion by 2027⁴.

(CAGR - Compound Annual Growth Rate, E - Estimates, GDP - Gross Domestic Product)

Literature Review

Moutinho(1987) has been studied consumer behavior and considered various processes such as internal and external impacting on the individual. The behavior of individuals can be understood by examining interaction of complex influencing elements.

The study investigates factors influencing behavior and its relationship. The factors identified by the author were decision making process, perceived risks and environment. The ultimate outcome of the study is provided in designing model called tourist behavior model.

² <https://en.wikipedia.org/wiki/Tourism>

³ <https://www.maharashtratourism.gov.in/docs/default-source/maharashtra-unfold/maharashtra-survey-detailed-report-14-15.pdf?sfvrsn=2>

⁴ <https://www.ibef.org/industry/indian-tourism-and-hospitality-industry-analysis-presentation>

The effect of different factors on attitude due to internet banking has been conducted by Karjaluoto, Mattila, & Pento (2002). The authors have explored effect of attitude formation in Finland. Using structural equation modeling the author has provided both theoretical and practical contributions in electronic retail banking and understanding of consumer behavior in the turbulent financial services industry.

Consumer behavior is a very important aspect to be studied in every marketing activity, therefore in tourism marketing as well. Defining and identifying the factors that influence consumers help in understanding individual needs and buying processes in their whole complexity. Consumers have changed their behavior over the last two years due to the instability of the economic environment. The author describes in this article the factors which influence consumer behavior and presents how it has changed over the past two years (Fratu, 2011).

Urry's model of Tourism Gaze which was described by Woodside was problematic, in that tourist participant observers change the phenomenon they observe Marshall, & Villiers (2015). The objective of the study was describe alternate model focusing on dialectic difference between person visiting the tourist destination and the culture of the peoples living at tourist destination. The method adopted by the researcher was story telling. The major finding of the research has been presented as the most of tourists are interested in understanding the cultural differences of destination peoples and their own. The issue of authenticity was discussed in relationship to this new model, as – in a sense – the experience of a one-time traveler is as authentic as those of a long-term stay tourist. The introspective, story-telling, methods used were more typical of academic marketing than tourism research, but serve the purpose here well by making the conceptual idea readily available to the reader.

Wiese, Zielke, & Toporowski (2015) commented based on a literature review, relevant influencing factors of shopping travel behavior were identified, and a theoretical model was deduced. The method of Qualitative interviews was conducted. Interviewees have been chosen from five life cycles and three residential areas. It has been concluded from the research that the life cycles were linked with a shopper typology. Also characterizing shopper types by shopping trip planning and the needs the transport modes should address. A qualitative study based on the model derived analyses interrelations among these factors.

The authors, Dodds & Lee (2016), investigated the current trend toward both creative and experiential tourism in cities in terms of the development and marketing of local attractions. This practical study offers lessons for other local visitor attractions and their managers desiring to identify market segments and match them with appropriate activities creating experiential tourism at the site level within the creative city context. While many studies of the creative tourism concept and cities had been undertaken within the context of destinations this research offers a site-specific perspective as well as marketing perspective that will be of practical value to attraction managers. This has to be mentioned here that, creativity is responsible for moderating behavior of tourists and this has been concluded in the present research.

Veiga et al. (2017) studies was to identify the characteristics of the millennials segment that was most likely to cause a significant disruption in the way the tourism sector is currently structured. In addition, tourist invasions of places traditionally occupied only by residents can lead to the removal of locals from these places, manifestations of “tourismphobia” and ultimately degradation of these tourists’ experiences. Finally, the adoption of disruptive technologies by tourism agents to fulfill the millennials’ demands for immediate responses reduces human interactions highly valued by millennials and, therefore, requires close monitoring. The investigation of Generations behavior in tourist industry by focusing on millennial generation have sharpened the tools of understanding customer behaviors in tourism industries.

The objectives of the present research have been presented with the help of below mentioned section.

Objective

1. To understand the relations between stated factors and the tour selection, and to analyse the effective influencing stated factors like tour description, pictorial representation and peer experiences.
2. To understand the customer tour preferential, mountain valleys or sea/river side views.
3. To evaluate the effective group factor that perceive customer to opt for tourist place.
Marital Status, Group or Individual, Place of Visit – Mountain or Sea, Leisure or Business.

Research Methodology

Primary and secondary sources were used to collect the data. The final factors that were finalized after considering the pilot study on 20 respondents. Secondary, sources of data were generated via internet, online books, digital library, etc. Questionnaire tool was used in a survey method to collect the samples from 128 respondents. Random sampling technique was used to collect the samples. The raw data which was obtained, was finally complied and treated with graphical method, cross tabulation, chi-square test and conjoint analysis. Finally, conclusions were drawn based on the findings.

Data Analysis

1. To understand the relations between the different factors and tour selection and to analyse the effective influencing stated factors like place description, pictorial representation, price and peer experiences.
 H_1 : There is no relation between tour selection and the stated factors.
 H_0 : There is a relation between tour selection and the stated factors.

Table No. 1 Chi-Square calculation decoding factors relations

Sr. No.	O	E	O-E	(O-E) ² /E
1	15	24.61	-9.609375	3.75
2	20	10.39	9.609375	8.89
3	30	27.42	2.578125	0.24
4	9	11.58	-2.578125	0.57
5	30	18.28	11.71875	7.51
6	6	7.72	-1.71875	0.38
7	25	19.69	5.3125	1.43
8	3	8.31	-5.3125	3.40
Total				26.18

The above table depicts that chi-square calculated value (X^2) is 26.18 based on 128 samples. This value is greater than critical value (7.815 for 3df @5% level), hence the null hypothesis, i.e. H_0 cannot be accepted and is rejected, however, the alternate hypothesis H_1 is accepted which indicates that there is a relation between the different factors and tour selection. Further to know the type of relation between the variables, further inferences is drawn by examining the cross-tabulation table show below.

Table No. 2 Cross-Tabulation, Frequencies of Influencing Factors

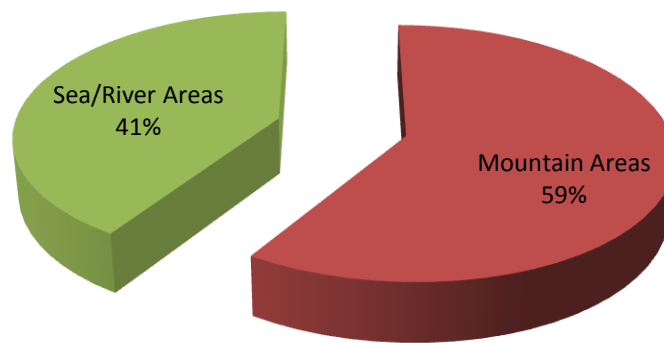
Category	Important	Not Important	Total
Place Description	15	20	35
Pictorial Representation	30	9	39
Tour Price	20	6	26
Peer Experiences	25	3	28
Total	90	38	128

The cross-tabulation in the above table indicates the importance factor that is more influencing customer. As per the chart there is no major differences, customers are influenced by all the factors, however, the greater influencing factor is, Pictorial representation, as today's customer buy what they see, in this situation the pictures of the places creates greater impact and become more influencing strategy that can be adopted by tour operators. This is followed by the Peer Experiences, what is presented by the peer experiences with the tour packages. There is no major difference in frequencies between peer experiences and tour price (frequency 20), however the lower preferred is the place

description. Simply description about the palace is not liked by the customers. The overall scenario indicates the pictorial representation is the most motivating factor.

2. To understand the customer tour preferential, mountain valleys or sea/river side views.

Area Influencing Customer



Graph 1 Customer Preferences

The above pie chart is drawn from the views of domestic customer. These are the customers who move out of region for pleasure or for business visits. However, majority of these customers are the one who generally come out of mechanized route schedules and go out to refresh themselves. Tours are generally opted as a stress releasing blusters. The data with such customers on the above pie chart indicate that majority of the respondents choose mountain area. Among these areas the most famous choices are Rajasthan, Kerala, Himachal Pradesh, Uttarakhand, Madhya Pradesh and Gujrat. However, 41 per cent of the customer prefer sea and river area. Among these Goa, Kanyakumari and Konkan areas are the preferred areas for the tourism.

3. To evaluate the effective group factor that perceive customer to opt for tourist place.
Marital Status, Group or Individual, Place of Visit – Mountain or Sea, Leisure or Business.

Respondents were asked to rank for the preference. The ranking by 128 respondents were then averaged and interpreted.

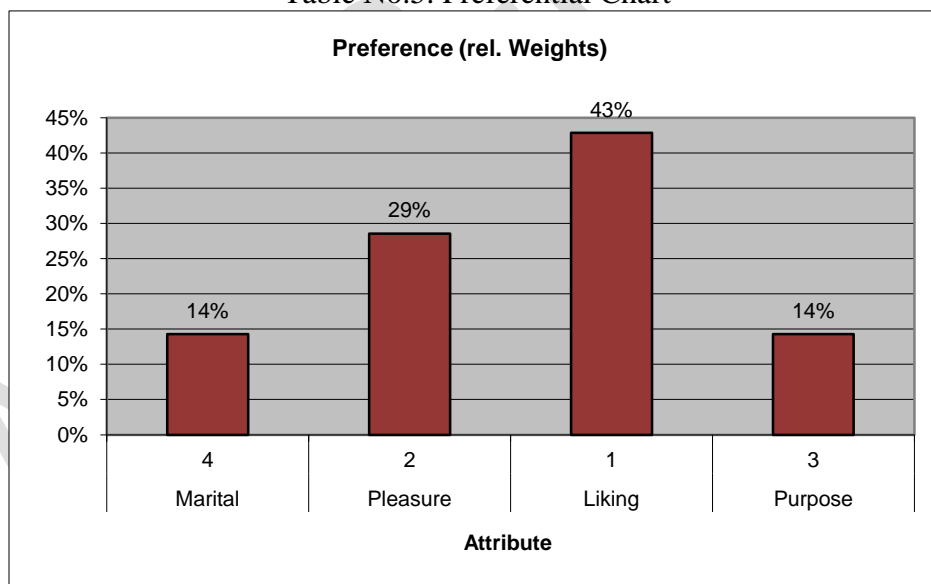
Table No.3. Factors and their influencing values.

		Factor 1	Factor 2	Factor 3	Factor 4
Attributes	4	Marital	Pleasure	Liking	Purpose
Values	1	Married	Individual	Mountain	Leisure
	2	Unmarried	Group	Sea	Business

Table No.4. Combination of Attributes and Preferences

Comb. Attributes	No	Marital	Pleasure	Liking	Purpose	Ranking	Model Fit
	1	Married	Individual	Mountain	Leisure	4	3
	2	Unmarried	Individual	Mountain	Business	1	1
	3	Married	Group	Mountain	Business	5	4
	4	Unmarried	Group	Mountain	Leisure	2	4
	5	Married	Individual	Sea	Business	3	5
	6	Unmarried	Individual	Sea	Leisure	6	5
	7	Married	Group	Sea	Leisure	8	8
	8	Unmarried	Group	Sea	Business	7	6

Table No.5. Preferential Chart



The above bar chart analysis indicates that liking attribute is rated as an important attribute and covers 43 of the total respondents' percentage. Respondents were not ready to visit the places where they do feel to go, these may be new place. These are the person who visit the places for relaxation, and are not interested in unknown places or go for any adventure to reveal new things in short span of time. Pleasure which is the second in the ranking after liking covers 29 per cent. This is in group or individual gives an important point of comparison with the other. However, marital status and purpose are on the same

percentage i.e. 14%. These are the attributes which are not given importance in comparison with the earlier attributes.

Discussions

Digital India, Make in India is today's active steps towards development in India. As development rolling out, there is demand for quality and reliable products or services by the customer. Today's customer has become more and more aware, and knowledgeable. Moreover, they know what they buy. These customers demand the product that are more eminence at lower cost. This remains same in case of tourism industry. While considering the customers of tourist industry the understanding of this modified customer becomes very important. Previous studies are not so helpful for designing or developing new marketing strategies. The present study is carried out to know the effective influencing factor. In the study it was proved that customer believe what they see, and so picture representation is considered as an effective factor i.e. the most influencing factor can be after seen the picture representation. When customer sees the pictures of the places they will be visiting or the picture of the places that they will experiences, they become very happy and delighted. This helps the customer to take speedy decisions in finalize the places and the tours.

Apart from the pictures, more often people have been pragmatic to collect the information from the persons who have already visited the places. This information is generally in the form to know the tour places, whether the places was good, and whether the food and the stay was as per the promised by the tour operators, moreover whether the places that was promised during the time of bookings were covered, prices, security etc. more emphasis on the services that were provided by the tour operators. These all experiences are gather from the peers (known or unknown), who had been on the tour with the same tour operator. These type of word-of-mouth references could be useful and creates a good will and an effective marketing tactic.

The second objective was to review the customer preferences, on which the study reveals that domestic customer are more prone to visit mountains regions or the hilly terrain, more than sea side. Famous places among the mountainous region as per customers point of view are Rajasthan, Kerala, etc. These states are well known since they are actively marketed state, domestically and internationally, where in Rajasthan, the places like mount Abu is also famous to attract it residents for shorter energizing visits. However, other famous places like Himachal Pradesh, Uttarakhand, Madhya Pradesh and Gujrat, are also know for the domestic travel. Sea-side preferential customer are also sizable in numbers even though less in comparison to the hilly area. These are the customer who prefers to go on family outings generally with their kids who enjoy water sports activities. The most famous among these are Goa, Kanyakumari and Konkan areas for the tourism.

In customer influencing economics combination of group factors also play an active role. However, Marital status changes the overall thinking, and the choice of selection differ accordingly, secondly decision in groups, sites, and motive of the visit, when studied as a combination, the general trends are revealed that are used for the selecting the tour and

tour operators i.e. a further step to understand customer. The most influencing group combination comes to liking factor, which customer opts for more than pleasure. Overall the hypothesis that were under the study were accepted and proved.

Limitation

1. The area of study is restricted to Pune only.
2. The time of the study is limited to 15 days in the month of November 2017.
3. Only selected and most important factors were considered for study after the pilot study.
4. Only domestic respondents were used for the study purpose.

Conclusion

Pune is the cosmopolitan city and the customers are educated and conversant. Customer in this area are more opt for value added product. For such customers each penny spending depends on the product value. In tourist industry customer are more focused on the pictorial representation of whatever the places they will be visiting. They select the places based on the ideology that has been generated through various experiences and representation and when this ideology matches with the pictorial representation, customer opt for the product. So pictorial representation and word of mouth by peer experiences become an effective marketing. Moreover, for domestic customers mountainous or hilly area are very influencing area, so tour operators if expected to increase the tourist places, should consider the places like this area. When it comes to group dynamics in selection of the product the first preference is for the liking, where the places are in the interest of customer. Combination of different nearby places which are in the general interest of customer would be effective product development strategy for the effective marketing, i.e. maximum places with the minimum cost.

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IMPACT OF GST ON TEXTILE**Mr. Dhalpe Vikas B**

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Abstract

The Indian Textile industry plays very important role in development of Indian economy with regard to GDP. As GST act came into effect from 1st July 2017, which will have big impact on this sector. Now Indian Textile sector is racing for align itself with this new indirect tax system. GST is one of the complex decision taken by Indian government, but there is hope for better Indian economy. GST have indirect benefits like Government Incentives, Subsidies, schemes, Increase Export, . All will have a same platform to do business.

Keyword: GST, VAT, Textile industry, Advantages, Disadvantages, Government Subsidy.

IMPACT OF GST ON TEXTILE**INTRODUCTION OF GST**

Goods and Service Tax (GST) is an indirect tax which was introduced in India on 1st July 2017 proposed by the government with aim to eliminate several indirect taxes like VAT, central excise duty, sales tax, service tax, etc. It is fondly described as one nation one tax. Under GST tax will be levied on Ceramic products, Electronics, Medicines, Logistics, cereals, textiles, footwear, banking, automobiles, etc. with the following tax slabs for different products and services are 0%, 5%, 12%, 18%, 28%. The components of GST are Central Goods and Service Tax (CGST), State Goods and Service Tax (SGST), Interstate Goods and Service Tax (IGST).

CGST + SGST	Sale/consume within the state
IGST	Sale/ consume in other state than manufactured

Refund scheme- Any enterprise or compliance can get refund of their paid tax if he done GST registration. Following are common terms used for refunds.

Input Tax Credit (ITC)

Reverse charge Mechanism (RCM)

Any business/ retailer whose turnover in a financial year exceeds Rs. 20 lakhs. Any business/ Wholesaler/ manufacturer whose turnover in financial year is exceed Rs. 75 lakhs. Business having earlier registration for VAT or central excise. Only register taxable person can collect GST. The taxable person must indicate GST amount on tax invoices.

Taxpayer will be required to maintain three returns file monthly and one annual return file, Refund will be done within 90 days from submission of return file, It is

recommended that if refund will not be done in given time then 6% interest will be given to enterprise by government. The final consumer will bear all the GST charged by the last dealer in supply chain, with return benefits at all the previous stage for retailer, supplier, wholesaler etc. They have to pay Income tax also, because GST is to cover only indirect taxes, where Income tax is Direct tax system. There is no relation between GST and Income tax.

Textile Under Gst:

The Indian Textile industry plays very important role in development of Indian economy with regard to GDP. It provides large number of skilled and unskilled employment. As GST act came into effect from 1st July 2017, which will have big impact on this sector. Now Indian Textile sector is racing for align itself with this new indirect tax system.

GST rate for Textiles

Fibre type	Raw material	yarn	Fabric (Knitting/Weaving)	Garments Uptors 1000/ exceeding rs 1000		Carpets, towels	Technical Textiles	Made ups Uptors 1000/exceeding rs 1000	
Cotton	5%	5%	5%	5%	12%	12%	12%	5%	12%
synthetic	18%	18%	5%	5%	12%	12%	12%	5%	12%
Silk/Jute	0%	5%	5%	5%	12%	12%	12%	5%	12%
Wool	0%	5%	5%	5%	12%	12%	12%	5%	12%
Other natural fibres	5%	5%	5%	5%	12%	12%	12%	5%	12%
Blended	18%	18%	5%	5%	12%	12%	12%	5%	12%

GST rate for Textile Job work

Knitting/Weaving	Dyeing	Sewing	Printing	Embroidery	Garment washing
5%	5%	5%	18%	18%	18%

Comparison between old tax structure (VAT/Excise duty/CST) VS GST

Type	VAT + Excise Duty + CS Tax Uptors 1000exceeding rs 1000		GST Uptors 1000exceeding rs1000	
Cotton	5-7%	8-9%	5%	12%
Synthetic	8-10%	9-11%	5%	12%
Silk/Jute	8%	9-10%	5%	12%
Wool	8%	9-10%	5%	12%
Blended	7-8%	9-10%	5%	12%

Market Scenario:

The Indian Textile industry has divided into two broad segments. First one is small number of organized sector and second one is large number of unorganized sector. Organized sector consist of Spinning, Weaving, knitting, processing, Apparel and garment in one roof or each section separately but in large extent. Unorganized sector consist of handloom, job work of Weaving, knitting, Dyeing, Printing, Sizing, also includes supply chain of Wholesaler, trader, retailer of local market.

Size of organized sector is around 25% whereas size of unorganized sector is around 75%. According to Economist unorganized textile sector account nearly for 50% growth of Economy under textile. Many of the unorganized textile firms makes profit largely due to tax evasion and non-compliance under tax norms (VAT + Excise duty), which allows them to offer products to consumer at comparatively lower prices than organized sectors, but in some cases they upcharge or increase the price of goods as hidden tax, which is collected from consumer but not paid to government as a tax. This may lead in differ in price of products at different places, cascading of tax, no cost competitiveness between organized and unorganized sector, Tax payers can't compete with Non- tax payers.

GST will make sure to take toll from all sectors as tax, also gives equal and same platform for both organized and unorganized sectors for business, shift of unorganized to organized sector, makes unified textile market, reduction in tax evasion, increase in tax revenues, more transparency in business, reduction in prices,

Gst Impact On Textile:

Before going to brief discussion about GST impact of textile, we first look how supply chain of textile goods work, then we will see the impact of GST according to everyone's perspective.

Most common supply chain of Textile



CALCULATION OF GST TAX IN TEXTILE:

ENTERPRISE	PARTICULARS	RATE	COLLECTED GST	INPUT TAX CREDIT(ITC)	TAX REVENUE OF GOVERNMENT
YARN SUPPLIER	Sale yarn to weaver	100			
	<u>GST@5%</u>	5	5	0	5
	Cost of yarn	105			
Weaver	Actual cost of yarn	100		5	
	cost of Weaving	10			
	cost of Dyeing	15			
	cost of fabric	125			
	Profit Margin @10%	12.5			
	Total Cost of Fabric	137.5			
	<u>GST@5%</u>	6.8	6.8	5	1.8
	Sale To Garment Manufacturer	144.3			
Garment Manufacturer	Actual cost of dyed Fabric	137.5		6.8	
	Cost of Sewing, embroidery, etc	30			
	Add profit margin@10%	16.75			
	Cost of Garment/Apparel	184.25			
	<u>GST@5%</u>	9.2	9.2	6.8	2.4
	Sale to Wholesaler/Trader at price	193.45			
Wholesaler/Trader	Profit margin@2%	3.86			
	Cost of Garment	197.31			
	<u>GST@5%</u>	9.86	9.86	9.2	0.66
	Price of garment	207.17			
Retailer	Actual cost of garment	207.17			
	Profit margin@10%	20.71			

	Cost of Garment	227.88			
	<u>GST@5% collected by consumer</u>	11.39	11.39	9.86	1.53
Consumer	Sale to consumer at MRP	239.27			Tax revenue of Government = 11.39

GST- A two sides of one coin:

GST is having some advantages and disadvantages for everyone at different stages and conditions

1) Impact on Manufacturers – This category includes Yarn supplier, Weaver, Dyeing mill, Garment Manufacturer etc.

Advantages-

- Manufacturer is mostly falls in category of organized sector so previously also they are subjected to more or less in Tax system. Under GST they are able to claim their refund on all tax by Input tax credit (ITC) system means if they paid GST to supplier of raw material then he can take a claim from their buyers.
- Ease of doing business in all states.
- Maintain cost competitiveness,

Dis-advantages –

- A lengthy process of making tax return file includes 3 files monthly and 1 return file annually,
- Manufacturer who evacuate from taxpaying has to pay tax otherwise they cannot do business with other states as well as with GST registered Enterprises.
- Since all the transactions is on paper and tracked by government, Manufacturer who finding a way to reduced their payable Income tax by adjusting turnover on annual balance sheet now that will be restricted.

2) Impact on Consumer - GST is consumer based tax so all the GST will charge on consumer. So consumer may have some advantages as well as dis-advantage.

Advantages-

- Apparel, garments, Fabric below RS 1000 will get cheaper than previous MRP, because 5% GST is levied on textile products where previously it was 6% tax (VAT) has levied on all finished products.
- Transparency in tax structure so he is aware what are the charges applied on selling price which was unclear previously.
- uniform price thought the country- under GST tax rate for any product will be same in all state, whereas previously price will be different in different state because tax structure is different in all states example VAT applied in Maharashtra on garment or any textile finished product is 6% but VAT in Rajasthan was 5.5 %, also VAT in Karnataka is 6.5% for same, also charges of entry tax is different in different states, LBT is different tax which applied only in

Maharashtra, so it was ultimately effecting on variation in price of products state wise.

Dis-advantages-

- Cost of textile goods more than Rs 1000 will be costlier in GST as 12% tax is applied on them where previously 6% tax is levied on same.
- Fabric purchase will be costlier; Earlier no tax charge on fabric at any state and consumer can purchase it in large quantity without paying tax but now GST is also applied on fabric purchase.
- Tax has to pay on all purchase of goods.

3) Impact on Wholesaler/Retailer- this organization can face some problem due to GST, because this category mostly falls in small and medium scale business so they are yet to adopt the new technology, other changes required for smooth flow of transaction.

Advantages –

- Under GST, retailer no need to add hidden tax on prices.
- GST gives same platform for all organization that means Tax will be same thought the country and all has to paid tax, so there will be fair competition between tax payer and non-taxpayer in terms of price.
- Retailer can properly track their profit and margin as all business transaction is on paper and online so they need to submit sale and purchase details monthly.
- As a taxpayer they are able to take some incentives or Subsidies given by government.

Dis-advantages-

- Under old tax structure Wholesaler/Retailer was escape from tax liability because there is no mechanism by which their actual purchase and sale can be traced. Most of their business transactions are done in black means no proper bill is issued to consumer. Under GST every bill and invoice pertaining to tax amount on purchase and sale.
- Huge fall in demand- After GST law, consumer have no clarity about GST, they have fair that all products get costly than earlier which results in huge fall in demands. So this will be loss of business for Wholesaler/Retailer.

4) Impact on Traders- In textiles supply chain trader has a role at of many stages like at yarn stages, Fabric stages, apparel stages etc. GST could be a game changer for trading business with potential reduction in their profit margin. Earlier tax is not apply on their profit margins, so many of traders stay evacuate from tax, now they has to pay GST on their profit margins with no input tax credit is available on profit margin. But there is way to reduced amount of tax to be pay by showing operating expenses while doing business, this operating expense can be marketing expenses, electricity bills of enterprise, mobile bills, travelling expenses, employers salary expenses, etc.

5) Impact on Exporter –There is not much more impact on exporter. Under GST, exporter can send the goods without paying IGST by filling a form of “Letter of Undertaking” which was previously collected by government and return 90% of payed tax called Duty Drawback, Excise duty etc. Due to GST Indian economy will be stronger

by getting more tax revenue than earlier, so to promote Indian exporter for getting foreign currency exchange, we can hope government will give more subsidies on export and increased rate of Duty drawback for FOB (Freight on Board).

LONG TERM BENEFITS OF GST:

GST will increase the government's revenue by collecting indirect tax and income tax. This will lead to higher GDP growth and foreign Direct Investment (FDI). So overall we can say Indian economy will be stronger than earlier one.

As Indian economy gets stronger, they can utilize those funds for following:

1) More Government Incentives, Subsidies, schemes –

- Annual package for Textile – package for overall development of textile can be increased which was 6000 crore in 2016
- Up gradation of textile sector – up gradation schemes will be offer to boost textile industry by raising funds for textile parks, advancement in spinning, weaving, garment etc. this will increase the employment opportunity in textile.
- Subsidies scheme for manufacturer -

2) Increase Export –In textile export, India standing second with 14% export of total market after china that covered 50% market of textiles in world market.

- Exemption in Tax and refunds -To promote the textile export government can offer less rate in excise duty, easy process of custom clearance, refund of duty drawback time will be reduced currently lead time of getting refund is 45 days, Indian Textile minister Smriti Irani demanded to reduce this time of refund duty drawback which should be 7 days after claim.
- Increased duty drawback % on FOB – currently Duty drawback on export of textile is 2 % on FOB price, In future government will increased the duty drawback that can promote exporters like Eastmen export, Shahi export, Gokaldas export etc. so competitive Fob price can offer to buyer and can give tough competition to china.

3) Improve quality of product –currently in a local market there is a competition of prices for same product. Non-taxpayers offers product in cheaper rate than taxpayers. Due to burden of tax organized sectors are not able to offer product at same rate which offered by unorganized sector. Even this competition is going among unorganized sector also, so everyone is focus on cost of product. So to maintain lesser cost the quality has to be compromise.

In GST regime, price for one product will be same or nearby throughout the country. This will be applied for both organized and unorganized sector. All will have a same platform to do business. So to grow your business and attract customer vendors has to serve good quality to their customer, all suppliers as well as seller has to be competitive in quality aspect of products rather than cost. So ultimately this will serves good quality product to consumer at reasonable rate.

Conclusion:

GST is one of the complex decisions taken by Indian government, but there is hope for better Indian economy. Although tax structure might not be perfect but nothing will be perfect until and unless we go through it. This will give a big platform for India to establish our self as a leading manufacturing and sourcing country in the world.

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GST : ONE MARKET ONE TAX - PROSPECTS AND CONSIDERATIONS**Dr. Jitendrasinh B Jamadar**

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Abstract:

Goods and Service Tax is being seen as long pending and the most significant tax reform to overhaul taxation system in India. It is necessary to rationalise and simplify the overall tax structure so that the investment scenario can be boosted significantly. India is a developing country which requires significant capital financing to boost its growth rate. Currently Foreign investment contributes 3% of GDP growth rate. Goods and Service Tax will help us to unify the market and there will be seamless transportation of goods and services across India. It was implemented from 1ST July 2017. The tax reform was long pending due to various political issues along with contradictory interests of different stakeholders. It is an all-inclusive tax structure that will integrate all central and state governments' indirect taxes. It is estimated to weed out hiccups of prevailing system of indirect taxation and presume an important role in development story of the nation. The current research paper discusses firstly an overview about the concept of GST, and then the second part is about its characteristics. Research paper is largely aimed at prospects of implementing G.S.T. in India along with few considerations that need to be taken care of while execution of this regime.

Keywords: Direct Tax, Goods & Services Tax (GST), Indirect tax, Central Goods & Services Tax (CGST), States Goods & Services Tax (SGST).

GST : ONE MARKET ONE TAX - PROSPECTS AND CONSIDERATIONS**Introduction:**

The new Tax is supposed to transform the complete setup of previous tax-structure. This indirect tax regime is considered as major tax reform since the year 1947. Till now, India followed a complex indirect taxation system with overlapping of taxes imposed by union government and state governments distinctly. The Goods & Services Tax will amalgamate all indirect-taxes below one system & will be helpful in creating one national market. Many Experts and economist believes that Goods and Service Tax will support the Indian economy to develop in more significant way by increasing in the collection of tax revenues. This will eradicate all the tax obstacles among states as well as the system will assimilate country in to a single tax regime. France had introduced firstly the Goods and Service Tax in the year 1954 and presently GST tax system is applied by not less than hundred and forty countries in the globe. Majority of them have implemented unified GST whereas few countries like Canada and Brazil implemented a dual Goods and Service Tax regime where taxes are levied by state and centre both. India has also implemented the dual system of Goods and Service Tax including CGST and SGST.

Literature Review

Nitin Kumar (2014), in his research paper “Goods and Service Tax- A Way Forward” came to conclusion that the enforcement of GST will benefit the nation in abolishing economic misrepresentation which are being posed by the prevailing indirect tax system also it is estimated to encourage neutral or impartial tax system which will be indifferent for the several terrestrial places.

Agogo Mawuli (May 2014) has found that Goods and Service Tax is not a better idea for the low-income nations as it doesn't offer a wide-ranging development to the low per capita nations. But even if though the poor nations want to levy GST then the overall rate of GST must not be more than 10% for the wide ranging growth.

Ehtisham Ahmed and Satya Poddar (2009), were of the view that Goods and Service Tax implementation will help to transparent and simple tax regime which will significantly boost productivity and output in Indian economy. Nevertheless the gains of Goods and Service Tax are critically reliant on rational design of Goods and Service Tax.

Dr. R. Vasanthagopal (2011), “GST in India: A Big Leap in the Indirect Taxation System” the researcher concluded that going for unified Goods and Service Tax regime from present complex indirect tax regime in the country like India will definitely considered as a significant progressive step in boosting the nations economy. The Successful implementation of Goods and Service Tax regime will lead to its wider acceptance for not less than 130 nations in the entire world and also will be new ideal indirect tax system form in Asia as well.

Pinki, Supriya Kamma et all. (July 2014) , “Goods and Service Tax- Panacea For Indirect Tax System in India” the researchers came to conclusion that the NDA Government is very much optimistic to the enactment of GST as this will be helpful for both state and center apart from customers in long time frame provided the enactment of GST is supported with a robust IT infrastructure.

The objectives of the study:

- i) To inspect the conceptual aspects of GST
- ii) To identify benefits of GST
- iii) To know various considerations for successful implementation of GST in the country.

Methodology

The current research is a descriptive research, and is based on the secondary data, gathered from several research journals, newspapers, published articles and magazines.

Gst: One Market One Tax -Concept

In the new tax system, nearly all indirect taxes, levied by both the governments will be integrated into one tax. It is applicable on goods as well as services at all the centers of worth addition. It is a double taxation system which has central and state GST namely, CGST and SGST. CGST is incorporating all central indirect taxes such as central sales tax, central excise duty, special additional tax-duty on customs; service tax whereas nearly all indirect taxes levied by state governments such as purchase tax, state VAT ,

Octroi, luxury tax, tax on gambling and lottery will be substituted by SGST. The Integrated goods and service tax is also referred as the interstate GST is also be part of Goods and Service Tax. It is not an added tax however it is a structure to examine between the states for various goods and services and to additionally to assure that the revenue collected from tax would be received by the importer state in the form of Goods and Services Tax is a destination centred tax.

Timeline Of Gst In India

In the year 2000, National Democratic Alliance government set up a committee, by beneath the chairmanship of Asim Das Gupta for formulation and structure of GST model in India. Later on when United Progressive Alliance comes in power then finance minister of India, Shri. P.Chidambaram, announced enactment of GST with effect from 1st April 2010 during the budget session in the year 2007. They formed a committee representing all finance ministers of states to work on GST with union. Consequently, a joint committee was constituted on 10th May 2007 by the committee of all states finance ministers; the group submitted its final report in the month of Nov 2007. Detailed discussion for the first time on this paper consisting of structure of GST took place in November 2009 being the primary objective of discussion to get the inputs of all relevant stakeholders. It recommended a double model GST apart from a Goods and Services Tax council and lastly in the month of March 2011, 115th amendment bill of the constitution was presented to frame laws for implementation GST. It involves the followings laws:

- 1) Forming up of Goods and Service Tax COUNCIL by the president of India in 60 days
- 2) Forming up of a Goods and Service Tax Disputes Settlement Authority which consists of three members to look into and resolve the disputes arising between states and will take appropriate actions against states.
- 3) Goods and Service Tax Amendment Bill was then referred to parliamentary committee for assessment.

In the month of August, 2013 the empowered standing committee submitted their report and suggested that planned Dispute Settlement Authority must be dissolved and all its activities ought to be handed over to Goods and Service Tax Council. Then, it is also suggested that the GST Council should make their decisions by voting instead of consensus. The members of the GST Council consists of 1/3rd from central government and rest of 2/3rd from states. The decisions in the GST council will be passed with not less than 3/4th votes of the representatives, present for meeting. The quorum of GST council is elevated from planned 1/3rd to half by the standing committee. However, projected 115 amendments bill was lapsed with the dissolution of 15th Lok Sabha.

On December 19th, 2014 subsequently incorporating few changes to GST Bill, again the National Democratic Alliance government presented it in Lok Sabha by way of Indian constitution's 122nd amendment. 6th May 2015 it was accepted in lower house that is in Lok Sabha by the government.

Ambit Of Gst

- 1) It is applicable to all taxable goods and services excluding the exempted goods and services as well as on the transactions beneath the designated threshold limit.

- 2) The Exempted list of goods and services includes alcohol (consumed by citizens), Petrol, electric power, real estate, custom duty.
- 3) Natural gas are initially relieved from GST by the time the empowered GST Council makes announcement date of their incorporation within GST ambit.
- 4) All Tabaco products were incorporated in GST ambit apart from central excise.

How GST will be collected -

- 1) The authority of framing laws related to GST lies in the hands of with both legislative assemblies Union as well as state.
- 2) The GST modal have dual components CGST and SGST as stated above.
- 3) The IGST is imposed on goods supplies in the course of trade between the states including imports which is collected by central government solely and will be returned to respective imported states as Goods and Service Tax is a destination based tax.

The COUNCIL for GST

- 1) It is established by the President of India under article 279-A. It is chaired by union finance minister.
- 2) The 2/3rd members in the GST council are from state governments and 1/3rd members from union government. The council will consists of union minister of state in charge of revenue as well as minister in charge of taxation or finance or of any other arena designated by state governments
- 3) Decisions of GST council are made by 3/4 majority of the votes cast instead of consensus and quorum of council is elevated to 50% instead of 1/3rd.
- 4) The GST council will make recommendations on issues pertaining to following arena:
 - a) Taxes, cess of central and states, surcharge which will be incorporated in GST.
This will help government to collect indirect taxes.
 - b) There are certain goods and services of exempted Goods and services from GST.
 - c) Interstate trade or commerce – IGST- quantity of sharing between states and center
 - d) The threshold limit for registration of GST
 - e) Floor rates of GST
 - f) During calamities special rates to be levied
 - g) Provisions in regard with special category states particularly from north east.
 - h) GST council will work as Dispute Settlement Authority for the issues arising between states and center.

One Percent Additional Tax

- 1) A additional one percent of tax on the trade between states and union will be directly distributed to the original state.
- 2) The GST council will endorse a time period of two or more years, and this tax will be levied for endorsed period.

Compensation To States

- 1) If any revenue losses due to implementation of GST will be recompensed by center to states. This period would be maximum of five years.

2) The GST council will endorse the revenue losses and it will be compensated.

Prospects Of New Tax

The liability of tax is distributed among manufacturing and services in GST regime initially with minimum rates of tax; gradually it will result in augmenting tax base also decrease exemptions. GST is expected to help in founding a transparent and effective administration. The new tax is anticipated to eliminate the extra burden arising due to cascading of multiple taxes. It will assist in creation of one union market irrespective of territorial hurdles. Except this few other important benefits from GST are given below:

IGST- In previous tax regime central sale tax is levied on trade of goods between the states. The standard tax rate of 2% sales tax CST is charged and it is distributed to the goods exporter state since the CST is origin based tax. Then input credit of central sales tax can offset against other liabilities of CST. Only trade of goods between the states attracts CST and not the supply. Therefore, to evade paying these taxes large industries use to construct their own warehouses in various places of within the union and then supply their products between the states instead of paying CST to the government which lastly results in reduction of price of their respective products. Due to this multiple warehousing strategy the large industries dodging the tax and it also affects on the growth of medium and small enterprises, they could not survive in this open market.

But, at present GST system the IGST is charged on both trade and supply between the states. Because of which an efficient logistics environment will emerge which helps to thwart the practice of dodging tax by the way of warehousing form large industries. This will protect medium and small businesses from uneven competition lead by corporate honchos.

Ancillarization

Previously all large industries want to manufacture the whole things in-house so as to cut paying CST also to avoid its cascading effect on price. However in GST there is no cascading effect, CST will help in subcontracting, outsourcing along with the division of labour. Due to this specialization will upsurge in distant future and which will lead to reduction in overall production cost. With these decreased prices local goods and services will be more competitive in distant future at international markets and which consequently results in augmented exports and aid nation to decrease its current account deficit.

Single Base Computation

With implementation of GST the cascading effects of multi-layer tax levy system will not remain and it will be a single base for computation of revenue distribution for both state and central government. Firstly the states will collect tax because of minimum taxable worth of services and goods. However in subsequent years because of accessibility of inexpensive goods the extent of individual taxpayers will surge and then the tax revenue accumulation of states also increases significantly. The increased in tax revenue collection results in consolidation of fiscal deficit which is necessitated due to present state of economy. According to CRISIL latest reports on GST is one of the best estimates for fiscal consolidation as there is very little chance to cut current government expenses.

EXPORT WILL BE ZERO RATE

GST will not be charged on exports. The effect of this, input credits of exporters will remain unaffected. Further exporters can use these credits in future. With these zero valued exports, inland goods will be more reasonable for exports. It will help in augmenting exports which in turn will help the fulfilment of goal of 3.5% market share of India in world exports by year 2020.

Consideration While Implementatiuon Of GST

High Revenue Neutral Rate (RNR)

RNR is the tax rate at which there is neutralization of revenue effect of central and state governments because of change in tax regime, it means the tax rate of Goods and Service Tax which gives at least the similar level of revenue income that is presently earned by both state and central governments by levying indirect taxes is considered as RNR. As per 13th finance commission the Revenue Neutral Rate should be 12% however state empowered committee looking for 26.68% rate. Union government is calculated the rate band is 15%-20% which is considered as very high when compared with other counties which has implemented the GST successfully.

- The relatively competitive advantage of India in other Asian giants will shrink and local industries may be breaking.
- Smuggling and tax evasion will increase.
- Indirect taxes Regressive nature will badly affect the purchasing power of underprivileged people which will lead to a negative impact on overall human development index.

Therefore while implementing GST, RNR must be kept minimum and if required must reviewed periodically. This can be attained by addition of liquor, petrol, real estate, electricity within the domain of GST which will augment the tax base and upsurge revenue collection of government.

Compensation To States:

Previously, Value Added Tax was the main provider in revenues of states. But after the implementation of GST, it will incorporate apart from other cess, surcharges in GST. Because of which states have to incur tax revenue loss for certain and states will depend for tax devolution on finance commission (currently 42%). States are asking for compensation from union to neutralize their tax revenue losses. As per 14th finance commission central government has to give reimbursement to states for a period up to maximum of five years. Initial three years the compensation will be 100% then it will be condensed to 75% later on in fourth year and fifth year the revenue loss reimbursement will be 50%. This compensation by central government will result in additional fiscal burden due to which it might be possible that the government might not be able to fulfil its goal of 3% fiscal deficit by the end of March 2017 as declared by union finance minister in budget of 2015. The fiscal target essentially required for quicker economic development.

States with high Industrialization may be initially on loss in present GST system due to destination based tax speciality. This may also demotivate manufacturing industries, encourage states to more import than exporting in order to upsurge their revenues. This system is also not a better idea for manufacturing industry and also to the nation because boosted manufacturing sector is the primary driving the economic growth. Momentarily relief for high industrialized states an extra 1% tax in initial two years on inter-states supply and sale is proposed. But due to this 1% additional tax, the primary goal of GST to lessen cascading effect of multi-layer taxation system is far distant.

Registration Threshold Limit:

Previous tax regime had different threshold limits for various indirect taxes like for VAT (5 lacs), excise duty (1.5 crore) and service tax (10 lacs). However for enactment of GST common threshold limit is required. The lesser threshold limit will widen the overall tax base and will upsurge the tax revenue of union and state government but it will also necessitate a robust IT infrastructure, to ensure the smooth functioning of the database of increased assess, which is currently missing. IT infrastructure has to play an important role while implementing IGST as union government will electronically reimburse IGST to state governments. To deal with the huge data base a strong network is mandatory which is accomplished by GSTN (Goods and Service Tax Network) in GST. Major responsibility of GSTN is to tackle major challenge of creating IT infrastructure in a time bound manner.

Conclusion

Because of wide changing environment in global platform, where each and every country tries to simplify their administrative set up in order to increase the ease of doing business. It is important for the country like India to bring in more and more economic reforms to sustain high growth rate of GDP in long run. The Indian government has initiated various initiatives to make India a manufacturing hub, for that purpose high level of investment is required. As India is a developing nation it is grappling with the scarcity of capital to finance capital intensive projects. By Implementing GST, the union government has taken a bold step towards weeding out the administrative difficulties and make market more predictable for the foreign investors. However India being a developing nation needs to trade carefully while implementing GST on ground. Since the experience of other nations while implementing GST is not well. Small businesses are facing problems while dealing with GST.

Even though there might be technical hiccups in the initial phase of implementing the GST regime, it will be beneficial for the country during the long run. As the analyst predict that the implementation of GST will help to increase the Growth rate by 1 to 2 %. Overall it will be a boon for Indian Economy.

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COMPARATIVE STUDY OF THE HDI COMPONENTS FOR INDIA WITH INTERNATIONAL PERSPECTIVE: WITH SPECIAL REFERENCE TO HDI REPORT 2016

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Abstract

India is the country always refer as the future economic giant and future global leader in providing human resources. Always India has been compared with Chinese economy and also compared with Pakistan on some aspects. Though in the present paper an effort has been made to investigate these potentials of India with special reference to Human Development Index: 2016 and its components. In the present paper major four countries have been observed to compare with India with referenced to select HDI Components. In the summary, India in comparison with these select countries, looks like: Low HDI, Low Income, and high level of capital formation, normal level of employment, average level of gender development, and high level of population growth. Below paper discusses details on these findings with scientific investigation.

Keywords: HDI, Components of HDI and International Perspective

COMPARATIVE STUDY OF THE HDI COMPONENTS FOR INDIA WITH INTERNATIONAL PERSPECTIVE: WITH SPECIAL REFERENCE TO HDI REPORT 2016

Introduction:

The Human Development Report mentioning global index of human development is started with the broad meaning of HDI as "Human development is all about human freedom: freedom to realize the full potential of every human life, not just of few, nor of most but of all lives in every corner of the world".

As the rightly said and mentioned, human development is all about realizing the full potential of the human being in every corner of the life. Also, HD is the freedom observed, lived and felt by human being to the extent of using resources for the betterment of society. With reference to this, it has to be considered that calculating HDI is not that simplest task. After such a complicated measurement of human development certain aspects of human life have been remained un-touched. Such as, according to the HDI Report 2016, Norway is the country stated as most developed human being accounted for 0.949 of score of HDI. But Qatar is the country having Gross National Income (GNI) of US\$ 129,916 but ranked at 33 in HDI with 0.856. Thus, in short greater national income with productivity hikes does not necessary mean the high level of human

development. Ultimately, it is interesting to note the methodology of arriving at certain measure of HDI. Obviously, it has involved rigid mathematical operations with consideration of various dimensions and parameters. Apart from this global and general introductory observations in this paper, an effort has been made to compare selected HDI components with major countries along with focus on Indian perspective.

The key issues and research problems addressed in this research paper are, what is the position of India in international atmosphere to the extent of human development? What is the role of HDI dimensions in ranking of human development index? What is the context of Gross National Income (GNI), Literacy rate in rating of HDI for India as compared to global leaders? To address these issues further HDI dimensions have been considered, namely; (a) statistical score of Human Development Index; (b) HDI Rank; (c) life expectancy at birth; (d) expected years of schooling; (e) mean years of schooling; (f) gender development index; (g) population growth; (h) literacy rate; (i) Gross National Income per capita; (j) Fixed capital formation; and (k) employment ratio to population.

Accordingly, to address these issues, present paper has been prepared with the help of four sections. Thus, in Section-(a) conceptual discussion has been presented. In Section-(b) brief on research tools and methods have been addressed. The data analysis has been brought up with the help of Section-(c). And finally, in Section-(d) Interpretation, Conclusions and Suggestions have been brought up.

Section-(a)

Conceptual Framework

As has been clearly indicated in the section on introductory observation, present research paper is an explorative investigation of select parameters and dimensions being used in HDI: 2016. Thus, naturally, it is obvious to review conceptual frame work of these select parameters. With this intension present section has been designed and presented.

(a) Statistical Score of Human Development Index:

The entire ranking of human development index is based on the score obtained by each country after systematic operation of the mathematical formula, which is-

$$HDI_i = \frac{1}{3} \sum_{j=1}^3 \left(\frac{X_{ij} - \min F_j}{\max F_j - \min F_j} \right)$$

Where, X_{ij} is the actual value of component j for country i and $\min F_j$ and $\max F_j$ are minimum and maximum values fixed subjectively, for four constituent indicators. Accordingly, it needs to be stated here that, human development index is the composite measure of basic three dimensions of human development, namely, (a) long and healthy life; (b) knowledge; and (c) decent standard of living.

The score so arrived at is the statistic figure between 0.000 and 0.999. Close to 1 is the indicator of high level of human development.

(b) HDI Rank:

HDI rank is the list of countries according to the obtained HDI score in order of highest ranking to lowest ranking. This method of index ranking is helpful in classifying entire 188 countries into four categories, namely; (a) very high human development (the counties having HDI Score 0.800 and above); (b) high human development (the counties

having HDI Score between 0.700 and 0.799; (c) medium human development (the counties having HDI Score between 0.550 and 0.699); and (d) low human development (the counties having HDI Score below 0.550). This index ranking has been used to address each country and to compare this phenomena with each other.

(c) Life Expectancy at Birth:

It is the estimate of life of the infant at the time of birth. This estimate is based on the assumption that prevailing patterns of age-specific mortality rates at the time of birth stay the same throughout the entire life of the infant. This calculated life expectancy is an indicative figure to understand average quality of living standard to compare countries. But this assumption is much harder to believe as there are various reasons which may cause change in the mortality pattern, may in a positive way.

(d) Expected Years of Schooling:

It is the measure to show the expected average years of schooling expected from the child when it reaches to the normal schooling age. Here also assumption is that, the prevailing patterns of age specific enrolment rates persist throughout the child's life. This assumption is also hard to come true as same as life expectancy at the time of birth.

(e) Mean Years of Schooling:

This is average number of years of education received by people ages 25 and older, this figure has been converted from education attainment levels using official duration of each level. Now, as compared to earlier dimensions this dimension looks realistic as far as the method of calculation is considered.

(f) Gender Development Index:

It is the ratio of female to male HDI values. This index has been used as the tool for comparing human development between female and male. It is necessary to ensure the deviation regarding human development between male and female. This indicator underlines the disparity of efforts put on developing approximately half of the working population.

(g) Population Average Annual Growth:

This indicates the average annual growth of the population for specific time period. This exponential growth shows the burden on the existing resources of the country. This aspect of putting burden on resources may have effect on human development.

(h) Adult Literacy Rate:

Literacy expected in this context is assumed at very basic level. It has been assumed that person can read and write with understanding a short simple statement on everyday life. This ability to at least read and write will certainly form a basis of further development of the human being.

(i) Gross National Income per Capita:

Aggregate income of an economy generated by its production and its ownership of factors of production, less the incomes paid for the use of factors of production owned by the rest of world, converted to international dollars using 'Purchasing Power Parity' rates, divided by mid-year population. Mathematically it can stated as;

$$GNI P = \frac{NP + FP - IPPF}{MYP}$$

Where, GNIP = Gross National Income per capita; NP = Income of Economy generated by production; FP = Income of Economy from ownership of Factors Of production; IPPF

= Income Paid for use of factors of production Owned by rest of world; MYP = Mid-Year Population

(j) Fixed capital formation

The title of this factor is self-explanatory revealing the meaning that whatever the gross domestic product of the nation, it is always important to look at volume of product that transformed into capital. Because, capital is the key element in starting business and also the responsible agent to spark the economic development. By the way of human development approach, freedom of using resources is only be fruitful when there is an availability of sufficient capital. This value of gross fixed capital formation has been arrived from the value of acquisition of new or existing assets by the business sector, governments and households (excluding their unincorporated enterprises) less disposals of fixed assets, expressed as percentage of GDP. No adjustment is made for depreciation of fixed assets.

(k) employment ratio to population

This may be said as the result of the economic development. Thus, naturally, it is significant to investigate into the ration of working population and employment with total population. To arrive at this ratio, percentage of population ages 15 years and older has been considered.

Methodology

The present paper is the comparative study of the HDI components. The special preference has been given to the Human Development Index Report (HDI: 2016). Further for the purpose of comparison five leading countries have been selected on judgment basis; namely, (a) India; (b) China; (c) Pakistan; (d) Japan; and (e) United Nations. These countries are either global leader, developed or fall into the Asian territory. These aspects may be attributed to criteria for selecting these countries.

Further with reference to the HDI: 216, key factors have been considered for further analysis and comparison of these countries; namely (a) statistical score of Human Development Index; (b) HDI Rank; (c) life expectancy at birth; (d) expected years of schooling; (e) mean years of schooling; (f) gender development index; (g) population growth; (h) literacy rate; (i) Gross National Income per capita; (j) Fixed capital formation; and (k) employment ratio to population.

The objectives of the paper are; (a) to compare HDI components of INDIA to rest of the world; (b) to investigate into the relationship between these components; (c) To explore more details regarding HDI with reference to India.

The scope of this present paper is limited to these five countries under consideration, 11 components of HDI and the HDI report published by UNDP for 2016.

The entire study has been based on the secondary data gathered from HDI Report 2016 and complied for specific countries as mentioned above with respect to the select components. Same has been provided here with the help of below table.

The Table Showing Primary Data Used for Present Study

Sr. No.	HDI Components	Country				
		India	China	Pakistan	Japan	United Nations
I	II	III	IV	V	VI	VII
1	HDI	0.624	0.738	0.550	0.903	0.920
2	HDI Rank	131	91	148	17	11
3	Life Expectancy at Birth	68.3	76.0	66.4	83.7	79.2
4	Expected years of schooling	11.7	13.5	8.1	15.3	16.5
5	Mean years of schooling	6.3	7.6	5.1	12.5	13.2
6	Gender development index	0.819	0.954	0.742	0.97	0.993
7	Population Growth	1.3	0.5	2.1	0.02	0.9
8	Literacy Rate	72.1	96.4	58.7	-	-
9	Gross National Income	5663	13345	5031	37268	53245
10	Fixed Capital Formation (Per cent to GDP)	30	44.3	13.5	21.7	19.2
11	Employment ratio to total population	51.9	67.6	51	57.3	58.3

(Source: UNDP-HDI: 2016)

Based on these data given in above table, further section has been prepared and presented in accordance with the objectives and research questions mentioned in introductory observations.

Interpretation, Conclusions and Suggestions

General Observations

With reference made to the Table-1 titles as Mean Comparisons, India has been observed above the average level to the extent of indicator, only 'Fixed Capital Formation' while Pakistan has been observed at critical stage to the extent of the averages of all select indicators. It would be seen therefore that in terms of gross national income India is far poor than other countries but looks better than Pakistan. China, which is always India's competitor is having approximately double per capita income (USD 13345) than India (USD 5663). Only positive thing for India is that, it is successful in transforming its national product into the capital but as compared to its size it is negligible.

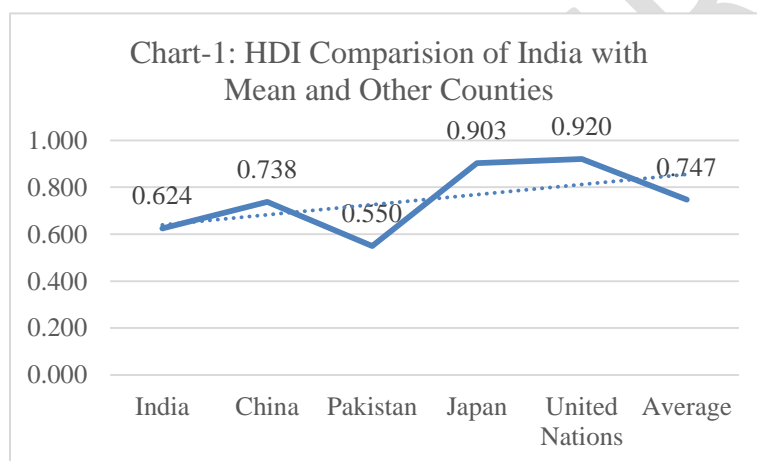
Half of the population of India is having employment, irrespective of its nature of 'descent work'. This ration is almost same for rest of the countries except China (67.60 Per cent). This situation may be helpful may be helpful to India in future with assumption that population grown (1.3 times per year) will having employment and ay result in rise in income generation.

Moreover, the ration of human development specific for male and female China, US and Japan are on favorable side (observed above the average). Thus, it may be interpreted that India still need to develop their female population to make it employable. It would mean that half of the population is not that much of efficient in terms of human development in case of India. (*Refer Table-1*)

Now, with reference to the correlations calculated in the Table-1A, it would be seen that, HDI Score is positively correlated with the components, namely, Life expectancy at birth, expected years of schooling, mean years of schooling, gender development index, literacy rate and gross national income with significant level of strength. This may be interpreted as, as these components increases, HDI score will also increase. There is a component, namely, population growth which is showing negative relationship with HDI. This mean that if rate of population growth increases negative impact on HDI may be caused. (*Refer Table-1A*)

HDI Score and India

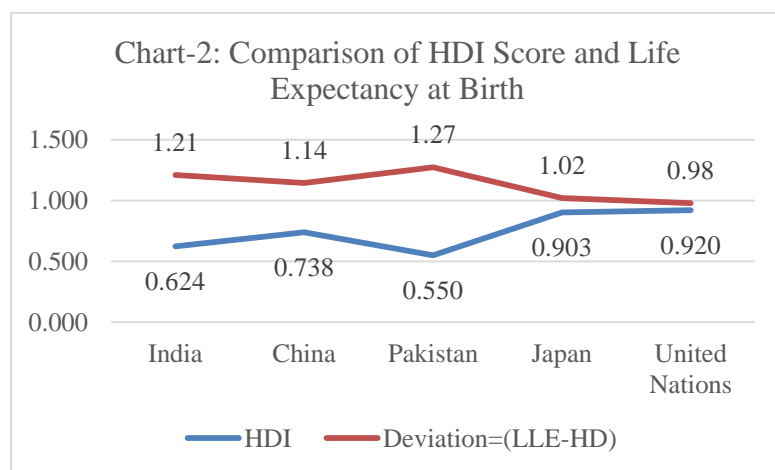
Average of the HDI score for select countries observed to be 0.747. India, China and Pakistan have been observed to be below the average score of HDI. Whereas, Japan and United Nations fall far away from this average HDI score but in favorable manner. It has been seen that, India, China and Pakistan can be grouped in one category which is showing tendency of below average HDI score and United Nations, Japan are in the developed countries in terms of average HDI Score. This aspect has been depicted



appropriately in the chart-1. (*Refer Table-2 and Chart-1*)

HDI Score and Life Expectancy at Birth

The comparison between HDI score and life expectancy has been made in table-3. To compress magnitude of measurement log10 has been calculated for life expectancy. Now the figure so arrived has been compared with HDI score. This aspect has been presented in the Table-3. To simplify these observations Chart-2 has been portrayed.



Ultimately, it would be interpreted from the table and chart that, high level of human development shows minimum deviation between life expectancy and HDI score. This simply mean that life expectancy at birth is the factor to assess quality of human showing potential development of human the respective country. Thus,

India and Pakistan shows comparatively less years of life expectancy at birth which significantly underlines the heavy load and stress on the health care situation in India and Pakistan. (*Refer Chart-2 and Table-3*)

HDI Score, India and Literacy

The deviations between mean years of schooling and expected years of schooling has been obtained and compared with HDI score. This aspect has been appropriately presented in the table -4 along with comparison with literacy. In the said table rate of illiteracy has been obtained by subtracting rate of literacy from 100. Then the number so arrived has been compared with HDI Score.

It would be seen therefore from the table-4 that, India is having illiteracy rate about 27 per cent and Pakistan is having illiteracy rate at around 41 per cent. Now, on the part of deviations between expected years of schooling and mean years of schoolings, there is no solid pattern has been observed to the extent of select countries. As it is witnessed that deviation for this schooling is observed of the order of 3.00 for Pakistan but there illiteracy rate is significant. While in case of China this deviation has been observed at magnitude of 5.90 but though illiteracy has been observed only 3.6 per cent. (*Refer Table-4*)

Concluding Suggestions

Based on the entire efforts made in this research paper, and with international perspective, summary of the findings have been mentioned below with the help of diagram-1.

Diagram-1: Summary of findings

Indian Scenario -Low HDI, Low Income, high level of capital formation, normal level of employment, average level of gender development, high level of population growth	Components Relationship -No correlation-fixed capital formation, negative Correlation- population growth, less correlation-employment ratio to population
Life Expectancy -High level of life expectancy- Japan, UN, China; Low level- India, Pakistan	Literacy -High literacy- China, Low literacy- Pakistan, medium literacy-India

Now, without going into the further details, below suggestions has been made specifically for the country-India.

- Considering the high level of population growth and low level of gender development, India needs to focus attention on the policies to turn its increased population in employable and skillful generation. Also keeping capital formation rate constant, it will lead to economic development by merging wages to the capital.
- Though efforts on developing human being is also suggested to really convert its resources to the more productive elements. It may help full my providing ways to rise literacy.
- Even there is no significant correlation between some of the components of HDI, it is otherwise suggested to follow human development approach throughout India's developmental five year plan.

Finally, it needs to be mentioned specifically that, this research was undertaken with the intension of contributing to the understanding of the assessment of HDI components for India with international comparative perspective to offer probable solutions in the light of findings. This study has added to the current body of knowledge and has provided insight into areas that warrant further exploration.

Analysis and Tabulations

Table 1: Mean Comparison

Name of Country	HDI	Gross National Income	Fixed Capital Formation (Per cent to GDP)	Employment ratio to total population	Gender development index	Population Growth
India	0.624	5663.00	30.000	51.90	0.819	1.300
China	0.738	13345.00	44.300	67.60	0.954	0.500
Pakistan	0.550	5031.00	13.500	51.00	0.742	2.100
Japan	0.903	37268.00	21.700	57.30	0.970	0.020
United Nations	0.920	53245.00	19.200	58.30	0.993	0.900
Average	0.747	22910.40	25.740	57.22	0.896	0.964

(Japan, UN- Very Good; China- Good; India-Normal; Pakistan-Poor)

Table 2: Descriptive Statistics**Table 1A: Correlations of HDI SCORE**

<i>Correlation Co-efficient</i>	<i>HDI Score</i>	<i>Descriptive Statistics</i>	
HDI Rank	-1.00	Mean	0.747 0.06007
Life Expectancy at Birth	0.96	Standard Error	9
Expected years of schooling	0.96	Median	0.7425 0.14716
Mean years of schooling	0.98	Standard Deviation	2 0.02165
Gender development index	0.94	Sample Variance	7
Population Growth	-0.80	Minimum	0.55
Literacy Rate	1.00	Maximum	0.92
Gross National Income	0.94	Sum	4.482
Fixed Capital Formation (Per cent to GDP)	-0.01	Count	6
Employment ratio to total population	0.45		

Table-3: Comparison of HDI and Life Expectancy at Birth

<i>Name of Country</i>	<i>HDI</i>	<i>Life Expectancy at Birth</i>	<i>Log Life Expectancy (LLE)</i>	<i>Deviation=(LLE-HD)</i>
<i>India</i>	0.624	68.300	1.834	1.21
<i>China</i>	0.738	76.000	1.881	1.14
<i>Pakistan</i>	0.550	66.400	1.822	1.27
<i>Japan</i>	0.903	83.700	1.923	1.02
<i>United Nations</i>	0.920	79.200	1.899	0.98

Table-4: Literacy

Name of Country	HDI	Expected years of schooling (ES)	Mean years of schooling (MS)	D=ES-MS	Literacy Rate	Illiteracy
India	0.624	11.700	6.300	5.40	72.100	27.900
China	0.738	13.500	7.600	5.90	96.400	3.600
Pakistan	0.550	8.100	5.100	3.00	58.700	41.300
Japan	0.903	15.300	12.500	2.80		
United Nations	0.920	16.500	13.200	3.30		

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