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AN ANALYSIS OF AGRICULTURE SECTOR OF INCLUSIVE GROWTH IN INDIA

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Abstract

Agriculture remains the dominant supporter of Indian populace. The thriving industry and service sectors depend on the agricultural sector for their development. The inter-linkage among the three sectors could not be undermined at any cost. It is the massive absorbent of labour force even though the disguised unemployment exists in varied magnitude. The share of agriculture to the GDP has come down from 57.7% in 1950-51 to 32.2% in 1990-91 at the time of liberalization, 24.6% in 2000-2001, 15.7% in 2009-2010 and little more than 17%. In the post-independence era, stagnant production, low productivity, traditional technology, and poor rural infrastructure were the major challenges for the Government. India is principally an agricultural country. The agriculture sector accounts for about 18.0% of the GDP and employs 52% of the total workforce. There is a continuous steady decline in its contribution towards the GDP, and the agriculture sector is losing its shine and anchor position in Indian economy. The problems with which the Indian agricultural scenario is burdened in present times are many but this in no way undermines the importance of the sector, and the role it can play in the holistic and inclusive growth

of the country. Agriculture is fundamental for sustenance of an economy as is food for a human being.

I. INTRODUCTION

Agriculture plays an essential role in the process of economic development of less developed countries like India. The Indian Agricultural development is a very important role of inclusive growth approach. In the vision of Inclusive growth is an all surrounding conception, which include aspect, such as agriculture development, employment generation, poverty reduction and reduced area discrimination. Agriculture development may be deemed as the critical aspect of inclusive growth and proves to be a smooth path for achieving social and economic inclusion.

Indian economy is growing at a phenomenal rate. It is far from reaching its true potential. The country remains shackled in corruption, red tape, age old social barriers and a puzzling lack of transparency. Growth is not uniform across sectors; and large cross-sections of the populace remain outside its purview. Several social, political and economic factors need to be tackled for sustaining a high rate of growth, as well as to make this growth inclusive.

Elimination of child labour, women empowerment, removal of caste barriers and an improvement in work culture are just a few of the

things the Indian society needs to introspect on. Tackling corruption in high places, removing the ills of the electoral system, shunning politics of agitations and keeping national interest above petty politics may not be too much to ask of the country's policy makers. Rapid growth in the rural economy, well planned and targeted urban growth, infrastructure development, reforms in education, ensuring future energy needs, a healthy public-private partnership, intent to secure inclusivity, making all sections of society equal stakeholders in growth, and above all good governance will ensure that India achieves what it deserves.

Of the eight richest people in the world it also four are Indian, but the irony still remains that micro-determinants a marginal farmer in the interior of Maharashtra, who is struggling to feed his five children, the youngest of whom is a son, uneducated and unemployed, with four sisters, all of marriageable age, whose marriage the farmer cannot afford. Try telling the farmer that the economy is growing at a handsome 9% per annum, hardly consolation for the empty stomachs his children go to bed with every night.

Indian economy is growing, salaries are going through the roof for the educated but the fact still remains, that the poor are still poor even though the rich have become super rich. The growth is far from inclusive.

Economic liberalization which began in the early 1990s has accelerated India's growth rate to an average of 7% per year since 1997, up from 3.5% in the 1970s. During this period India transformed itself from an agricultural economy to a service economy. Services now form 55% of the Indian economy. The growth and development of the Information Technology and Information Technology enabled Services have had a significant role in changing the face of the economy.

Inclusive growth

Inclusive growth basically means "broad-based growth, shared growth, and pro-poor growth". As an approach in economic policy, it is believed to decrease the rapid growth rate of poverty in a country and increase the involvement of people into the growth process of that country.

Inclusive growth by its very definition implies an equitable allocation of resources with benefits incurred by every section of society. But such allocation of resources must be focused on the intended short- and long-term benefits of that society, such as availability of consumer goods, people access, employment, standard of living, etc. It also sets a direct relationship between macro and micro-determinants of the economy and economic growth.

The micro dimension includes the structural transformation of the society, while the macro dimension includes the country's gross (GNP) and gross domestic product (GDP). Maintaining rapid and sustainable inclusive growth is sometimes very difficult because resources vaporize during the allocation and may give rise to negative externality, such as rise in corruption, which is a major problem in developing nations. Nonetheless, it has created an environment of equality in opportunity in all dimensions of livelihood, such as employment, market, consumption, and production and has created a platform for people who are poor to access a good standard of living. The inclusive growth approach assumes that if we focus on the inequality between poor and rich households in a country, we can reach an optimal solution that will minimize the difference

Study Problem

Agricultural development is an integral part of overall economic development. In India, agriculture was the main source of national income

TREND AND GROWTH PATTERN OF ROAD INFRASTRUCTURE IN INDIA

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Abstract

The nation streets are assuming a critical part in inspiring the social, financial and social existence of the general population; access to better street system to provincial territories considerably upgrades the financial status and enhances the living state of rustic populace. There is a between related connection amongst streets and agrarian creation, and furthermore, the effect of such upgraded horticultural generation on pay, expectation for everyday comforts, states of mind and different exercises of the country individuals.

I. INTRODUCTION

Framework is one of the essential factors that drive the financial development of a nation. Great foundation is the fundamental necessity for any generation procedure to work productively. Framework itself may not be the piece of the generation procedure, but rather is essential for the administrations it gives. It is a critical contribution to the generation procedure and raises the profitability of different parts. Foundation associates products to the business sectors, specialists to industry, individuals to administrations and the poor in rustic zones to urban development focuses. Foundation brings down expenses, extends showcases and encourages exchange. Along these lines, foundation gives

benefits that help financial development by expanding the efficiency of work and capital in this

way decreasing the expenses of generation and raising productivity, creation, pay and business.

The need of a legitimate street arrange for the financial improvement of rustic India and subsequently the entire nation was seen very ahead of schedule in India. The primary street improvement design of 1943-61, prominently known as Nagpur Plan, took a gander at the street needs of the nation on a long haul premise, and out of the blue characterized the street framework into a useful order containing National Highways (NH), State Highways (SH), Major region streets (MDR), Other District streets (ODR) and Village streets (VR). The last two classes of streets frame the rustic street framework in the nation. The third street improvement design known as Lucknow Plan (1981-2001), assessed rustic street prerequisite for the nation and had spelt out different measures to create country streets. This arrangement proposed a few methodologies for rustic street advancement. These methodologies incorporate arrangement of long haul end-all strategy for provincial streets; organize development in perspective of the low level of movement in the underlying phase of advancement of a country street; coordination of rustic street improvement design with the other provincial improvement programs.

Review of Literature

Various examinations have built up the positive connection between rustic network and advancement; country streets give crucial

connections that cultivate viable access to and usage of a large group of critical social and physical foundation. A large number of advantages are ascribed to rustic street advancement, including expanded horticultural generation, better homestead costs, development of dairying, provincial industrialization, better instructive guidelines, and higher future bringing about adjusted and speedier improvement of country territories.

Country street improvement upgrades access to business sectors for the two sources of info and yields through a decrease in exchange and exchange cost (transport and coordinations cost). The more noteworthy accessibility of information sources builds their utilization by ranchers. Subsequently, agrarian profitability can increment. Provincial streets likewise enable makers to accomplish extra gainful openings, prompting ascend underway (Stifel and Minten, 2008).

Jalan and Ravallion (2002) demonstrate that street thickness had an exceedingly huge constructive outcome on utilization development at the homestead family unit level in provincial regions of Southern China from 1985 to 1990. Utilizing family information in Ethiopia, Dercon and others (2008) find that the closeness of a street is a central point in diminishing destitution.

Fan, Nyange, and Rao (2005) Fan, Nyange, and Rao (2005) demonstrates that every kilometer decrease out there to an open transportation office diminishes the likelihood of a family being poor by 0.22 to 0.33 percent in Uganda. It has been watched that there was an immediate connection between increment in land of fare edit development and the standard of streets and separation from principle business focuses. There is upgraded entrepreneurial action, sharp decrease in cargo and traveler charges and

enhanced administrations because of interest in rustic streets.

Bonney, 1964 While investigating the financial effect of new streets on little and disengaged town groups in Mexico, it was discovered that the streets made inflow and surge age of transportation, correspondence and modernisation and also movement, both into and out of the group.

Elmondorf and Merrill, 1977 The investigation of the impacts of rustic streets change in the Philippines uncovered enhanced monetary social and human administrations pointers, because of change in country streets. The gross family wage expanded by 28 percent essentially because of less expensive and more solid transport, less expensive homestead inputs, higher ranch entryway costs and vast offer of significant yields sold specifically in business sectors. There was expanded non-cultivate business, better access to instruction, wellbeing and homestead administration administrations, enhanced diversion offices and data streams (USAID, 1978). Access to better wellbeing and training for the most part enhances more quickly along streets than somewhere else. An investigation in Thailand uncovered that effect of streets was more on disconnected zones that were brought into the standard. The region under development and the power of land utilize expanded essentially wherever access to showcase is enhanced (Moore, 1980). In another investigation, large scale information was utilized from eighty five irregular chose regions of India to look at the part of provincial streets, among different factors in farming venture and yield. The examination found that the street speculation contributed specifically to the development of agribusiness yield, expanded utilization of manure, extension of business bank tasks and so on Access to every single climate street in 15 towns in Ethiopia lessened the rate of

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CONTENTS

SI. No	Name of the Paper	Page No
1	Diversification: Complementary Assets and Super Additive Synergy YULIANA SAFTIANA, SULASTRI, ISNURHADI, MOHAMAD ADAM & FIDA MUTHIA	1-15
2	Sustainable Competitiveness and Inclusive Growth Dr. P. ARUNACHALAM	16-42
3	Micro Finance in India Challenges and Solution Framework Dr. R. MAYAKKANNAN	43-47
4	Worldwide Agriculture Development and Food Security Dr. G.L. SHENDGE & G.T. PAWAR	48-50
5	Economic Development of India Challenges and Strategies Dr. S.N. SUGUMAR & S. BALASEKARAN	51-54
6	A Study on Trends and Drivers of Transformation in Dietary Pattern in India and Its Implications on Nutrition and Health Status Dr. L. GANESAN, B. NEPPOLIAN & R. SENTHAMIZH VEENA	55-65
7	Performance of the Share of the Secondary Sector in Relation to GDP, Workforce and Exports Dr. A.P. RAMABAI	66-72
8	Casual Relationship between Lending Rate and Consumption in India for Inclusive Growth Dr. R. RAJENDRAN & S. SARAVANAN	73-76
9	Urban Solid Waste Management a Study on Karaikudi Municipality of South India Dr. R.M.K. RADHAKRISHNAN	77-83
10	Trends in Literacy and Agriculture across Females in Karnataka a District Level Analysis Dr. AL. SURESHA	84-89
11	A Study on Stress Management among Women School Teachers in Vellore Dr. G. CHOKKALINGAM	90-94
12	Determinants of Crop Insurance Demand Empirical Evidence from Telangana G. PANDARAI AH	95-100
13	Social Changes Through Education in India Dr. J. MOSES GNANAKKAN & S. SURESH ABRAHAM PRATHAB	101-108
14	Inclusive Inter Service Sectoral Development for Sustainability Still a Challenge to India Dr. M. KUMAR RAJU & A. RANGA REDDY	109-113
15	Financial Inclusion and Women Coir Workers – An Inclusive Financial Analysis Dr. P. VEERAKUMAR & A. MANIKANDAN	114-123
16	Economics of Natural Resources and Sustainable Development Dr. ANGREJ SINGH	124-128
17	Food Grains Production and Economic Development of India Dr. S. CHANDRACHUD & Dr. S. THANGAMAYAN	129-133
18	Social Development and Inclusive Growth of Pradhan Mantri Schemes with Reference to Tiruchirappalli District Dr. P. SRINIVASAN & Dr. S. VANITHA	134-144
19	Trend and Growth Pattern of Road Infrastructure in India Dr. P. CHENNAKRISHNAN & R. THIRUNAVUKKARASU	145-152
20	Livelihood Vulnerability and Displacement of Coastal People in Kerala Dr. C.A. MARY LIYA	153-157
21	Health Status of Infants in Tamil Nadu Dr. M. CHITRA	158-163
22	Issues and Challenges of Food Security in India Dr. K. RAMAKRISHAN	164-167

23	An Economic Analysis of the College Teachers in Ramanathapuram District, Tamil Nadu M. MANIKANDAN and Dr. K. RAMAKRISHNAN	168-172
24	Analysis of Drinking Water Supply Problem in Ramanathapuram District Tamil Nadu G. MUTHIAH and Dr. K. RAMAKRISHNAN	173-177
25	A Study of Women Time Management with Reference to Rajapalayam City Dr. S.K. KANNAN and P.R. RAMJI	178-183
26	An Analysis of Agriculture Sector of Inclusive Growth in India Dr. P. CHENNAKRISHNAN and Dr. K. JAYARAMAN	184-191
27	A Comparative Study of Khadi and Village Industry in Terms of Production, Sales and Employment Dr. G. SENTHILKUMAR, Dr. T. RAMANATHAN and P. MANSA	192-196
28	Indian Agriculture Performance of Allied Sector in Trend and Challenges Dr. S. MALLIKA	197-203
29	Agrarian Crisis in Tamil Nadu Declining Production and Productivity, the Emerging Twin Issues Dr. S.M. SURIYA KUMAR and Dr. BHEEMARAJ	204-207
30	Women Empowerment Through Self Help Group – Bank Linkages Programme Dr. T. JACKULINE BRINDHA and Dr. J. MOSES GNANAKKAN	208-213
31	Inclusive Growth in India Some Issues JASPREETKAUR, Dr. T. RAMANATHAN and Dr. R. SATHIYASEELAN	214-218
32	Goods and Services Tax and Its Impact on Indian Economy Dr. P. KANNIYAMMAL	219-224
33	Inclusive Growth Under MGNREGS – A Study in Madurai District of Tamil Nadu Dr. DHULASI BIRUNDHA VARADARAJAN	225-233
34	An Employee Motivation of Small Scale Industry in the Kancheepuram District Dr. T. SELVAKUMAR	234-239
35	Destination Marketing in Indian Medical Tourism Dr. P.S. BUVANESWARI & T. RAGETHA	240-243
36	Implementation of Corporate Governance and its Impact on Indian Companies in Present Scenario M. DEIVANAI & Dr. S. VANITHA	244-252
37	Role of Self Help Groups (SHGs) in Financial Inclusion – A Study of Anantnag District, Jammu and Kashmir Dr. TANVEER AHMAD DAR	253-263
38	Inclusive Growth and Women Empowerment in Kerala – A Case Study KS. SUMI	264-267
39	Urban Local Bodies and States of Service Delivery in India Challenges of Inclusive Urbanization M.P. MUHAMMED RIYAS	268-274
40	Municipal Solid Waste Management and Inclusive Sustainable Environmental Development J. SACRATEES & K. AJITHA	275-284
41	Nutritional Status of Adolescent – A Case Study J. POONKUZHALI	285-288
42	Impact of MGNREGS on Livelihood Security in Sivagangai District of Tamil Nadu G. XAVIER & G. MARI	289-296
43	The Role of Cotton Textile Industry in India R. SELVAMANI	297-305
44	Impact of Goods and Service Tax on Consumer Behaviour with Special Reference to Palakad District Kerala M.B. KRISHNA, P.J. AISHWARYALEKSHMI & YAMUNA KRISHNAN	306-310
45	An Assessment of Agriculture Sector in India Dr. K. ANBAZHAGAN	311-314
46	Occupational Health Challenges of Constructional Labourer – A Case Study T. NAGARAJAN	315-318
47	A Study on Inclusive Development in Fisheries Sector Based on Gender Perspective A.P. SACHIN PAVITHRAN & D. SARADA DEVI	319-325
48	Overview of Health Care Services and Facilities in Kerala D. PRINCY	326-330

A STUDY ON SUGARCANE PRODUCTION IN INDIA

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Abstract

India is the largest producer and consumer of sugar in the World. About 45 million sugarcane farmers, their dependents and a large agricultural force, constituting 7.5 percent of the rural population, are involved in sugarcane cultivation, harvesting and ancillary activities. This enabled India to become the largest producer of sugarcane and sugar in the world leaving the other major producers Brazil and Cuba. The major sugarcane crop growing states in India are Uttar Pradesh, Bihar, Assam, Haryana, Gujarat, Maharashtra, Karnataka and Tamil Nadu. The sugarcane cultivation and sugar industry in India plays a vital role towards socio-economic development in the rural areas by mobilizing rural resources and generating higher income and employment opportunities. The major problem of sugarcane in India is based on monsoon and water supply. The cyclical nature in sugar production has caused distortions in the export of sugar in India. This study analyzes the state-wise production and reasons for the changes in production of sugarcane in the time period of 2000-2010.

I. INTRODUCTION

India is the second largest sugarcane producing country after Brazil. Largest sugarcane producing state of India is Uttar Pradesh, which has 38.61% share in overall sugarcane production as per 2013-14. The second and third largest states are Maharashtra and Karnataka. Other main sugarcane producing states of India include Bihar, Assam, Haryana, Gujarat, Andhra Pradesh and Tamil Nadu. In most parts of the world, sugar is an important part of the human diet, making food more palatable and providing food energy. After cereals and vegetable oils, sugar derived from sugarcane and beet provided more kilocalories per capita per day on average than other food groups. According to the FAO, an average of 24 kilograms (53 lb) of sugar, equivalent to over 260 food calories per day, was consumed annually per person of all ages in the world in 1999. Even with rising human populations, sugar consumption is

expected to increase to 25.1 kilograms (55 lb) per person per year by 2015.

Sugar production in India has been cyclic in nature. An estimated 75 per cent of the population depends on the sector either directly or indirectly. Sugar industry is also expected to develop further, thereby offering more employment opportunities to a number of semi-skilled and skilled workers in the rural areas of the country thereby contributing towards their development. The sugar industry also supports diversified ancillary activities and skills that support the local economy. The dependent population creates substantial demand for local goods and services. The sector also has major social and economic impact on the nation as it is a green industry and is largely self-sufficient in energy needs through utilization of bagasse for generating electricity and steam. In fact, the sugar industry

generates surplus exportable energy through cogeneration and contributes to reducing the energy deficit that India is currently facing. Sugar cane is grown in semi-tropical region and accounts for around twothird of world sugar production. Since sugar cane is used as the input for the manufacture of sugar, sugar industry is getting large production from sugar cane growing states in India namely Andhra Pradesh, Tamil Nadu, Gujarat, Karnataka, Maharashtra and Uttar Pradesh.

Statement of the Problem

A serious problem for the industry has been its frequent instability. There has been alteration of increases or decreases in production and prices over short periods, resulting in widespread difficulties for producers and consumers. Sugar production in India has fallen, as farmers over years shifted to better paying food crops. The ordinance takes effect from 1974 when the levy pricing of sugar has been a subject of controversy resulting in legal proceedings. There are broad areas of public intervention that regulate the sugar market in India. First, both the Central and the State Governments set a price support for sugar cane. The Central Government announces a price level, referred to as the statutory minimum price for sugar (SMP) raised by State Government to account for differences notably in productivity and transportation cost which was replaced by the concept of Fair and Remunerative Price (FRP), which takes into account "reasonable margins" for growers of sugar cane at which sugar factories are legally required to pay farmers. Next is by restrictions on sugar quantities to be sold in the market also impose on the sugar factories a so-called sugar levy, by which they are required to sell at below market price to the public distribution centers.

Nagarajan (2014) was conducted a study on "sustainable farming practices in sugarcane cultivation". The objective was to minimize the cost of production and maximize the productivity without

affecting the environment and certain steps need to be wakened for sugarcane cultivation such as land preparation practice, planting sets practice, water management practice, inter cropping management practice, ratoon management practice, harvesting management practice and from these practices they concluded that it was a great help to evaluate the adoption of different sustainable sugarcane farming practices.

Dr.S.D.Sundar singh and R. Veeraputhiranhas (2001) had conducted a study on "irrigation management in sugarcane and concluded that Tamil Nadu was the leading producer of sugarcane was compared to other states. But, the scarcity of water was a limiting factor. Water was vital in certain stages of growth of sugarcane. Irrigation water was essential yet a constraint in sugarcane production, efficient supply of water, considering the soil, climate, crop, environment conditions was important. The various strategies include selection of varieties, mulching, and gradual widening of furrows, alternate furrow method of irrigation, drip irrigation, and an innovative method called surge irrigation. The authors stressed in the fact that an optimum soil moisture environment was a pre-requisite to reduce the adverse of shoot borer in sugarcane.⁵ In this paper it will analyze the sugarcane production in all states in India and it updates the trend and relevant need for changes that would lead to progress the production of sugarcane in India.

Objective

1. To know the production and consumption future market conditions.
2. To analysis agro base farmer employment opportunity.
3. To supply of international and domestic farmers production variations.

Methodology

This study is based on secondary data. The data on sugarcane production in India was collected from

LINKAGES BETWEEN TRADE, DEVELOPMENT AND POVERTY REDUCTION

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Abstract

Development may mean different things to different people. In strictly economic terms development has traditionally meant the capacity of national economy, who initial economic conditions has been more or less static for a long time to generate and sustain an increase in its Gross National Income at rates of 5% to 7% or more. The experience of 1950s and 1960s, when many developing nations did reach their economic growth targets but the levels of living of the masses of people remained for the most part unchanged signaled that something was very wrong with this narrow definitions of development. An increasing number of economists and policy makers clamoured for more direct attacks on widespread absolute poverty, increasingly inequitable distribution and rising unemployment. In short, during the 1970s economic development came to be redefined in terms of reduction or elimination of poverty, inequality and unemployment within the context of growing economy. Trade between nations has increased considerably since 1980s. Since the late eighties, developing countries have progressively integrated global markets through unilateral broad structural economic reforms bilateral free-trade agreements, and multiparty trade negotiations. From a developmental perspective, the degree of tariff liberalization has not coincided with proportional

reductions in overall poverty. Although several factors beyond trade policy appear to have contributed to this divergence, it is also true that the links between trade openness and poverty are not well understood, thus making it particularly difficult design and implement trade-induced pro-poor public policies.

I. INTRODUCTION

In India from independence in 1947 and until the dawn of 1990s, the trade policy of India was heavily influenced by the "Swadeshi" i.e. self sufficiency mentality and the "license raj" system of restrictions of production and imports. First generation of reforms took place between 1991 to year 1996. It aimed at liberalizing trade- led to a reduction of imports tariffs, the elimination of quantitative restrictions exchange rate reforms and deregulation of industries. It resulted in a yearly growth rate of around 7% compared with 3% before the reforms. Now, India is a member of all the major multilateral economic forum be it International Monetary Fund (IMF) the World Bank and the Asian Development Bank (ADB). India is even a founding member of GATT and the World Trade Organization (WTO) India enjoys different types of trade agreements with many countries. Trade agreements can be bilateral or multilateral that is the agreements is between two states or it can be between can be more than two states or countries. For the majority of countries global trade is synchronized by

unilateral barriers of several types, including tariffs, non tariff barriers, and outright preventions. Trade agreements are one off the approaches to diminish these barriers, thus opening all parties to the remuneration of increased trade. In most contemporary economies the possible alliances of interested groups are numerous, and the variety of possible unilateral barriers is enormous. Further, several trade barricades are created for other, no economic grounds, such as national security or the aspiration to preserve or protect local culture from foreign manipulations. Therefore it is not startling that successful trade agreements in India are very convoluted. Various general features of trade agreements are (i) reciprocity, (ii) a most-favoured-Nations clause, and (iii) national treatment of non tariff barriers. When an economy is generating greater output, creating more and better productive jobs and providing opportunities that the poor can take up, it is in a better position to make sustained roads into reducing income poverty and tackling other social and economic problems. However, while this relationship is strong, it is not automatic. The impacts of trade reform and expansion on the poor and particularly context-specific, according to consumption patterns of the poor, and on whether trade-induced growth occurs in areas and sectors where poor women and men live and are economically active.

Objective

1. To know the Implementation challenges have also received more attention from governments and the global development community.
2. To analysis services are efficient and competitive, governments will need to make long-term policy changes that improve and maintain competitiveness of services,.

Methodology

- In this paper the research is based on secondary data. The data is taken from different research reports, journals, websites and research paper. The research is based on the study of investment of terms of trade between two countries.

Importance of Trade among Nations in Developing Process

Almost all countries trade is an important source of wealth generation, as well as an important means to self-sustained growth and poverty reduction. To begin with, access to larger and richer foreign markets is key to enable domestic firms to generate the level of demand required to exploit economies of scale which, in turn create the opportunities for sustained economic growth. This is especially true for low-income countries with small domestic markets. More importantly, trade allows developing country firms to access technologies that are essential for improving their productivity and competitiveness which will generate growth and employment opportunities, including for poor men and women. Furthermore as the experiences of newly industrialized economies in Asia has demonstrated from the 1960s through to the 1990s late comes can with the right preconditions and determinants- take advantage of the newest technological development and simply buy technology for its own industrial development at a relatively lower cost and less risk (UNIDO, 2007). World Bank estimated that abolishing all trade barriers could increase global income by United States dollar 2.8 trillion and lift 320 million out of poverty by 2015. However, much of this optimism has not been borne out by the existing evidence to date, at least in the short-term. Second, the eradication of poverty and extreme hunger is one of Millennium Development Goals. Developing countries in general have comparative advantage in labour-intensive industries and import

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- In this paper the research is based on secondary data. The data is taken from different research reports, journals, websites and research paper. The research is based on the study of investment of terms of trade between two countries.

Importance of Trade among Nations in Developing Process

Almost all countries trade is an important source of wealth generation, as well as an important means to self-sustained growth and poverty reduction. To begin with, access to larger and richer foreign markets is key to enable domestic firms to generate the level of demand required to exploit economies of scale which, in turn create the opportunities for sustained economic growth. This is especially true for low-income countries with small domestic markets. More importantly, trade allows developing country firms to access technologies that are essential for improving their productivity and competitiveness which will generate growth and employment opportunities, including for poor men and women. Furthermore as the experiences of newly industrialized economies in Asia has demonstrated from the 1960s through to the 1990s late comes can with the right preconditions and determinants- take advantage of the newest technological development and simply buy technology for its own industrial development at a relatively lower cost and less risk (UNIDO, 2007). World Bank estimated that abolishing all trade barriers could increase global income by United States dollar 2.8 trillion and lift 320 million out of poverty by 2015. However, much of this optimism has not been borne out by the existing evidence to date, at least in the short-term. Second, the eradication of poverty and extreme hunger is one of Millennium Development Goals. Developing countries in general have comparative advantage in labour-intensive industries and import

INFRASTRUCTURE AND ECONOMY GROWTH IN INDIA

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Abstract

In this paper examine the recent scenario of infrastructure has play a vital role of essential for economic development and is considered as the backbone of an economy it is basic supporting factor for all sectors of the economy infrastructure instrument to reduce the disparities between demand and supply. Indian infrastructure define infrastructure as a physical framework of facilities through which goods and services are provided to the public. Infrastructure can deliver point's economic growth poverty alleviation and environment sustainability. Education and health are the two important social infrastructure and social infrastructure, communication, electricity, or the economic irrigation, water supply and sanitation are recognized as a physical infrastructure otherwise called economic infrastructure, social infrastructure is an instrument to promote the human capital and physical infrastructure is pertinent to promote the economic activates.

I. INTRODUCTION

India became the second faster growing large economy two decades next only to china the decadal growth rate of GDP has significantly increased during the liberalized era viz between 1980-81 and 1990-91 the which during 1990-91 to 2000-01 and further increased 7.6 per cent in the subsequent in fracture activity field as infrastructure factor to ladder in the economic development in India development in particular physical infrastructure development has

been paid a considerable attention during 2000s,hence it is that the both public as well as private sectors play a pivotal role to proved a god infrastructure facility.

Infrastructure Development in India

In India social and economic performance is significantly high in some status mainly due to providing quality of infrastructure over the period it is obvious that the states which have spent less on development of infrastructure are poor in economic performance .hence, the low-income states received financial support from central government and Public Private Participation (PPP) system. the major state-wise infrastructure consists of 12 indicators and some of the infrastructure indictors are banking, communication, electricity, road transport, irrigation, education and health, the infrastrure index and per capita income (current prices) are given for 1999-00. It observed that Andhra Pradesh, Kerala, Karnataka and Rajasthan improved its infrastructure index ranking whereas Tamil Nadu, Haryana, Gujarath, Madhya Pradesh, Orissa and Uttar Pradesh retained the same ranks in the two points of the year. west Bengal, Punjab, Bihar and Maharashtra found themselves in lower ranks. Absolutes declined in west Bengale. value of index has Punjab Haryana and Bihar between these two points of years.

Infrastructure Investment - Links to Growth Model

In this section our objective is to examine the effects of infrastructure on overall growth and thereby sustained poverty reduction in the economy.

There are many infrastructure variables that can be considered to determine the effect of infrastructure on growth. Since adding unimportant variables will add overhead to the analysis without any significant effect on the dependent variables, we need to identify which are the important variables. In order to address the first research question, we use here an aggregate production function, which can be written in the form

In adequacy of Infrastructure facilities is considered as a major hurdle for the economic growth there was neglect of infrastructure in India-both physical and social infrastructure -has been upon ninth plan period in the latter part of the ninth plan, deficit of investment in infrastructure was realized hence, the government of India began to shift its focuses to infrastructure development as was evident

from the tenth and eleventh plan during target of public-private participation (ppp) project were motivated in order to reduce the government financial burden. those is possible only by providing superior quality infrastructure generating employment ,increase in productivity, reduction of poverty and acceleration of economic activist mainly depends upon the quality of infrastructure(GOI,2013B) old technology ,slow speed, high un electrified routes in railways inadequate urban infrastr4ture faculties and limited public investment in infrastructure facilities and limited public investment in infrastructure are themal6re obstacles to growth in the Indian economic. Hence the twelfth plan aims to pay more attention for strengthening the infrastructure.

Table -1: PPP Projects in Central and State Sectors (as on March 31, 2011)

Projects Under	Projection in Sector	Completed Projects		Projects Under Implementation		Projection in Pipeline		Total	
		No. of Projects	Projects Cost (Rs.crore)	No. of Projects	Project cost Rs. crore	No.of Projects	Project cost (Rs.crore)	No.of Projects	Projects Cost(Rs.crore)
Central Sector									
1	National Highways	55	20,139	127	103,455	60	52,573	242	176,167
2	Major Ports	29	9,677	20	34,138	24	16,964	73	60,779
3	Airports	3	5,883	2	23,310	14	12,387	19	41,8580
4	Railways	5	1,166	4	2,363	6	95,535	15	99,064
	Total	92	36,865	153	163,266	104	177,439	349	377,590
State Sector									
1	Roads	141	11,438	91	28,901	234	132,668	466	173,007
2	Non-Major Ports	20	26,964	40	55,853	25	41,073	85	123,890
3	Airports	2	4,957	7	4,571	9	4,265	18	13,793
4	Railways			1	500	3	312	4	812
5	Power	14	19,019	96	29,585	89	82,245	199	130,849
6	Urban Infrastructure	95	8,611	103	42,546	227	81,265	425	132,422
7	Other sector	68	3,053	94	51,605	257	91,166	419	145,824
	Total	340	74,042	432	213,561	844	432,994	1,616	720,597
	Grand Total	432	110,907	585	376,827	948	610,433	1,965	1,098,187

An upsurge in private participation in infrastructure investment in the primary sector is reflected in Graph 1, which shows that from 1990 till 2010 US\$ 234, 204 million was invested in the creation of physical infrastructure, most particularly in the energy and telecom sectors. Moreover, it suggests that the country has been attracting more private investment in infrastructure since 2006. Concomitantly, recent studies also show that since 2006 India has had more success attracting private investment in infrastructure than any other developing country (Harris, 2008).

AGRICULTURAL PRODUCTION TRENDS IN INDIA: AN OVERVIEW

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Abstract

India's agricultural sector is rich world second largest rice and wheat producing country and the export of rice produce in large and diverse. Indian agriculture has one-fifth trade worldwide also the largest producer, consumer and importer of pulses such as pigeon peas, chick peas, mung beans and lentils. However in India today, as in many other mounting countries with a rich agricultural tradition of their own, the words 'improved agriculture' and 'progressive agriculture' have become synonymous with the spread of HYVs grown with ever-increasing doses of chemical fertilizers and pesticides. Wherever the new crop varieties have spread, time-honoured crop rotations, inter-cropping patterns and other important features of traditional agriculture have been harshly uprooted. At the back of this trend, and the official policies which support it, is the belief that traditional agriculture is 'backward' and incapable of meeting the need of increasing population.

I. INTRODUCTION

Indian Agriculture has the backbone of Indian economy as of its high share in employment and livelihood formation. India is the second largest producer of food in the world: more than 200 million tons of food grains, 150 million tones of fruits and vegetables, 91 million tonnes of milk, 1.6 million tonnes of poultry meat, 417 million livestock, and 6.05 million tonnes of fish and fish products. The Indian agriculture has made great strides over the

years. The food grain production has increased more than fourfold - from 51 million tonnes in 1950-51 to 212 million tonnes during 2003-04 growing at an annual average rate of more than 2.4 percent per annum. India accounts for only about 2.4 % of the world's geographical area and 4 % of its water resources, but has to support about 17 % of the world's human population and 15 % of the livestock. Agriculture is an important sector of the Indian economy, accounting for 14% of the nation's GDP, about 11% of its exports, about half of the population still relies on agriculture as its principal source of income and it is a source of raw material for a large number of industries. Accelerating the growth of agriculture production is therefore necessary not only to achieve an overall GDP target of 8 per cent during the 12th Plan and meet the rising demand for food, but also to increase incomes of those dependent on agriculture to ensure inclusiveness.

The share of agriculture in the Gross Domestic Product (GDP) has registered a steady decline yet this sector provides direct employment to more than fifty percent of total workforce in the country and a large proportion of the population depends upon agro-based industries and trade of agriculture products. It is also an important source of raw material and demand for many industrial products, particularly fertilizers pesticides, agricultural implements and a variety of consumer goods contribute significantly to the exports. However, the growth of agriculture over a period of time remained lower than the growth in non-agriculture sectors.

General Causes of Extreme Demands of Population on Land

The heavy pressure of population on land is caused by the limited growth of employment opportunities in the non-agricultural sector for rural people and rapid growth of rural population. In 2001, about three-quarters of the rural working population were employed in the agriculture sector. The increasing population is largely responsible for subdivision, fragmentation of land holdings that results into low productivity of land.

Community Environment

The social environment in terms of illiteracy, superstitious attitude and unresponsive behavior towards the new technology is also a major limiting factor to the improvement in the agricultural productivity. Further, the human factor engaged in the agriculture sector is most unsatisfactory due to poor health and hygiene conditions.

Land Degradation

The natural resource degradation in rural areas has occurred due to two major problems one is the increasing population pressure that has resulted into decline in forest cover and second is the erosion and loss of top-soil which is very difficult to reverse. The increased land degradation is mainly due to the increased use of chemical fertilizers, and low quality of canal water. This has resulted into loss of nutrients in the land and fall in the productivity levels.

Lack of General Infrastructural Facilities

The economic rural infrastructural facilities are inadequate in terms of availability of road, transportation facilities, electricity and power. The Government's expenditure on total rural development has declined tremendously. There is a marked slowdown in capital formation in the agriculture sector.

Inadequate Agricultural Capital Formation

Agriculture sector cannot make substantial contribution to the economic development of the

country. The capital formation in the agriculture sector particularly the public capital formation in the agriculture sector is declining. The investment in agriculture as a proportion of GDP has fallen from 1.92 per cent in 1990 to 1.31 per cent in 2003. The depressed capital formation has resulted into low agriculture productivity.

Institutional Causes Defective Land Tenure System

The exploitative character of land tenure system in the form of Zamindari system has reduced the capacity, incentive and motivation of the cultivators to improve productivity. The exploitative practices in terms of excessive rent, insecurity of land tenure and no land ownership rights causes cultivators to share large portion of output with land owners. This has resulted in lack of resources and interest of farmers to introduce technological improvements and thus increase productivity.

Uneconomic Land Holdings

The average land-holding in India is not only small in size but split into pieces and scattered due to sub-division and fragmentation of land. The average land-holding is just 2.30 hectares according to the latest agriculture census in India. This has resulted into the uneconomic land holding making investments in improved technology and inputs unviable. This has caused reduction in land productivity.

Inadequate Credit and Marketing Facilities

There has been a drastic reduction of institutional credit for agriculture. It is evident from the fact that the percentage share of agricultural credit, in the total credit of all scheduled commercial banks since the early 1990s has fallen compared to the levels, reached in the 1980s. Banks and financial institution are reluctant to provide financial assistance at fair rate of interest to farmers. Since 2003, however, there is an increase in absolute amount of credit to agriculture sector of all banks. However, the most disturbing

PERFORMANCE OF RURAL AGRICULTURAL FINANCE – AN ANALYSIS

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Abstract

Agriculture is the backbone of the Indian economy. Although the sector accounts for 15 percent of the national GDP, as well as roughly 11 percent of its exports, half the population still relies on agriculture as the most important source of income, and agriculture is a source of raw material for a large number of domestic industries. India ranks second in total farm output on a global level. During 2013-14 the total production of cereals amounted to 245.6 million tonnes. The horticulture production reached 277.4 million tonnes in 2013-14, representing a 66.2 percent increase from 2004-05. The dairy sector is one of the major livelihood activities in rural India, and a significant contributor to the country's agricultural economy. With an estimated 139.7 million tonnes of production, the country is responsible for approximately 17 percent of global milk production, the majority of which is consumed domestically. Milk production has increased by approximately 51 percent during the last 10 years. By keeping a sustained growth rate, the production is expected to reach 180 million tonnes by 2020-21.

I. INTRODUCTION

Indian agriculture finance is a most important of development and technologies for sustainable agriculture cultivations in India. The Indian agriculture cultivation technical inputs can be purchased and used has farmers only if the sufficient

funds available with the Indian farmers. Most of the time farmers suffer from the problem of inadequate financial state. This situation leads to borrowing from an easy and comfortable source. In the Indian at farmers borrow the agriculture credit has heavily burdened of debt in the rural farmers.

Agricultural finance has liquidity services credit provides to farm of borrowers. It is also considered as the study of those financial intermediaries who provide loan to agriculture and the financial intermediaries obtain their loanable funds of farmers.

Agricultural production in this country depends upon millions of small farmers. The farming community must be kept informed about the various sources of agriculture finance. Agricultural finance possesses its usefulness to the farmers, lenders and extension workers. The knowledge of lending institutions, their legal and regulatory environment helps in selecting the appropriate lender who can adequately provide the credit with terms and related services needed to finance the farm business.

Statement of the Problems

Agriculture plays a crucial role in the development of the Indian economy. It accounts for about 19 per cent of GDP and about two thirds of the population is dependent on this sector. Agricultural finance is a subset of rural finance dedicated to financing agricultural related activities such as input supply, production, distribution, wholesale, processing and marketing. Financial service providers face distinct challenges when dealing with this sector.

For example, the seasonal nature of production and the dependence on biological processes and natural resources leave producers subject to events beyond their control such as droughts, floods or diseases. The modern agriculture has increased the use of inputs especially for seed, fertilizers, irrigational water, machineries and implements, which has increased demand for agricultural credit. The adoption of modern technology, which is capital intensive, has commercialized agricultural production in India.

Agriculture Types of Loans

Short-Term: The "short-term loans" are generally advanced for meeting annual recurring purchases such as, seed, feed, fertilizers, hired labour expenses, pesticides, weedicides and hired machinery charges which are termed as seasonal loans/crop loans/production loans. These are expected to be repaid after the harvest. It is expected that the loan plus interest would be repaid from the income received through the enterprise in which it was invested. The time limit to repay such loans is a year.

Medium-Term (from 15 months up to 5 years): "Medium-term loans" are advanced for comparatively longer lived assets such as machinery, diesel engine, wells, irrigation structure, threshers, shelters, crushers, draught and milch animals, dairy/poultry sheds, etc., where the returns accruing from increase in farm assets is spread over more than one production period. The usual repayment period for such type of loan is from fifteen months to five years.

Long-Term 15 month to 5 years (above 5 Years): Loans repayable over a longer period (i.e. above 5 years) are classified as long-term loans. "Long-term loans" are related to the long life assets such as heavy

machinery, land and its reclamation, erecting of farm buildings, construction of permanent-drainage or irrigation system, etc. which require large sums of money for initial investment. The benefits generated through such assets are spread over the entire life of the asset. The normal repayment period for such loans ranges from five to fifteen or even upto 20 years.

Murray (1952) examines the farming investment as a monetary study of borrow finances by farmers, the association and process of farmhouse lend agency within society's concern in credit for cultivation.

Tandon and Dhondyal (1960) to study undeveloped finance "as a subdivision of rural economics, which deal with and monetary fund's related to individual farm units".

Objectives of the Study

1. To study analyze growth of Agriculture credit in India
2. To examine the Institutional credit for Agriculture and allied activities in India
3. To find out the Agency level of Agriculture credit flow of borrows in India

Methodology

The secondary data collected from various Journals, Reference Books, Magazine, Periodicals, NABARD Report, the study on analysed of 2001-2016-17 data collected from the RBI Report.

MEASUREMENT OF POVERTY AND ENVIRONMENT SOCIAL INEQUALITY

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Abstract

The regional disparities within a country is increasing, become a matter of great concern for policy makers in most of the developing countries. It is argued by the economists the progress of the nation depends in a real sense on the development of weaker states. The large and persistent disparities in economic development and well being of different states are viewed many a times as an annoying source for political tension and a danger to national integrity and strength. The problem of regional inequalities associated with development is universal and not new. In developed economies, the problem is confined to a few depressed areas and areas which for geographical and others reasons, are found to be lagging in the process of development but in developing countries, the size and nature of problem is different in the sense that there are only a few highly developed areas in the midst of large areas which are underdeveloped. Reduction in regional inequalities and accelerated economic growth are complementary to each other.

I. INTRODUCTION

The expansion of health and education and the inequalities prevailing therein. According to him if machinery does nothing to produce production and it is quite in centric to value its existence, whereas being educated or being in good health could have a higher value even if these two parameters do nothing to increase the production. He has been consistently arguing that the goal of the development is the

expansion of human capabilities that give people the freedom to do things that they value. It is the lives that people lead rather than the commodity that they consume is of intrinsic importance. Why is it so important to close the gaps in the social sector and to remove the enormous disparities? Sen's argument is that it that is makes the world more secure and fair and while choosing and proceeding on the path of development, plural nature of human insecurity and its diverse manifestation must be recognized because the fruits of economic growth do not automatically expand the social services there is icescape political process.

Objective

1. To know the study past experience and challenges future generation social sectors
2. To know the study eradication of the poverty level improvement of social dimensions
3. To know basic facilities of the people rural population among the country.

Methodology

The present study is divided into four sections and focused on interstates analyses. Section deals with why regional disparities appear. The second section deal with social sector inequalities; section III is focused on sen and poverty and in the IV section summary and policy implications of the study is give. The required data for the study are collected from respective census of India Reports of Center for Monitoring Indian Economy, Statistical Outline of India, World Development Report human Development report Etc.

Problems

The problem of regional disparities within a country is increasingly becoming a matter of great concern to policy makers in most of the developing countries. In a vast and varied country like India this is a nature phenomenon of the growth process. The Indian economy presents a very desperate picture of interregional disparities in both socio-economic sectoral development. Regional disparities and lopsided growth are not conducive to the national goal of growth with stability and social justice and it also affects the economy in many ways such as economically socially and politically. The first and perhaps the most important cause of growing regional disparities is the legacy of the colonial rule and our economic development policies. Adopted immediately after independence. One the eve of independence, different states of this vast country had not achieve the same level of development. The port town/ states like Bengal, Maharashtra states were not only commercially developed in many respects than other states of the country. These states were not only commercially developed but they also had most of the industries located in and around their port towns. Modern financial institution and expertise for industrial development were more developed in these states than other.

The second important cause of growing disparities is the difference in natural and created endowments in different states. As per the poor performance in irrigation and power sector, the green revolution in Bihar and Rajasthan. The dependence on monsoon for irrigation has not declined and the recurrence of droughts and floods has rendered the agricultural production most unstable.

The third cause of disparities is the unequal distribution of public revenue among the States. During all the year as of planning considerable investment has been concentrated at a few places like Mumbai, Ahmedabad, Delhi, Calcutta, Chennai and

Bangalore etc. and also the flow of capital and concentration of economic power continues to be biased in favour of large cities and the location of functions and facilities continues to be urban biased. Both in rural and urban sector, the beneficiaries, by and large are the upper income groups. This is due to highly skewed nature of assets distribution in the country.

Another economic cause of regional disparities is market imperfections such as factor immobility price rigidity ignorance of market conditions lack of specialization and lack of division of labour etc. These act as a friction to the development areas more developed. Thus there are so many causes which in regional disparities that have occurred are mainly owing to a process of normal economic forces exploiting the resources advantage of each area. The normal operation of economic forces as mentioned earlier will tend to develop those areas where advantages are readily available in preference to areas where such advantages have not been built up as yet or not available at all.

Regional Inequalities and Development of Social Sector

The development is a multidimensional process involving the reorganization and reorientation of entire economic and social system. Most of the countries pursue only the economic sector development but new thinking on development has provided the space for social sector development in the process of development. Prof. A.K. Sen has strongly emphasized on social sector development because it leads to the expansion of human capabilities through the improvement in knowledge health and skill.

Sen's View on Agriculture

Sen has significantly contributed to the economics of agriculture. He was stimulated by the farm management studies. Which says that if family inputs are evaluated at imputed prices then small

THE STRUCTURE OF GROWTH AND POVERTY

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Abstract

India will grow between 6to8 percent annually and will become the third or fifth largest economy of the world in this period.(for a model based on which these projections are derived after some modifications taking into account recent experience, see pandit,2004 and alagh,2000).The investment rate and productivity growth will be the drivers. For example, around a third of India's GDP growth in 1997/2003 is technology driven. Trade will also matter –will become around 4 percent of world trade. First ,in most recognizable way, the Eleventh plan brings a shift, the way we look at economic growth. In its own way the plan emphasized not only on growth. It recognized that that increase in aggregate income is critical –and an extremely important one-but its distribution in favors of poor is equally important for inclusive development and growth to be poverty reducing. Second aspect is that, in more explicit way it also recognized that poor.

I. INTRODUCTION

India is not a homogeneous category but differs in terms of economic, social and religious belonging. And therefore, while poor as an economic category are assets less, unemployed, less educated, without necessary skills, ill-health but are also those who suffered from social exclusion and discrimination. Higher growth in GDP,(with the national income growing in the range of 6to 8 percent per annum for over 15 years now) has not accelerated the decline in

poverty. The incidence of poverty among certain marginalized groups, e.g. the Sts, has hardly declined. The absolute number of poor people has declined only marginally (GoL,2009: 1) indicating a weak relationship between economic growth and poverty particularly in the decade of 1990s The Eleventh plan, therefore, singled out 'the type of growth' rather than growth alone, as an important element of inclusive growth strategy. However, to expect the growth to be inclusive is one thing, but to realize it in practice through relevant strategies is another. Whether the gains from income growth will be shared by the poor, would depend not only on the initial condition in terms of poor people's access employment, which in turn is determined by skill and education level, health, non-discriminatory access to credit. It is in this context, the nature of relationship between growth and income distribution bear significance for the speed of poverty reduction. In order to have reasonable idea about the potential of a particular growth process for inclusiveness and poverty reduction, insight into the observed empirical relationship between growth, inequalities and poverty in a specific (Indian) 'economic and social context' is necessary, to develop specific inclusive policies.

Growth, Inequality and Poverty Linkages: Insights From Literature

There is voluminous literature that provides useful insights on the relationship between economic development and inequality in distribution (and poverty).First systematic statement on this

relationship was made by Kuznets in the 1950s, where he argued that the long-term secular behavior of inequality follows an inverted U-shaped pattern with inequality first increasing during the early stages of growth in developing countries but is likely to fall after some time (Kuznets, 1955). Empirical studies that follow Kuznets' pioneering work provide evidence that, beside growth in per capita income, the income rate, income (or worker) share in non-agriculture sector, urbanisation level, education, government interventions, and others. This strand of thought which is called 'institutionalism', is based on the cross-country experiences that recognize the role of other factors in shift in income distribution in favour of poor (Tsakoglou, 1988).

The most influential empirical studies on this issue are undoubtedly those of Ahluwalia (1976a and 1976b) and to lesser extent that of Papanek (1973) that support Kuznets' assertions and those of Adelman and Morris (1973) and Papanek (1978) which support the 'institutionalist approach' (Tsakoglou, 1988: 510). Later work of Ahluwalia (1976b) combined the GDP per capita growth with other variables (such as literacy level, secondary enrollment rate, rate of population growth, share of agriculture in GDP, share of urban population etc.) and emphasized that beside growth, expansion in education, diminution of demographic pressures and changes in the structure of production in favour of modern sector turn out to be important (Ahluwalia, 1976b).

The most recent work which combines the GDP per capita with other variables include studies by Tsakoglou (1988), Hull (2009) and Ravallion (2009). Tsakoglou (1988) found that the rate of population growth was positively related to income inequality. Conversely, the educational level, the extent of government activity and the rate of growth of GDP per capita income hold negative relationship with inequality (Tsakoglou, 1988: 526). Other studies found that while the share of non-farm sector is

important, the increase in employment in more productive sector and increase in productivity in traditional sector are critical for decline in poverty (Hull, 2009). The research by Ravallion (2009) brought further insight on the relationship between growth, inequality and poverty but with deviating results. For the most part of (1980-2000) for 80 countries, Ravallion (2009) reports that there is 'little or no correlation between changes in inequality and rates of economic growth- inequality rose about as often as it fell', and concluded that 'as generalization across cross country experiences, it still appears that growth trends to be roughly distribution neutral' (Ravallion, 2009: 180). He also found that the rate of decline in poverty less responsive to growth. Further, the decline in poverty tend to be less with rising inequality than with declining one. The high inequality also affects growth and serve double blow to prospects for reducing poverty- 'it entails less growth, and it means that growth is less pro-poor'.

Changes in Rural Poverty

Let us look at the changes in poverty first. Rural poverty continue to decline during 1983/84 and 2004/05, at a per annum rate of 1.89 percent. However, the poverty declined at relatively lower rate for ST and SC and the Muslims compared to the others (non-SC/ST) among the social groups and Hindus and others religious minorities. The STs, SCs and Muslims which suffered from high level of poverty in the base year had experienced lower decline compared to groups with low poverty in the base year. In the economic group, the self-employed farmers and self-employed non-farm producer and business households have performed better than the wage labor households during 1983/2004. The rate of decline was lowest for farm wage labour. This implies that the gains and business household than the wage earners household. For the economic groups, poverty has declined at different rate for different social and religious groups. The SC and ST self-

Income Inequality in India – An Analysis

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INTRODUCTION

Inequality measures can be relative, absolute, or intermediate. A relative measure is one whose value remains unchanged when all incomes in an income distribution are raised or lowered by the same proportion. An absolute measure is one whose value remains unchanged when all incomes in a distribution are raised or lowered by the same absolute amount. The French economist Serge-Christophe Kolm observed that in a period of labour unrest in the late 1960s, French workers agreed to an across-the-board increase of 13 per cent in all remuneration. It was only later that they realized that there was a specific sense in which this arrangement could increase inequality among wage earners. Imagine two employees with remuneration of 100 francs and 1,000 francs, respectively, before the wage hike. The difference in their remuneration is 900 francs. After the wage hike, their remuneration becomes 113 francs and 1,130 francs, respectively, and the gap between these increases from 900 francs before the hike to 1,017 francs after the hike!

In the presence of income growth, relative measures tend to behave like “rightist” measures, and absolute measures like “leftist” measures, as Kolm put it. He, therefore, saw the case for more “moderate”, “centrist/intermediate” measures, which register an increase in value when all incomes in a distribution are raised equi-proportionately and a decline in value when all incomes are raised equally. These are what one may call income-centrist measures. An analogous problem is encountered with a reckoning of inequality in the presence of population changes. Most extant inequality measures are population-relative, in the sense that when the numbers of persons at all income levels are raised equi-proportionately, the value of the inequality index remains unchanged. In contrast, a population-absolute index would register a k-fold increase in its value for a k-fold replication of the population at each income level. Population-intermediate measures, which avoid the “extreme values” of both relative and absolute indices, would typically register, in the presence of equi-proportionate increases of population at all income levels, a less-than-proportionate increase in inequality.

There is a strong case, from the perspectives of both logical and ethical acceptability, for employing comprehensively intermediate (that is, income-cum-population-intermediate) measures of inequality in empirical work. The predominant mainstream practice, however, is to employ strictly relative measures. One such measure is the Gini coefficient of inequality. What happens when we replace the relative Gini with the intermediate Gini coefficient? It

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**ACCELERATING
AGRICULTURAL
GROWTH**

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A Study on Watershed Development Programmes and Implementations in Tamilnadu

A. Kaveri and S. Dhanasekaran

INTRODUCTION

The Integrated Wasteland Development Programme (IWDP) has been under implementation in Tamil Nadu since 1993-94 in non-DPAP blocks to develop non-forest Wastelands on the principles of watershed development. The basic theme of the programme is to harvest the rainwater and to bring the degraded lands into productive use. From 1st April 1995, the programme has also been brought under the purview of the Common Guidelines like Drought Prone Areas Programme; presently it is governed by Hariyali Guidelines. As per Hariyali Guidelines, the User Groups have identified the works and execute the works through Village Panchayat. The duration of the project is five years.

The unit cost for a hectare is Rs.6, 000/-. The cost of the works undertaken under this programme is entirely met from project fund. However, contributions are collected from beneficiaries at 10%. In respect of community works and SC/ST, the contribution amount is 5% of the value of the work. Presently, the expenditure is shared between Central and State Government in the ratio of 11:1 at present, this programme is being implemented in 96 blocks of 24 districts viz., Coimbatore, Dharmapuri, Dindigul, Karur, Krishnagiri, Namakkal, Perambalur, Pudukkottai, Ramanathapuram, Salem, Sivagangai, Tiruvannamalai, Thoothukudi, Tiruchirappalli, Tirunelveli, Vellore, Erode, Theni, Madurai, Kancheepuram, Willupuram, Tiruvallur, Cuddalore and Virudhunagar. The works taken up under the Integrated Wasteland Development Programme are of a special nature and involve a variety of activities such as:-

Land Development: Land Leveling, Contour Bunding, Silt Application, Stone Bunding, Retaining Wall, Summer Ploughing, Vegetative Bunding and Continuous trenching.

Water Resources Development: Cattle Pond, Farm Pond, Formation of Oorani, Desilting of Tanks, Formation of Supply Channel and Desilting, Check Dams, Percolation Pond and Development of Drinking Water Resources.

Plantation Activities: Agro Forestry, Horticulture Plantation, Fodder Development, Crop Demonstration, Community Nursery, Social Forestry and Homestead Garden. Since the inception of the programme 85 projects have been sanctioned in 24 districts at a cost of Rs. 27,364.21 lakhs to tackle a total degraded land of 4,75,239 hectares. Out of 85 Projects,

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Economic Impacts of Tourism in Tamilnadu

S. Dhanasekaran and S. Kalaiselvi

INTRODUCTION

In recent years, the role of tourism in the economic development of a country has been the focus of study and research. It is the general consensus that tourism has been pivotal in social progress as well as an important vehicle of widening socio-economic and cultural contacts throughout human history. Over the past years, many developing and developed countries have considered tourism as an option for sustainable development of their nations. The importance of tourism as a contributor to economic growth is so widely accepted that year after year throughout the world a massive investment continues to pour in its development. It is with this backdrop, this paper is an attempt to investigate the dynamics of the relationship between tourism sector development and economic growth of India.

GLOBAL TOURISM

Tourism has emerged from being a relatively small-scale activity into one of world's largest industries and a fastest growing global economic sector of the world economy from the 1960s onwards. The international tourist arrivals have shown an uninterrupted growth from 25 million in 1950, to 681 million in 1980, to 438 million in 1990 and to 681 million in 2000. The international tourist arrivals were 880 million and the corresponding international tourism receipts was US\$ 852 million in 2009. Global tourism is increasing every year with the number of people travelling abroad reaching 903 million in 2007. The United Nations World Tourism Organization (WTO) has predicted that the number of international arrivals will reach 1.6 billion by the year 2020, with 1.2 billion of those being intra-regional travellers and 378 million being long-haul travellers. The tourist arrivals in Asia and the Pacific were 181 million and corresponding tourism receipt was US\$ 204 million. As per UNWTO estimates, the worldwide international tourist arrivals increased by 7 per cent between January and June 2010. For the full year 2010, UNWTO projects a growth in international tourist arrivals of between 3 to 4 per cent. In 2010, tourism is expected to generate 21.7 per cent of world gross domestic product; 10 per cent of global capital investments; 9 per cent of worldwide employment; and 22.2 per cent of worldwide exports of goods and services. All these cast for a significant role of tourism sector in the long-run growth of host countries across the globe.

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82. IMPACTS OF TOURISM AND ENVIRONMENTAL POLLUTION

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ABSTRACT

The quality of the environment, both natural and man-made, is essential to tourism. However, the relationship of tourism with the environment is complex. It involves many activities that can have adverse environmental effects. Many of these impacts are linked with the construction of general infrastructure such as roads and airports, and of tourism facilities, including resorts, hotels, restaurants, shops, golf courses and marinas. The negative impacts of tourism development can gradually destroy environmental resources on which it depends. On the other hand, tourism has the potential to create beneficial effects on the environment by contributing to environmental protection and conservation. It is a way to raise awareness of environmental values and it can serve as a tool to finance protection of natural areas and increase their economic importance. We describe that the effects of tourism on natural resources, environmental pollution and physical environment. In addition, we explain environmental impacts of tourism on global scale, industrial impacts on tourism and, finally, how tourism can contribute to environmental conservation.

INTRODUCTION

Tourism especially, marine and coastal tourism is one the fastest growing areas within the world's largest industry. Negative impacts from tourism occur when the level of visitor use is greater than the environment's ability to cope with this use within acceptable limits of change. Uncontrolled conventional tourism poses potential threats to many natural areas around the world. It can put enormous pressure on an area and lead to impacts such as soil erosion, increased pollution, discharges into the sea, natural habitat loss, increased pressure on endangered species and heightened vulnerability to forest fires. It often puts a strain on water resources, and it can force local populations to compete for the use of critical resources.

WATER RESOURCES

Water, and especially fresh water, is one of the most critical natural resources. The tourism

industry generally overuses water resources for hotels, swimming pools, golf courses and personal use of water by tourists. This can result in water shortages and degradation of water supplies, as well as generating a greater volume of waste water. In dry and hot regions like the Mediterranean, the issue of water scarcity is of particular concern. Because of the hot climate and the tendency of tourists to consume more water when on holiday than they do at home, the amount used can run up to 440 liters a day.

Golf course maintenance can also deplete fresh water resources. In recent years golf tourism has increased in popularity and the number of golf courses has grown rapidly. Golf courses require an enormous amount of water every day and as with other causes of excessive extraction of water, this can result in water scarcity. If the water comes from wells, over pumping can cause saline intrusion into groundwater. Golf resorts are more and more often situated in or near protected areas or areas where resources are limited.

LOCAL RESOURCES

Tourism can create great pressure on local resources like energy, food, and other raw materials that may already be in short supply. Greater extraction and transport of these resources exacerbates physical impacts associated with their exploitation. Because of the seasonal character of the industry, many destinations have ten times more inhabitants in the high season than in the low season. High demand is placed upon these resources to meet the high expectations tourists often have (proper heating, hot water, etc.).

LAND DEGRADATION

Important land resources include minerals, fossil fuels, fertile soil, forests, wetland and wildlife. Increased construction of tourism and recreational facilities has increased pressure on these resources and on scenic landscapes. Direct impact on natural resources, both renewable and non-renewable, in the provision of tourist facilities can be caused by the use of land for accommodation and other infrastructure provision, and the use of

94. IMPACT OF CLIMATE CHANGE ON INDIAN AGRICULTURE: A REVIEW

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ABSTRACT

During the recent decade, with the growing recognition of the possibility of climate change and clear evidence of observed changes in climate during 20th century, an increasing emphasis on food security and its regional impacts has come to forefront of the scientific community. In recent times, the crop simulation models have been used extensively to study the impact of climate change on agricultural production and food security. The output provided by the simulation models can be used to make appropriate crop management decisions and to provide farmers and others with alternative options for their farming system. It is expected that in the coming decades with the increased use of computers, the use of simulation models by farmers and professionals as well as policy and decision makers will increase. In India, substantial work has been done in last decade aimed at understanding the nature and magnitude of change in yield of different crops due to projected climate change. This paper presents an overview of the state of the knowledge of possible effect of the climate variability and change on food grain production in India.

INTRODUCTION

Climate change and variability are concerns of human being. The recurrent droughts and floods threaten seriously the livelihood of billions of people who depend on land for most of their needs. The global economy is adversely being influenced very frequently due to extreme events such as droughts and floods, cold and heat waves, forest fires, landslips etc. The natural calamities like earthquakes, tsunamis and volcanic eruptions, though not related to weather disasters, may change chemical composition of the atmosphere. It will, in turn, lead to weather related disasters. Increase in aerosols (atmospheric pollutants) due to emission of greenhouse gases such as Carbon Dioxide due to burning

of fossil fuels, chlorofluorocarbons (CFCs), hydro chlorofluorocarbons (HCFCs), hydro fluorocarbons (HFCs), per fluorocarbons (PFCs) etc., Ozone depletion and UV-B filtered radiation, eruption of volcanoes, the "human hand" in deforestation in the form of forest fires and loss of wet lands are causal factors for weather extremes. The loss of forest cover, which normally intercepts rainfall and allows it to be absorbed by the soil, causes precipitation to reach across the land eroding top soil and causes floods and droughts. Paradoxically, lack of trees also exacerbates drought in dry years by making the soil dry more quickly. Among the greenhouse gases, CO₂ is the predominant gas leading to global warming as it traps long wave radiation and emits it back to the earth surface. The global warming is nothing but heating of surface atmosphere due to emission of greenhouse gases, thereby increasing global atmospheric temperature over a long period of time. Such changes in surface air temperature and consequent adverse impact on rainfall over a long period of time are known as climate change. If these parameters show year-to-year variations or cyclic trends, it is known as climate variability. However, the official definition by the United Nations Framework Convention on Climate Change (UNFCCC) is that climate change is the change that can be attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods. However, scientists often use the term for any change in the climate, whether arising naturally or from human causes. In particular, the Intergovernmental Panel on Climate Change (IPCC) defines climate change as a change in the state of the climate that can be identified by changes in the mean and / or the variability of its properties and that persists for an extended period, typically decades or longer.

V. Urmila

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97. AIR POLLUTION AND HEALTH IN INDIA

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ABSTRACT

The multiplicity of sources, modes of exposure and complexity of outcomes associated; there is no easy solution to address the problem of air pollution in India. Addressing it will require an evidence informed, multi-sectoral approach to policymaking that aims to maximize exposure reductions. While several aspects of a health-centric air pollution policy are currently under consideration, there are aspects of the issue that require more creative thinking and solution development. In previous sections, we have outlined the scale of the issue and barriers to effective action on air pollution. Taking those into consideration, we outline below suggestions for areas of intervention to address what is now a key risk factor not just to India's health but also to its economy.

INTRODUCTION

Air pollution is a major and growing risk factor for ill health in India, contributing significantly to the country's burden of disease. As per the Global Burden of Disease comparative risk assessment for 2015, air pollution exposure contributes to approximately 1.8 million premature deaths and 49 million disability adjusted life-years (DALYs) lost, ranking it among the top risk factors for ill health in India. Home to 10 of the top 20 cities with the highest annual average levels of PM2.5 as per the WHO Urban Ambient Air Quality Database (2016) and with several studies showing a worsening trend over time it is safe to say that rapid urbanization and industrial development have adversely affected urban air quality due to vehicular and industrial emissions. Simultaneously, over two-thirds of rural Indians caught in the 'chulha trap' use biomass fuels such as wood, dung or coal to satisfy their cooking and heating needs, resulting in smoke-filled homes and extremely high levels of exposure especially to women and children.

Rural and urban India is both affected by poor air quality. There is, however, heterogeneity in

sources and pollutant profiles. For instance, use of cooking fuels varies between urban and rural households, vehicular density is vastly different in cities and villages, and differing climatology and geography across India affects regional and seasonal levels of ambient air pollution. Air pollution has been termed a democratizing force but it is far from that, as it propagates existing environmental injustices. Studies have shown that children and the elderly are particularly vulnerable to air pollution exposure. Air pollution exposure has shown to slow lung development in children, affect cognitive development, and has resulted in high levels of mortality from respiratory infections. The elderly are more likely to develop chronic respiratory and cardiac illnesses as a result of long-term exposure, and are more susceptible to heart attacks and strokes during episodic high pollution events. Vulnerable also are those of a lower socio-economic status, with studies showing they are more susceptible to insults from air pollution exposure for a variety of reasons including occupation, housing, cooking fuel use, the common link being poverty.

AIR POLLUTION EXPOSURE & TRENDS

Air quality, whether ambient or household, differs across India, with varied sources, pollutants, climatology, geography, and cultures. Over time, however, trends indicate deterioration in both urban and rural India, whether it is due to rapid urbanization and consequent rising vehicular and industrial emissions or the 'chulha trap' resulting in poor indoor air quality.

HOUSEHOLD AIR POLLUTION

Individuals spend close to three-fourths of their day (around 18 hours) in indoor environments, which include residences and workplaces. Indoor activities such as cooking, heating, cleaning, incense burning, tobacco smoking, refrigeration, and air conditioning are significant contributors of air pollutants

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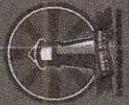
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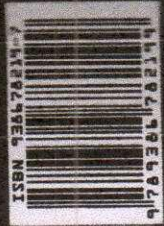


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PREFACE

Over the centuries system of taxation has been shaped and reshaped to make it acceptable, effective and efficient. The journey of restructuring the tax system has been going on to make it more and more meaningful. While the innovations and developments in information and communication technology have made the tax system more objective, transparent and effective, the innovations and developments in finance and business models, globalization and liberalization policies, emergence of MNEs as lead players, increase in the international trade have contributed in making the tax system a complex one.

As per the GST bill the Centre will administer Central GST (CGST) and the States administer State GST (SGST). Compliance will be monitored independently at the two levels. The rates of both CGST and SGST will be fixed by the GST Council, whose members will be State Finance/Revenue Ministers and the Chairman will be the Union Finance Minister. Once the rates are set by the GST Council, individual states will lose their right to tax commodities at the rates they want. The major impact of introducing GST in India is the transformation in the fiscal structure of the Indian federal setup.

We record thanks to all contributors from various college and Universities in India. Apart from Academics, we have compiled published material from leading economic journals, Tamil Nadu Government plan policy document and important speech given by eminent industrialists. Our grateful thanks are due to all of them is a special way.

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Editor

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CONTENTS

S. No	Title	Page No
1	Impact of GST on A Few Selected Sectors/ Development Areas in the Indian Economy Dr.P.Anbalagan	1
2	Is One Nation, One Indirect Tax (GST) A Reality in India? Dr. A. Mariyappan	11
3	Goods and Service Tax in India - An Overview Dr.P.Hemavathi & B.Mahalakshmi	17
4	Impact of GST in India Mrs. Sultana, Dr. Zahid Husain & Dr. A. Abdul Rahim	26
5	Goods and Service Tax (GST) and its Impact Mrs. R.Radjavalley	29
6	An Over View on Goods and Service Tax Miss. Vijaya Nirmala.D	40
7	A Review of Goods and Service Tax (Gst) and its Impact on Economic Enterprises Saritha .R & Dr. Duraisamy	43
8	Impact of Goods and Service Tax (GST) On Indian Economy - A Study K. NirmalKumar & Dr. N. Radhakrishnan	49
9	GST - Process, Framework and Impact M.LakshmiPriya & Dr.P.Anbalagan	56
10 ✓	Issues and Challenges in the Implementation of GST in india Dr.S.Dhanasekaran	64
11 ✓	Goods and Services Tax in India A.Kaveri & Dr. S.Dhanasrkaran	72
12 ✓	GST and its Impact on Indian Economy Dr.S.Dhanasekaran & G.Geetha	77
13	The Impact of GST on MSMEs Prof.Chitra Regis & Muthuvignesh Kumar	84
14	A Conceptual Framework on GST and Service Dr. Bhavani. G & L. Santhoshi	92

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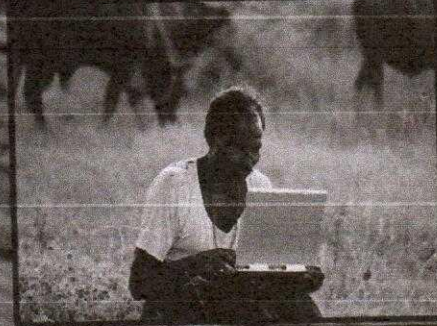
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CONTENTS

S.No	Name of the Paper	Author(s)	Page. No
1	The Role of Information and Communication Technologies in Rural Development in India	Dr.K.Jayaraman Mr.P.Nallathambi	341-345
2	ICT as a Potential Tool of the Education for Globalization	Dr. N.Prabha Dr. P.Bheemaraj	346-350
3	Impact of Information and Communication Technology on Rural India	Dr.P.Chennakrishnan Mr.S.MohanaSundaram	351-357
4	Mobile and Wireless Application for Shipping	P.Jothilakshmi Dr.K.Jayaraman	358-362
5	ICT Infrastructure & Services for Rural India – A Study	Dr. S. Parvathi P. Sudha	363-367
6	Use of ICT in Teaching, Learning and Evaluation	Dr. R.Mathavan	368-371
7	Role of ICT in Rural Development: Opportunities and Challenges	Dr.K.Saravanan Mrs.R.Sathiyakala	372-379
8	Innovative Method of Teaching Technology in Teacher Education with Special Reference to Commerce	R. Seerangan	380-384
9	Role of ICT in Rural Development – A Study	Dr.P.Loganathan A.Rajadurai	385-390
10	Women Agriculture Labour in India	Dr.S.Dhanasekaran, V.Nandhini	391-395 ✓
11	Energy Management in India – A Study	Dr.S.Dhanasekaran, C.Uma	396-401 ✓
12	Agriculture Policy – A Study	Dr.S.Dhanasekaran, T. Sujatha	402-414 ✓
13	An Analysis of usage of ICT for Women's Empowerment in Higher Education	Dr.S.Kayarkanni	415-424
14	ICT in Rural Development – A View	Dr. S. Senthilraja S.Suguna	425-430
15	Information Communication Technologies and Empowerment of Rural Women	Dr.P.Chennakrishnan S.Vijayalakshmi	431-435
16	Rural Finance is the Life Blood - Circulation of Rural Farmers with Reference to NABARD in India.	Mr.P.Sadaiyan	436-441
17	Improving Health: the Role of ICTs in the Health Sector of Developing Countries	Dr.A.Saravanadurai S.Muthuraj	442-445
18	The Role of ICTs in Rural Development	Dr. T.Saravanan	446-451
19	Role of Information Technology and Self Help Groups	Dr. S.Sudha	452-464
20	Information and Communication Technologies in Agricultural Development in India	Dr.P.Thirumoorthi Mr.T.P. Ravikumar	465-468
21	Impacts of Education on Economic Growth	Mr.C. Sivakkolundu G.Thirumal	469-474



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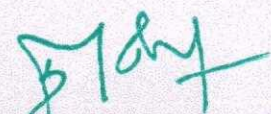
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SERKADU, VELLORE - 632 115.

9.	Health And Infrastructure Barath Ram K	51
10.	Infrastructure Facilities Of Secondary Schools In Tamil Nadu Dr.S.Rajendran, & K.Udaya Kumar	58
11.	Health Infrastructure Mrs. S.Suganthi &.Dr. C.Chitra	65
12.	Health Infrastructure In India A.Kaveri & Dr.S.Dhanasekaran	78
13.	An Analysis On The Development Of Literacy Rate In India S. Siva Prakash & J. Naresh Kumar	84
14.	Educational Development Of The Depressed Classes In Tamilnadu - During 1947-67 Dr.J.P.Vivekanandan	90
15.	The Impact Of Infrastructure On Enrollment Of School Education In India Dr. C. A. Basheer Ahmed Khan Dr. Liyath John, Islamiah College & Mr. L. Clement Baskar	98
16.	Socio Economic Conditions Of Rural Health In Tamilnadu Tmt. Dr. S.Kalaiselvi	106
17.	Social Infrastructure In India With Special Reference To Employment And Human Development Dr.T.Raghu	114

V. Prabhakar
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SERKKADU, VELLORE - 632 115.

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THIRUVALLUVAR UNIVERSITY
SERKKADU, VELLORE - 632 115.

28.	A Study On Consumer's Buying Pattern Of Online Shopping In Chennai City Dr.S.Veeramani	203
29.	Philosophy Education And Human Values In Global Context - A Study Dr. A. Arivazhagan	210
30.	Healthy Infrastructure : A Pre-Rerequisite In Higher Level Of Education In India Dr.Nidhi Kulshrestha	217
✓ 31.	Rural Health Infrastructure System in India Dr.S.Dhanasekaran & C.Uma	224
✓ 32.	Social Infrastructure and Human Development an Overview Dr.S.Dhanasekaran, & C.Asha	234

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SERKKADU, VELLORE - 632 115.

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INFRASTRUCTURE AND ECONOMIC GROWTH IN INDIA

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Abstract

The present paper attempts at studying the interactions between regional development and infrastructure availability at state level for India. There exists substantial and significant positive association between levels of development and levels of infrastructure. The question of causation is important, and requires further enquiry. However, the association is clear, and higher for economic infrastructure than social. States with remarkable economic performance are also leaders in terms of availability of transport and power infrastructure. Social infrastructure does not directly appear as an important prerequisite for economic growth. Applying growth accounting framework to measure the impact of infrastructure availability on total factor productivity provides justifiable results. Transport and power infrastructure are still significant contributors, but a decline in the magnitude of coefficients indicates towards their limiting role. From the point of view of policy, results indicate underinvestment in the economic infrastructure sectors. Underdevelopment of eastern and central regions of the country can be associated with low growth in availability of economic infrastructure. Proactive efforts from state governments are required to raise the level of infrastructure availability, as is exhibited by states in South and West India. Railway infrastructure severely needs unbiased augmentation.

Keywords: Economic infrastructure, growth, power

Introduction

India's rise in recent years is a most prominent development in the world economy. India has re-emerged as one of the fastest growing economies in the world. India's growth, particularly in manufacturing and services, has boosted the sentiments, both within country and abroad. With an upsurge in investment and robust macroeconomic fundamentals, the future outlook for India is distinctly upbeat. According to many commentators, India could unleash its full potentials, provided it improves the infrastructure facilities, which are at present not sufficient to meet the growing demand of the economy. Failing to improve the country's infrastructure will slow down India's growth process. Therefore, Indian government's first priority is rising to the challenge of maintaining and managing high growth through investment in infrastructure sector, among others.

There have been attempts in the literature to show the significant contribution of infrastructural capital, on national output, productivity and interregional competitiveness. The response to these claims has been cautious. It has been argued that these contributions are overstated while ignoring other factors. That there also lies an inverse causality in the argument that even if the historical relationships are estimated correctly; they provide no clear direction for future policy. Present paper is not an attempt to answer all these criticisms. It is just an attempt to provide one more brush stroke to the emerging relationship of infrastructure availability and productivity growth. It does so by measuring the impact of availability of different type of infrastructural facilities on growth of total factor productivity in state economies in India. The paper consists of four parts. First part discusses the main findings in the present literature. Since there is no comprehensive measure of infrastructure availability at state level, the second section presents the construction of such data and describes the regional distribution of these facilities. Third section deals with generation of comprehensive measure of productivity in a growth accounting framework for state economies in India. Fourth section then uses these data to estimate the relationship empirically.

Infrastructure and Economic Growth

Infrastructure is one of the important factors that drive the economic growth of a country. Good infrastructure is the basic requirement for any production process to work efficiently. Infrastructure itself may not be the part of the production process, but is important for the services it provides. It is an important input to the production process and raises the productivity of various sectors. Infrastructure connects goods to the markets, workers to industry, people to services and the poor in rural areas to growth centers. Infrastructure lowers costs, enlarges markets and facilitates trade. Thus, infrastructure provides facilities that support economic growth by increasing the productivity of labor and capital thereby reducing the costs of production and raising profitability, production, income and employment. A country's development is strongly linked to its infrastructure strength and its ability to expand trade, cope with population growth, reduce poverty and produce inclusive growth. The World Bank in its "World Development Report 1994" pointed out that productivity growth is higher in countries with adequate and efficient supply of infrastructure services. Provision of infrastructure services to meet the demands of



PUBLIC PRIVATE PARTNERSHIPS IN INDIA

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Abstract

PPP is not a new concept in field of infrastructure in India; PPP story began with investments in "Indian railroads" in the latter half of the 1800s. By 1875, about million were invested by British companies in Indian railways. With 65% of power generation was done by private companies alone before independence. In early 1900s, distribution of power supply was handing by Tata in Calcutta and in Mumbai which plays a keen role to promote Indian infrastructure. To enforce PPP in infrastructure, government made many amendments in laws to promote PPP concept. By announcement of New Economic Policy (1991), the doors to the private sector were opened for participation in infrastructure development. Policies related with the provision of public services and infrastructure make by both the Government and private sector. Managerial skills, technological skills, working skills and financial strength of the private sector are relieving government various types of Risk and huge capital expenditure. Partnership between public and private sector makes thing reliable for development of economic as well as infrastructure.

Keywords: PPP, Fast Track Infrastructure

Introduction

Public private partnership sometimes referred to as PPP, P3 etc. PPP refers to a long-term contractual partnership between the public and private sector agencies. Facilities and services like financing, implementation, designing, operation and technology which influence public sector to work separately with private firms. PPP model simply works on low risk and high growth. PPP is a joint collaboration between public and private units so as to meet the lack of invested capital to fulfil the requirement of development of infrastructure. A legal entity in which 51% or more of equity is with private partners. The union government has estimated an investment of \$320 billion in the infrastructure in the 10th plan. The major infrastructure development projects in Maharashtra (more than 50%) are based on the PPP model. In the 2000s, other states such as Karnataka, Madhya Pradesh, Gujarat, and Tamil Nadu also adopted this model. Sector-wise, the road projects account for about 53.4% of the total projects in numbers, and 46% in terms of value. As like Brazil, China and Russia, India is developing and growing at a faster pace in recent years and catching up with the other fastest growing economy. The journey to keep growing and faster pace, it's important to develop a strategy for encouraging private investment in infrastructure through Public Private Partnerships (PPP). The Government of India developed a strategy for encouraging private investment in infrastructure through Public Private Partnerships (PPP). Because of competitive global environment, governments around the world are focusing on new ways to finance projects, build infrastructure and deliver services. Public-Private Partnerships (PPP's) are becoming a common tool to bring together the strengths of both sectors. Investment from PPP sources would contribute approximately 1.2% of GDP. Thus, PPP which makes Indian economic and infrastructure modernize in new era to provide needed capital to finance government programs and projects.

Cabinet Committees to fast track infrastructure investments

The Committee on Infrastructure (CoI) was constituted in August 2004 under the chairmanship of the then Prime Minister, with the objectives of initiating policies that would ensure time-bound creation of world class infrastructure, delivering services matching international standards, developing structures that maximise the role of PPPs and monitoring the progress of key infrastructure projects to ensure that targets are achieved. A dedicated Division, namely, "Infrastructure Division" was set up in the erstwhile Planning Commission to service the Committee on Infrastructure. Seventeen different meetings of COI were held from time to time to decide PPP policy issues in infrastructure sectors.

In January 2013, the Government constituted the Cabinet Committee on Investment (CCI) under the chairmanship of the then Prime Minister. The key functions of the Committee inter alia included identifying key projects involving investments of Rs.1,000 crore or more in infrastructure, manufacturing etc., prescribing time limits for requisite approvals and clearances by concerned Ministries/ Departments, monitoring the progress of identified projects and reviewing implementation of projects delayed beyond stipulated timeframe. With the constitution of the Cabinet Committee on Investment (CCI), the Cabinet Committee on Infrastructure was merged with the Cabinet Committee on Economic Affairs (CCEA). CCI has since been abolished and all decisions are being taken by the CCEA. Cabinet Secretariat services the CCEA.

Public Private Partnership Models

The range of options for public-private partnerships has expanded enormously over the past 30 years. Agreements between public and private entities take many shapes and sizes for both new and existing services. At one end of the spectrum is a



AGRICULTURAL AND BIOTECHNOLOGY

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Introduction

Major events in human history have, to a large extent, been driven by technology. Improved awareness of agriculture and metalworking brought mankind out of the Stone Age, while in the nineteenth century the Industrial Revolution created a multitude of machinery together with increasingly larger cities. The twentieth century was undoubtedly the age of chemistry and physics, spawning huge industrial activities such as petrochemicals, pharmaceuticals, fertilisers, the atom bomb, transmitters, the laser and microchips. However, there can be little doubt that the huge understanding of the fundamentals of life processes achieved in the latter part of the twentieth century will ensure that the twenty-first century will be dominated by biology and its associated technologies.

Societal changes are increasingly driven by science and technology. Currently, the impact of new biological developments must be absorbed not just by a minority (the scientists) but by large numbers of people (the general public). If this does happen, the majority will be alienated. It is increasingly important to ensure a broad understanding of what bioscience and related technologies will involve, and especially what the consequences will be of accepting or rejecting the new technical innovations. The following chapters will examine how the new biotechnologists are developing new therapies and cures for many human and animal diseases; designing diagnostic tests for increasing disease prevention and pollution control; improving many aspects of plant and animal agriculture and food production; cleaning-up and improving the environment; designing clean industrial manufacturing processes; exploring the potential for biological fuel generation; and unraveling the power of stem cell technology. Undoubtedly, biotechnology can be seen to be the most innovative technology that mankind has witnessed. The development of biotechnological products is knowledge and resource intensive.

For about 10,000 years, farmers have been improving wild plants and animals through the selection and breeding of desirable characteristics. This breeding has resulted in the domesticated plants and animals that are commonly used in crop and livestock agriculture. In the twentieth century, breeding became more sophisticated, as the traits that breeders select include increased yield, disease and pest resistance, drought resistance and enhanced flavor. Traits are passed from one generation to the next through genes, which are made of DNA. All living things—including the fruits, vegetables and meat that we eat—contain genes that tell cells how to function. Recently, scientists have learned enough to begin to identify and work with the genes (DNA) that are responsible for traits.

Agricultural Biotechnology

Agricultural biotechnology is a collection of scientific techniques used to improve plants, animals and microorganisms. Based on an understanding of DNA, scientists have developed solutions to increase agricultural productivity. Starting from the ability to identify genes that may confer advantages on certain crops, and the ability to work with such characteristics very precisely, biotechnology enhances breeders' ability to make improvements in crops and livestock. Biotechnology enables improvements that are not possible with traditional crossing of related species alone.

Agricultural Biotechnology Used

Genetic engineering: Scientists have learned how to move genes from one organism to another. This has been called genetic modification (GM), genetic engineering (GE) or genetic improvement (GI). Regardless of the name, the process allows the transfer of useful characteristics (such as resistance to a disease) into a plant, animal or microorganism by inserting genes (DNA) from another organism. Virtually all crops improved with transferred DNA (often called GM crops or GMOs) to date have been developed to aid farmers to increase productivity by reducing crop damage from weeds, diseases or insects.

Molecular Markers

Traditional breeding involves selection of individual plants or animals based on visible or measurable traits. By examining the DNA of an organism, scientists can use molecular markers to select plants or animals that possess a desirable gene, even in the absence of a visible trait. Thus, breeding is more precise and efficient. For example, the International Institute of Tropical Agriculture has used molecular markers to obtain cowpea resistant to bruchid (a beetle), disease-resistant white yam and cassava resistant to Cassava Mosaic Disease, among others. Another use of molecular markers is to identify undesirable genes that can be eliminated in future generations.

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WATER PURIFICATION SYSTEM IN INDIA

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Abstract

Water purification is the process of removing undesirable chemicals, biological contaminants, suspended solids and gases from contaminated water. The goal is to produce water fit for a specific purpose. Most water is disinfected for human consumption (drinking water), but water purification may also be designed for a variety of other purposes, including fulfilling the requirements of medical, pharmacological, chemical and industrial applications. The methods used include physical processes such as filtration, sedimentation, and distillation; biological processes such as slow sand filters or biologically active carbon; chemical processes such as flocculation and chlorination and the use of electromagnetic radiation such as ultraviolet light. Purifying water may reduce the concentration of particulate matter including suspended particles, parasites, bacteria, algae, viruses, fungi, as well as reducing the amount of a range of dissolved and particulate material derived from the surfaces that come from runoff due to rain. The standards for drinking water quality are typically set by governments or by international standards. These standards usually include minimum and maximum concentrations of contaminants, depending on the intended purpose of water use. Visual inspection cannot determine if water is of appropriate quality. Simple procedures such as boiling or the use of a household activated carbon filter are not sufficient for treating all the possible contaminants that may be present in water from an unknown source. Even natural spring water – considered safe for all practical purposes in the 19th century – must now be tested before determining what kind of treatment, if any, is needed. Chemical and microbiological analysis, while expensive, are the only way to obtain the information necessary for deciding on the appropriate method of purification. According to a World Health Organization (WHO) report, 1.1 billion people lack access to an improved drinking water supply, 88 percent of the 4 billion annual cases of diarrheal disease are attributed to unsafe water and inadequate sanitation and hygiene, while 1.8 million people die from diarrheal diseases each year. The WHO estimates that 94 percent of these diarrheal cases are preventable through modifications to the environment, including access to safe water. Simple techniques for treating water at home, such as chlorination, filters, and solar disinfection, and storing it in safe containers could save a large number of lives each year. Reducing deaths from waterborne diseases is a major public health goal in developing countries.

Introduction

Ensuring that your client's household or domestic water supply is clean for use cannot be done without some form of a water purification unit. Unwanted compounds, debris, and bacteria from organic and inorganic materials can cause various type of stress for members of the household if specific contaminants are not removed from the supply. Through various channels, these impurities can find their way into the water supply that serves your home. The public water supply can become contaminated while in transit even though tremendous effort is placed in the treatment and conditioning of water at public water facilities run by municipal authorities. Public water systems can carry germs and hazardous parasites before the distribution to residential homes in urban areas; this is the main challenge faced by water treatment facilities. Water borne diseases caused by protozoan water bacteria cause more sicknesses or serious illnesses than any other form of bacterial based pollutant. A water purification system using RO membranes can easily remove contaminants from water using modern filtration technologies.

Water Purification

Water purification is the process of removing undesirable chemicals, biological contaminants, suspended solids and gases from contaminated water. The goal is to produce water fit for a specific purpose. Most water is disinfected for human consumption (drinking water), but water purification may also be designed for a variety of other purposes, including fulfilling the requirements of medical, pharmacological, chemical and industrial applications. The methods used include physical processes such as filtration, sedimentation, and distillation; biological processes such as slow sand filters or biologically active carbon; chemical processes such as flocculation and chlorination and the use of electromagnetic radiation such as ultraviolet light. Purifying water may reduce the concentration of particulate matter including suspended particles, parasites, bacteria, algae, viruses, fungi, as well as reducing the amount of a range of dissolved and particulate material derived from the surfaces that come from runoff due to rain. The standards for drinking water quality are typically set by governments or by international standards. These standards usually include minimum and maximum concentrations of contaminants, depending on the intended purpose of water use. Visual inspection cannot determine if water is of appropriate quality. Simple procedures such as boiling or the use of a household activated



A STUDY ON TOURISEM DEVELOPMENT IN CHENNAI CITY

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Introduction

Tourism is travel for recreational or leisure purposes. The World Tourism Organization defines tourists as people who travel to and stay in places outside their usual environment for not more than one year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited. Tourism is a major growth engine for economic development in terms of providing employment and eradication of poverty. The economic significance of tourism in terms of employment, income, foreign exchange earnings and regional development is a major driving force to place tourism appropriately in development. The economic liberalization, open-sky aviation policy, luxury cruises, improved surface transport, tourist trains, increased business travel and e-booking facilities have created a paradigm change in the tourism sector. From a mere service industry, tourism has transformed into a major revenue generating industry.

World Tourism Scenario

The World Tourism Organization (WTO) plays a vital role in promoting the development of responsible, sustainable and universally acceptable tourism and is paying particular attention to the interests of developing countries. People in general now view tourism as a way of life rather than a luxury reserved for the affluent and the elite. Tourism has emerged as the largest service industry globally in terms of gross revenue as well as foreign exchange earnings. With rapid developments in the field of transport and communications, the global tourism industry is likely to double in the next decade. The 21st century will see a higher percentage of the total population travelling, especially in developing countries. People, in general, undertake short-distance and long-distance tours during their vacations, subject to their convenience and seasonal conditions. Tourism is the industry of industries and has a great multiplier effect on other industries. Tourism serves as an effective medium for transfer of wealth because here income earned in places of residence is spent in places of visit.

Tourism industry is the highest generator of employment. Out of every nine persons, one person earns a living from tourism. For every million rupees of investment, 13 jobs are created in manufacturing industries, 45 jobs in agriculture and 89 jobs in hotels and restaurants. Tourism is considered to be an important area for intensive development for all governments. As the fastest growing foreign exchange earner, especially, in developed countries, it is being given priority. The service providers play a vital role in ensuring a safe and comfortable trip for the tourists.

Tourism in India

India has emerged as the fastest-growing market in Asia in terms of international tourist spending. India has incredible monuments, Forts, Palaces, Temples, Beaches, Water Falls, Wild Life Sanctuaries, Memorials, Music, Dance and Culture. There is vibrancy of the culture, both ancient and modern. Indian culture is considered to be amongst the world's oldest, richest and most diverse. Many travelers have come here and been enchanted by its natural beauty, splendor, beliefs, philosophies and practices. India is one country all men long to see, and having seen it once, would not give up that glimpse of all the wonders of the world. This results in increase in Foreign Exchange Reserves.

The tourism potential of our country, especially in a global context, remains far from realized. Towards realization of this potential, the Ministry of Tourism envisages a target of 12% growth rate in inbound as well as domestic tourists for the 12th five year Plan period. It is projected that with this growth rate, the sector will generate 2.5 crore additional jobs. The Tourism Ministry has launched the —Clean India Campaign recently. The objective of the Campaign is to ensure an acceptable level of cleanliness and hygiene at various public places. It involves sensitizing all sections of the society on the importance of cleanliness and hygiene in public places. The Campaign will be a blend of persuasion, education, training, demonstration and sensitization of all segments of our society.

Tourism in Tamil Nadu

Tamil Nadu is a State with several distinguished tourism genre. It has cerulean mountains, Silver Falls, verdant vegetations, sandy beaches, mammoth monuments, timeless temples, fabulous wildlife, scintillating sculptures and reverberating rural life. It has picturesque spots, continuing heritage, cultural confluence and aesthetic magnificence. Tourism enhances the performance of the tourism sector in an environmentally and culturally sustainable and socially inclusive manner. This would be reflected in:



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DEMAND AND SUPPLY OF WATER RESOURCE SANITATION MANAGEMENT IN TAMIL NADU

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Abstract

Global environmental changes and demands for multiple use of increasing population make water management a difficult task, especially in developing countries like India with exploding population, weak economy and several social issues such as disputes over Trans-boundary Rivers, resettlement and rehabilitation issues during project implementation, corruption and vested political and regional interests. The principal source of water for India is the southwest monsoon that undergoes seasonal and inter-annual variations associated with global climate anomalies. Any further extremes in rainfall and changes in the frequency and intensity of severe weather systems due to a changing climate will have serious impact on water resources and agriculture, and it will be reflected in all facets of life. More specifically, growing demand across competitive sectors, increasing droughts, declining water quality, particularly of groundwater, and unabated flooding, inter-state river disputes, growing financial crunch, inadequate institutional reforms and enforcement are some of the crucial problems faced by the country's water sector. Availability of safe drinking water is inadequate. Severe water shortages have already led to a growing number of conflicts between users (agriculture, industry, domestic), intra-state and inter-state. With the increasing demand for water from various sectors like, agriculture, household industries, a pertinent need arises both from the government sector as well as from the private sector on the management of water resources. This requires the understanding of the resources available. Among the various states of India, Tamilnadu stands fourth in terms of state income and industrial development. The fast growing population has results in the fast urbanization and increasing demand for water from various sectors of the state economy. This requires an understanding the various sources of water supply and the demand arising from various sectors. The present paper attempts to provide a description of the demand and supply of Water in the state of Tamilnadu culled out from various sources.

Introduction

Water is the basic necessity of life, not only for human beings, but also for plants and animals. Life began in water and it is a basic component of every living cell. Water accounts for 65 per cent of our body weight. If we lost even 12 per cent of it, we would die. About 83 per cent of our blood is water. It helps digest our food, take in oxygen, transport body wastes and control body temperature. We need water in almost every domestic activity, from cooking and washing to bathing and sanitation. Water, to a large extent, determines climate. Places near large Water bodies are cooler because the water bodies act as large sinks for heat, thus moderating the climate of the area. Regions near water bodies generally have milder winters and cooler summers. Water has an even more basic role in climate control through the water cycle. The evaporation of water requires huge amount of energy, which comes from the sun. When the water vapor falls back to earth as rain, this energy is released. Thus water acts as an energy transfer and storage medium for the climate system. Food cannot be produced without water. Vegetables are 80-90 per cent water and milk about 87 per cent. Agriculture is the major consumer of water in India, accounting for nearly 93 per cent of the total water. Almost all industrial process need water which is needed as a solvent, as a coolant, as a medium, as a cleansing agent, etc. Water plays very important role in disposing of waste, be it domestic sewage or industrial effluents.

Water Resource Use

Water is a renewable resource. After it has been used it returns to the water cycle and in time it will be used again. In theory there is plenty of water in the global cycle to meet all present and expected human needs, but water resources are used unevenly around the world, and much water use is wasteful and inefficient. Problems of maintaining reliable supplies of usable water are not confined to dry lands. Water is the most basic and most important of all natural resources, Human bodies are largely water (by weight), and most food contains a high proportion of water. We require regular supplies of water, but it must be fresh water.

Water is used in Many Different Ways, Including

Domestic uses: such as water used for showering, washing clothes, and watering lawns and gardens.

Industrial uses: Water used for processing, washing cooling in facilities that manufacture products.

Agricultural uses: this includes water used in irrigation systems.

Thermo-electric uses: including water used for cooling to condense the steam that drives turbines in the generation of electric power with fossil fuels and nuclear or geothermal energy.

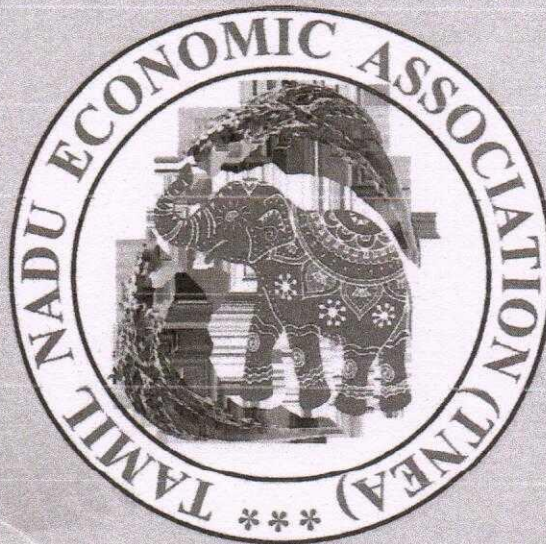
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ECONOMIC DEVELOPMENT OF TAMIL NADU

A long term study since 1950s.

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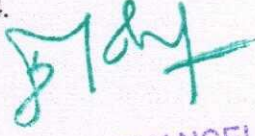
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Article No.	Titles	Page No.
16.	Dr.C.MURTHY Growth Population And Power Availability For Sustainable Consumption In Tamil Nadu	87-91
17.	Dr.ESWARI RAMESH & Mrs.M.SIVASANKARI Reproductive Tourism With Special Reference To Surrogacy Treatment In Prasanth Hospitals-Chennai	92-95
18.	Dr.K.JAYARAMAN Creating World Class Port And Shipping Infrastructure In Tamil Nadu - A Way Forward	96-99
19.	Dr.K.JAYARAMAN & Dr.S.N.SUKUMAR Revisiting The Indian Banking System In The Light Of Liberalization	100-104
20.	Major.Dr.M. VENKATARAMANAN & Ms. S.SUBHASHINI A Study On Public Debt Of Tamil Nadu During The Period 2010 - 2015	105-110
21. ✓	Dr.S.DHANASEKARAN & C.ASHA Environmental Impacts Assessment Of The Tanning Industry	111-115
22. ✓	Dr.S.DHANASEKARAN & K.LATHA Issues And Challanges Of Female Education Development In India	116 -120
23. ✓	Dr.S.DHANASEKARAN & S.LOKESHWARAN Impacts Of Climate Change On The Indian Agriculture	121-126
24. ✓	Dr.S.DHANASEKARAN & C.UMA Rural Development And Panchayat Raj Department An Overview	127-133
25. ✓	Dr.S.DHANASEKARAN & V.NANDHINI The Role Of Women, Agriculture And Rural Development	134-139
26. ✓	Dr.S.DHANASEKARAN & A.RATHIKA Black Money In India: Present Status And Future Challenges	140-147
27.	Dr.S.SUDHA Empowerment Of Women In India-A Current Scenario	148-156
28.	Dr.S.VEERAMANI A Study On Factors Influencing Vertical Mobility In Bank Employees With Special Reference To Thanjavur District	157-159
29.	Dr.SHEELAKIRUBAKARAM & Mrs.CHITRABHARANI Egmore Railway Station: An Economic Development Of Tamilnadu	160-165
30.	Dr.X.VINCENT JAYAKUMAR Resolving fiscal cum financial problems of an Economy through incentives	166-172
31.	G.RAMAKRISHNAN & A. THAHA SAHID Implications of biotechnology and agricultural Sustainability: a view	173-177
32.	Mrs.JANAKI PRABHAKARAN Employment Generation And Poverty Alleviation In India	178-184
33.	Ms.R.VIJAYALAKSHMI & Dr.MAJOR M.VENKATARAMANAN Contribution Of Rural Women In Crop Production And Livestock Activities In Tamilnadu	185-191

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Article No.	Titles	Page No.
34.	G.MANNAN A Study On Customer Perception Towards Mobile Value Added Services: A Study With Special Reference To Chennai City	192-198
35.	R. HEMALATHA The rapid growth of Online Shopping is driving structural changes in the Retail Market	199-203
36.	RAJESH V, FARHATH KHAN & DR. ABDUL RAHEEM Public-Private Partnerships (PPPs) in Healthcare: A Key Challenges	204-206
37.	RAMAKRISHNAN Impacts Of Cell Phone Tower Radiation In Human Health	207-213
38.	Mrs.S.SUGANTHI & Dr.C.CHITRA An Initiative towards Poverty Alleviation through Employment Generation	214-218
39.	Ven. KOSALLA & Dr. P. KRISHNASAMY Environmental Values From The Viewpoint Of Buddhist Philosophy	219-223
40.	Ven. NANDACARIYA Social, Philosophical And Economic Theory For Human Development	224-226
41.	P.MUTHUKUMARAN¹ K.SARWESWAR² GUJJU RAJASEKAR³ Efficiency Marketing Of Fruits And Vegetables: A View	227-231
42.	A. JEMMIMAL ELIZEBETH & DR. Mrs. V. MANIMOZHI National Conference On Economic Development Of Tamil Nadu: A Long Term Study Since 1950's	232-237
43.	B. BARATH International Agricultural Prices and its effect on the Indian Market	238-243
44.	Dr. C.K.GOMATHI Sustainable Development Of Environmental Health	244-248
45.	Dr. K.KALAIARASI & M.SATHYA A Study of financial And Insurance Services Banking Sector	249-252
46.	Dr.D.UMA & R.SELVAMANI A Study Of Food Inflation In India And Its Impact On The Economy	253-258
47.	Dr.K.KALAIARASI & V.PARAMESHWARI A Study On Health Impact Of Water Pollution In India	259-263
48. ✓	Dr.S.DHANASEKARAN & D.SARASWATHI Investment Infrastructure During The 12 th Five Year Plan In India - An Overview	264-269
49. ✓	Dr.S.DHANASEKARAN & T.SUJATHA Agricultural Marketing In India-An Overview	270-275
50.	Dr.S.SANGEETHA A Study On Customer Perception Towards Online Shopping In Chennai Suburban area	276-281
51.	Dr.V.LAKSHMI & P. NAPPENEI Performance of MGNREGA in Tamil Nadu and Karnataka - A Comparative Analysis	282-283


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Article No.	Titles	Page No.
70.	N.VALLI Environmental Pollution - Chennai City	389-392
71.	Ms. PREETI WILMA FERNANDO & Dr.M.SIVARAJAN Role Of Household Waste On Health: A Study Of Chennai	393-396
72.	S. SUGANTHI Growth Of Medical Tourism In Tamil Nadu	397-402
73.	Dr.K.SUDARKODI	403-412
74.	Dr.A.VENNILA & D.KARTHIKA Problem faced by member weavers of silk co-operative society in kanchipuram district, tamil nadu - an analysis.	413-417
75.	Mrs. CHITRA Impact Of Share Autos Among The Passengers In Chennai City	418-423
76.	Mrs. CINTHIA JUDE Socio Economic Ideas During The Freedom Movement With Special Reference To Tamil Nadu	424-428
77.	DEVENDRAN C Consumption Pattern Of Tamil Nadu Special Reference To Absolute Income Hypothesis	429-432
78.	Dr A R VEERAMANI & S RAGHAVAN Tamil Nadu – the economic powerhouse and the role of the Southern India chamber of commerce & industry (sicci)	433-445
79.	Dr.B.JISHAMOL Economic Development Of Tamil Nadu: A Study Of Educational Reforms During K.Kamarajar	446-451
80.	Dr. S. SUBADHA & SOWMYA.S Study On Green Banking In India:An Economic Review	452-459
81.	Dr S.N.SUGUMAR Economics Of Healthy Life – A Holistic Approach	460-463
82.	Dr.NIDHI KULSHRESTHA Employment Trends In Private And Public Sector In Tamil Nadu	464-468
83. ✓	Dr.S.DHANASEKARAN & N.TAMILZHISAI Performance And Problems Of Indian Agriculture	469-474
84. ✓	Dr.S.DHANASEKARAN & G.THIRUMALA Water Issues In India: Opportunities And Challenges	475-479
85.	G.SHANTHI & M.S. LEKHA Incidence Of Mobile Banking Usage In Chennai	480-484
86.	G.JAMUNARANI & Dr. M. GOWHAR JHAN Tourism And Poverty Alleviation” – A Study On Propoor Tourism In Developing Countries With Reference To India	485-493
87.	Dr.G.RADHIKA A Study On The Role Of Teachers In Secondary Education In Tamilnadu	494-500
88.	Dr.C.HEMAMALINI & Dr.M.GOWHAR JHAN A Study Of Productive Work Behaviour Of Information Technology Employees In Chennai City	501-505


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KISANWORLD

A Journal of Agriculture and Rural Development

Founder-Editor Arutchelvar Dr. N. Mahalingam, January : 2017 Vol. 44 No. 1 Single Copy ₹ 20



- Tributes to the Departed Stalwart
- Youth in India
- Cassava: An Industrial Crop of Tamil Nadu
- Amla or the Indian Gooseberry

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YOUTH IN INDIA

P. Chennakrishnan



Abstract

Youth are the innovators, creators, builders and leaders of the future. But they can transform the future only if they have skills, health, decision-making capacity, and real choices in life. Today's record of 1.8 billion young people present an enormous opportunity to transform the future. The potential economic gains would be realized through a "demographic dividend" which can occur when a country's working age population is larger than the population that is dependent. In order to maximize the dividend, countries must ensure their young working age population is equipped to seize opportunities for jobs and other earning possibilities.

India has the world's largest young population despite having a smaller population than China (latest UN report said today) with 356 million with 10-24 years olds. Global number of youths is the highest ever as the world is home to 1.8 billion young people between the ages of 10 and 24 years, 9 in 10 of the world's young population live in less developed countries. China is second with 269 million young people, followed by Indonesia (67 million), the US (65 million), and Pakistan (59 million) the United Nations population Fund's (UNFPA) State of the World's population report said.

India has one of the highest adolescent (253million) and youth populations in the world. The census of India (2011) has highlighted the profile and status of the adolescent and youth population, which constitutes a critical segment of the total population of India. Socio-political, economic and demographic developments depend on them. The transition from education and training to economic activity marks an important phase in the lives of youth who are the productive workforce of the country. The huge unemployment among youth due to lack of skills and

poverty is a long term challenge for India.

Never before have there been so many young people. Never again is there likely to be such potential for economic and social progress. How we meet the needs and aspirations of young people will define our common future, the report said. With the right policies and investments in human capital, countries can empower young people to drive economic and social development and boost per-capita incomes. Between 2000 and 2010 the number of students enrolled in universities outside of their own country rose from 2 million to 3.6 million added that search for jobs and a decent livelihood is among the biggest motivators of migration and the search for security and freedom from violence and discrimination is a major driver of refugee flows. India's population is expected to become the world's youngest; more than 500 million Indian citizens will be under 25 years of age and more than two-thirds of the population will be eligible to work. It means that a growing number of India's youth need the right education infrastructure to develop skills and adequate opportunities to get employed or become entrepreneurs.

Table 1 the percentage of various age groups to the total age group has been estimated from census 2011. The adolescent age group (10-19 years) and youth age group (15-24 years) form a significant section of the total population of India; India can realize the demographic dividend by enabling and empowering more youth through targeted areas such as skill development, appropriate education, healthy lifestyle and non targeted areas such as food subsidies and employment opportunities.

Table No-1: Percent of various age groups in India

S.No.	Age group	%of various age groups to the total population
1	0-4	9.32
2	05-Sep	10.48
3	Oct-14	10.96
4	15-19	9.95
5	20-24	9.2
6	25-39	22.72
7	40-59	18.42
8	60-79	7.65
9	80+	0.93
10	Age not stated	0.37

Source: Census, 2011 New Delhi India, New Delhi.

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S. Jeyaraj

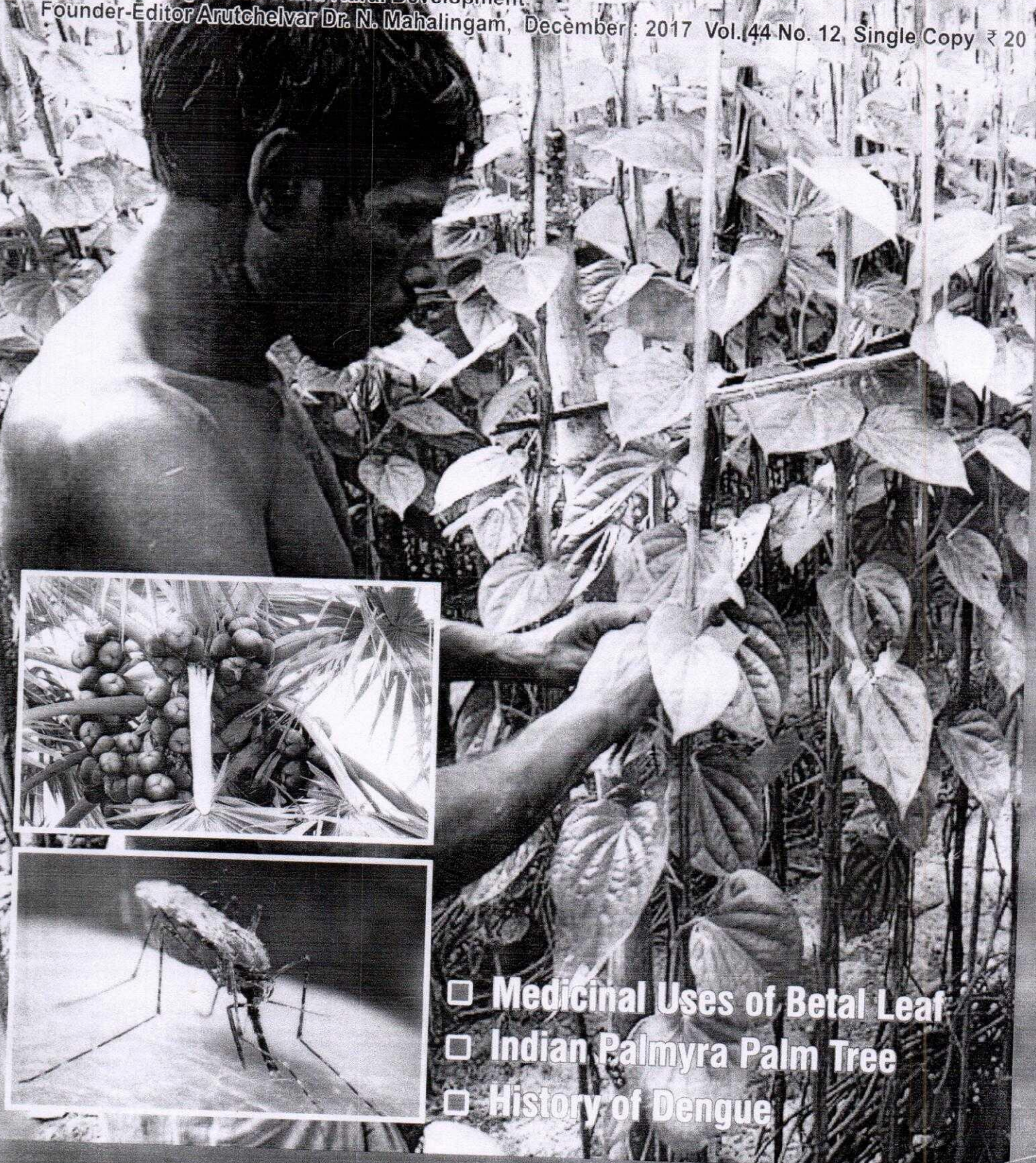
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- Medicinal Uses of Betal Leaf
- Indian Palmyra Palm Tree
- History of Dengue

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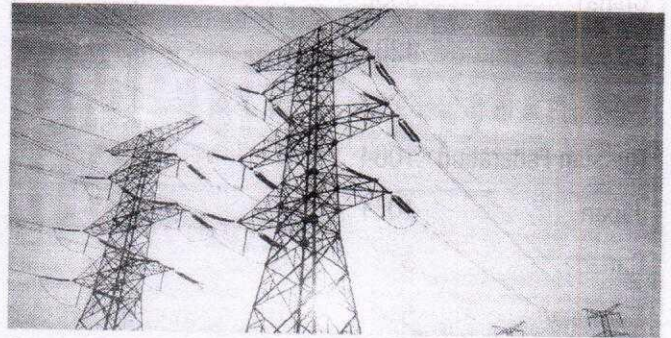
ELECTRICITY CONSUMPTION AND ECONOMIC GROWTH

P. Chennakrishnan

Introduction

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required. Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

India will soon be the largest country in the world in terms of population, and India is already the world's third largest market in terms of gross electricity generation (Figure 1). Of the 10 largest electricity systems in the world, India is likely to have the fastest growing electricity market over the next decade. While Indonesia and Australia are the two largest exporters of coal, India's domestic coal production is larger than either. Combined, China, the U.S. and India produced 68% of the world's total coal in 2014, and account for 72% of the world's total consumption. While 85% of all coal is consumed in the country of production, the international coal market exceeds 1,100Mtpa. China was the largest coal-importing nation in 2014. However, Chinese coal imports declined by 11% in 2014 and are down a further



38% year-over-year to date in 2015. India, with a history of below-forecast domestic coal production, has tripled imported coal volumes over the past five years, to supply 22% of India's total coal consumption in 2014. By 2015, IEEFA expects India to be the world's largest importer, consuming 20% of all internationally traded coal. Coal-fired power generation provided 74% of India's electricity in 2014/15, making India the most coal-dependent nation among the top 10 (China is second at 72%, down from 79% in 2011). In contrast, Brazil and France are the lowest coal-dependent countries among the world's 10 largest electricity systems, having achieved a less than 5% reliance on coal in 2014. What happens in India is important, too, because the country's electricity sector in 2014 was the second most carbon emission intensive among the top 20 nations, behind only Australia.

The Government of India's announcement in 2014 of policies aimed at transforming the country's electricity sector also makes India a more important global force in energy markets. The government's plan, to install 175GW of renewable energy, is one of a number of initiatives that stands to underpin a significant diversification away from coal-fired power generation. Such a move would progressively lower the emissions intensity of Indian electricity, and if global capital can be leveraged to facilitate this transformation, it could create a "Road to Paris" platform that aligns India's need for more sustainable growth with the developed world's need for decarbonization. Changes in India also will probably carry substantial weight in their effect on the structural decline of the seaborne thermal coal market.

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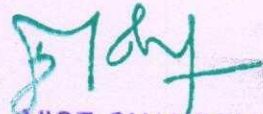
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CONTENTS

S. No	Papers	P. No
	International Migration from Tamil Nadu and its Impact on Economy and Society S Irudaya Rajan, Bernard D'Sami & Samuel Asir Raj	i
1.	Emigration From India to Gulf and its Impact of Remittance to India Dr. S. Amuthan	1
2.	Migration - Inequality Nexus: A Study of Kerala Society Based on A Set of Panel Data John Christopher J & Dr. Sundara Raj T	7
3.	Occupational Health Problems of Women Migration Workers of Thirumangalam in Madurai District Dr. S. Karthikeyan & Dr. S. Senthil kumar	14
4.	An Enquiry of Emerging Problems and Prospects on Migration of Thiruppuvanam Block, in Sivagangai District, Tamil Nadu Dr. P. Arunachalam & K. Velmurugan	18
5.	Migration Management in India S. Faiz Ahamed	21
6.	Migration and Youth in India: Trends and Emerging Challenges Dr. P. Chennakrishnan & G. Perumal	24
7.	A Study on Mahatma Gandhi National Rural Employment Guarantee Scheme Reduced Migration in Vadapalanji Panchayat T. Sathyadevi & Dr. P. Amarjothi	31
8.	Recent Trend in Child Migration K. Muthu & Dr. S. Ganapathy	37
9.	Challenges and Opportunities of Migration in Agriculture Dr. K. Kaliammal & C. Vijayalakshmi	40
10.	Colonial Manipulation and Introduction of Tamil Coolies in Diaspora, 1830-1920 Dr. J. Shunmugaraja	44
11.	Effect of Forced Displacement and Migration on the Dissemination of Population in Tehri Garhwal Archana & Dr. B. P. Naithani	48
12.	Environmental Migrants as Refugees of Climate Change in India Dr. (Mrs) Dhulasi Birundha Varadarajan	55
13.	Migration: Types, Causes And Impacts S. Sagetha Parvin	63


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IMPACT OF DEMONETIZATION ON BANKING SECTOR

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Abstract

The paper examine the impact of demonstration its effect of banking sector has move by the administration to demonetize Rs.500 and Rs.1000 notes by supplanting them with new Rs.500 and Rs.2000 notes has taken the nation with astonish. The administration is to handle the danger of dark cash, defilement fear financing and phony money. From a market point of view, we imagine this is an exceptionally welcome move by the legislature and which has taken the dark cash hoarders with amaze. The aggregate estimation of old Rs.500 and Rs.1000 notes in the flow is to the tune of Rs.14.2 trillion, which is around 85% of the aggregate estimation of cash available for use. This implies the aggregate money needs to now pass however the formal managing an account channels to get authenticity. The World Bank in July, 2010 evaluated the span of the shadow economy for India at 20.7% of the Gross Domestic Product (GDP) in 1999 and ascending to 23.2% out of 2007. Accepting that this figure has not ascended from that point forward and that the money segment of the shadow economy is additionally corresponding evaluated unaccounted estimation of the cash could be to the tune of Rs.3.3 trillion.

Introduction

Demonetization is a procedure by which a progression of cash won't be lawful delicate. At that point the arrangement of Currency won't satisfactory as substantial money. The declaration done by our Prime Minister Sri Narendra Damodardas Modi on eighth November 2016 with respect to the demonetization of Rs. 500 and Rs. 1000 notes is a striking choice identifying with financial arrangement of the country. The essential purpose for the choice is controlling all dark cash in India. Optional wellsprings of information have been utilized for contemplate which is gathered from different diaries, news notices, periodicals, and online sources. Consequently it can be reasoned that separated from upsetting day by day lives of regular national, there are much greater ramifications for the economy in general. The rustic zones specifically, which don't have formal wellsprings of saving money, additionally bargain generally in real money from disorderly segment like land rulers, private cash moneylender and Chites. The present paper is an endeavor to ponder the effect of demonetization on Indian economy especially on business condition. It was discovered that as an effect of demonetization the loan fee may go down, builds the employability opportunity, diminish the cost of the item and other item.

Banks are center piece of any economy. They channelized the cash to the smooth working of various areas. Activities of Green Banking, made the banks to change ordinary managing an account administrations into current keeping money administrations. The items and administrations are offered through electronic gadgets with the assistance of web. Presently a day, bank administrations are provided food at the fingertip of clients. Surgical Strike on Black

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Money called 'Demonetization' got tremendous changes every one of the divisions of the nation. Banks are not excellent from the impact of Demonetization and it made vibrations in the activities and additionally items and administrations of Banks. It made more noteworthy request to computerized keeping money administrations where cashless exchanges are organized. Everyday activities of Banks are influenced and discovered extreme in Management of liquidity and Employees. It made more noteworthy effect on Management of liquidity and its request brought by clients up in trading of their prohibited cash notes while limiting danger and augmenting nature of administration. In the meantime meeting the direction of Reserve Bank of India was testing. Demonetization has irritated the bank activities and made the representatives to work under unequivocal worry in broadened working hours of a day. A large portion of the banks were not ready to release other saving money administrations while trading the prohibited cash notes. Subsequently, the present examination is made to make sense of the impact of demonetization on managing an account part. It grandstands post demonetization impact on banks and its tasks.

Define Demonetization

Demonetization - ending something, termination, conclusion as no longer the legal tender of a country. The act of ending something; the termination of the agreement. There is a famous saying in Telugu, the one who gets caught doing a mistake is a thief, and the one who doesn't get caught, and doing the same mistake is a king".

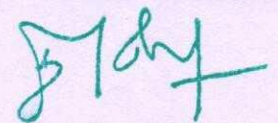
1. The numbers and calculations for this are mind-boggling. According to the RBI press conference, there are 16.5 billion '500-rupee' notes and 6.7 billion '1000-rupee' notes were circulated.
2. Of this Rs 500 notes constituted almost 45% of the currency in circulation while 39% of the notes were of the Rs 1,000 denomination. In value terms. However Rs 10 and Rs 100 notes constituted 53% of the notes in circulation.
3. The Financial Action Task Force, a global body that looks at the criminal use of the international financial system.
4. In two words: black money. Unaccounted money, often used in any form of corruption or illicit deals, usually takes the form of high-value notes, which in this case are the Rs 500 and Rs 1,000 bills.

Impact of Demonetization

It is too soon to remark on the effect of demonetization or impact of demonetization. This is still under usage process. There are both positive and negative effects of demonetization. Overabundance store development in the keeping money framework amid the demonetisation time frame (i.e., November 11, 2016 to December 30, 2016) works out to 4-4.7 rate focuses. On the off chance that the period up to mid-February 2017 is considered to take into account some surge to decrease, abundance store development is in the scope of 3.3-4.2 rate focuses. The liquidity support coming about because of the demonetisation declaration on November 8, 2016 has remained with the managing an account segment a year after the occasion, helping banks lessen their high-cost stores and boosting their present record and investment account


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21	Integrating the Nation through Infrastructure Development Dr.T.Vijayanthi	100
22	Opinion of Business People on the Downside of GST in Tiruchendur Dr.J.Jeya Sheela	103
23	Small Traders' Perception towards GST Implementation Dr.M.Mariamammal & Mrs.T.Subasini	108
24	A Study on Impact of TASMAL in Rural Areas of Tirunelveli District R.Iyappan & Dr.S.Sarasudevi	111
25	A Study on Perception towards Mutual Fund Investment among Investors in Bangalore Shama Stephen	115
26	Impact of Environmental Pollution on Human Health: An Economic Analysis Dr.M.Saravanan & Dr.J.John Vellakkan	119
27	An Econometric Analysis of Structure and Performance of Indian Banking Sector Dr.V.Duraisingh	126
28	Goods and Service Tax in India : An Overview M.Anto Soniya	131
29	Demonetization Impact on Various Sectors S.Muthu Raj & K.Esakki Muthu	135
30	Demonetisation and Rural India Dr.P.Chennakrishnan & S.Vijayalakshmi	139
31	Macroeconomic Impact of Demonetisation K.Esakki Muthu & Dr.K.Rajamannar	143
32	Demonetization is a Revolutionary Strategy Dr.T.C.Shanthi & Dr.S.Subramanian	147
33	Demonetization and its Impact on Indian Society R.Krishna Lekha & Dr.Sham Shankar	151
34	Overview of GST in India C.Mathimitha & Dr.V.Thiruselvan	154
35	GST : One Nation, One Tax, One Market S.Paramasivan	158
36	Impact of Demonetization on Banking Sector Dr.P.Chennakrishnan & R.Thirunukkarasu	161
37	Impact of Demonetization in Unorganized Sectors in India Mr.S.Kumar & Mr.N.Lakshmanan	165
38	Implications of Implementing GST in India Dr.V.Rajarajeswari	169
39	Contemporary Macro Economic Environmental Issues P.Ambika Bai	172
40	Impact of Demonetization on People - A Study with Reference to Ambasamudram Town M.Karthikeyan	176
41	An Empirical Study on Relationship between Health Care Expenditure and Per capita income in India T.H.Fahad	181
42	Wilful Defaulters and the Growth of Non Performing Assets in Indian Banking Sector Dr.C.Ramesh	185

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MIGRATION AND YOUTH IN INDIA: TRENDS AND EMERGING CHALLENGES

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Abstract

These pieces of writing review the philosophy on migration and progress from two points of view. Primary, it looks at additional theoretical thoughts in the academic prose on long-term and macro level approaches to the topic. Subsequent, it examines approaches to the management of migration in the current policy debate on migration and development. The focus is primarily on international migration, although reference is made to internal migration where appropriate and opposing views and critical approaches are highlighted. The article conceptualizes migration as an integral part of development that changes systematically as development, however defined, evolves.

Introduction

Migration is together significance and a cause of development and is an essential part of the enlargement process. Analyses of migration generally involve the study of the factors that bring about the population movement, the so-called drivers of migration. Analyses also incorporate the impact that the movement has on both origin and destination areas. Both the drivers and the impacts can be seen as aspects of development. Migration includes both movements within a country's borders, internal migration, and movements from one country or territory to another, international migration. Simple in concept, migration has proven extremely difficult to measure in practice in a way that can give comparative data from one part of the world to another. Just one difficulty is that migration, international as well as internal, is rarely a simple, one-way 'permanent' move from one jurisdiction to another, but rather a complex path of return and remigration. If forms of temporary migration are to be incorporated into the discussion, how are they to be defined? Development, too, is an equally complex term, its meaning often assumed without precise definition. Both migration and development are multidimensional terms. Migration and development in this article will be considered from two perspectives: first, migration as an integral part of development and how forms of migration change with development and, second, the perspective of the current debate on migration and development in which migration is seen to be something that can be promoted to bring about development. The primary focus in this article will be on international migration but readers should be aware that many of the points made apply equally to internal migration.

United Nations estimates placed the number of international migrants in the world at 232 million in 2013, around 3% of the population (United Nations, 2013). While the absolute numbers of migrants had increased from 154 million in 1990 and 175 million in 2000, the proportion of the world's population that was defined as migrant under United Nations definitions had remained around the 3% mark. One can argue that the increased numbers of people migrating and moving are simply the result of an increase in global population numbers from 5.3 billion in 1990 to 7 billion in 2012

Managing Migration for Development

Migration was seen, perhaps still is seen by some, to be brought about by a lack of development. People left because of a lack of opportunity at home. However, if such opportunities could be generated through a development program, then migration would cease. Hence, migration should slow consequent upon development. The experience has proven quite the reverse: migration tends to be positively associated with development. Education programs increase aspirations and agricultural improvement or industrial employment should provide increased income, and so development gives both potential internal and international migrants the information and the means through which to move. The volumes of remittances discussed earlier and revisionist interpretations of skilled migration away from brain drains drew

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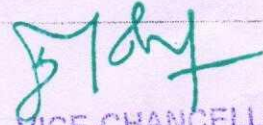
attention to the transformative aspects of migration. Views on migration shifted from seeing migration as something undesirable and negative to accepting that migration could play a positive role in development. The epicenter of this change can be dated to the last decade of the twentieth century, even if many of the ideas originated much earlier. Within the context of this shift, it was but a short step to the idea that migration could be managed to bring about specific positive development outcomes and, consequently, migration and development as a topic has risen toward the top of the policy agenda at the international level. Two other factors have contributed to the emergence of international migration as a serious policy concern. The first is what might be termed the 'tactical reason.' Migration into a country is considered the concern of the admitting state alone. Hence, governments see little reason to debate an issue for which they feel that they have sole responsibility, or, if pushed, should discuss only bilaterally with origin countries. However, it has become clear that a forum to discuss migration is useful, where countries can meet collectively to share experiences and to deal with sensitive matters such as irregular migration. While migration itself is a sensitive topic that cannot often be discussed overtly, if linked with development it gives the pretext to allow countries to discuss these matters in a somewhat different context. The current composition of delegates to the Global Forum on Migration and Development (GFMD) reflects this bias: officials with responsibility for migration control dominate the government representatives, with very few development specialists in attendance. The GFMD is largely a de facto forum on migration rather than a migration and development meeting and until the development community begins to take migration seriously as an issue, it will continue to be so. The second reason is that very real and pressing matters exist in current global flows of migration. The trafficking and smuggling of people are high on the agenda, made more pertinent by the number of deaths among those attempting to cross the Mediterranean to Europe during the latter half of 2013. The protection of migrant workers is another central concern, an issue of longstanding interest to the International Labour Organization of the United Nations. This work extends into the area of labor recruitment, the often excessive fees that are paid, and the abusive conditions workers face, both during their recruitment and at destinations. The whole issue of migrant rights is central to these concerns. However, fundamentally important though these matters are to migrants, they do not deal centrally with migration and development. Two concerns, however, do fall squarely into this category: remittances and 'leveraging' the diaspora.

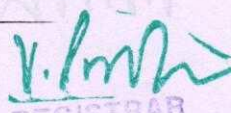
Table1: Demographic Profile of Youth In India, 1951-2051

Year	Total population	Total youth population (15-29)	Proportion of youth	Annual growth rate of population	Annual growth rate of age group
1951	361,088,400	79,465,100	22.01		
1961	438,936,918	109,797,013	25.01	0.02	0.03
1971	548,159,652	140,597,013	25.65	2.22	2.47
1981	665,287,849	173,521,621	26.08	1.94	2.10
1991	838,567,936	222,746,891	26.56	2.31	2.50
2000	1,028,610,355	274,127,401	26.65	2.04	2.08
2011	1,210,193,422	351,425,601	29.04	1.63	2.48
1021	1,367,784,037	361,241,846	26.41	1.22	0.28
2031	1,524,125,379	370,560,210	24.31	1.08	0.25
2041	1,668,085,791	381,611,341	22.88	0.90	0.29
2051	1,797,057,126	396,349,011	22.06	0.74	0.38

Source: compiled from the Indian census data for the periods 1951-2001 and projected by the author for the periods 2011-2051.

According to the US Census Bureau estimates, the world population was about 6.9 billion in 2010 of which the world's youth (15-29 years) constituted about 1.8 billion persons, and the less developed countries (LDCs) accounted for 1.5 billion (86 per cent) of total youth. Asian youth, in particular, accounted for over 62 per cent of the world youth (1.1


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(CASA) proportion. CASA is condensing of current Account Savings Account. It is the proportion which demonstrates the amount of the aggregate stores with bank in the present record and investment account. In a basic dialect, the stores with the bank are in the present record and investment account. Banks don't pay enthusiasm on the present record stores and pays an exceptionally low% of enthusiasm on funds on account stores. Consequently, it is a decent measures to get stores at no or minimal efforts.

Review of Literature

Nikita Gajjar (2016) examined demonetization and its effect on Indian Economy. They opined that demonetization has here and now negative effect on various segments of the economy and such effects are comprehended when the new money notes are broadly coursed in the economy. They additionally contended that the legislature should clear every one of the issues made because of demonetization and help the economy to work easily.

Nithin and Sharmila (2016) thought an investigation on Black Money in India: Present Status and Future Challenges and Demonetization. She portrayed the structure, approach choices and systems that Indian Government should adjust to handle with this issue and the future difficulties to be looked by the Government.

Manpreet Kaur (2017) demonetization and its entire money related incorporation. They felt that the prizes of demonetization are much reassuring and the demonetization is in the long haul enthusiasm of the nation. They communicated that it had given brief agony yet it educated money related lessons. It affected saving money enterprises to do extensively venture on digitalization of saving money administrations.

Vijay and Shiva (2016) inspected led an examination on demonetization and effect on Cashless Payment System. He said that the cashless framework in the economy has numerous productive advantages less tedious, less cost; paper less exchange and so on and he expected that the future exchange framework in every one of the divisions is cashless exchange framework.

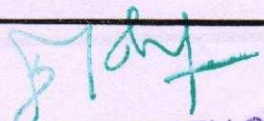
Objectives

1. Aimed at combating corruption. And Check black money and fake currency note.
2. 1000 and 500 were put out of circulation and Effect on parallel economy.
3. All the bank accounts are tied up to one PAN (Permanent Account Number).
4. This move shows strength of the Banking system, Retail boost, and increases deposit.
5. This move will also cause short-term pain for the working class, small businesses and nearly anybody who deals with cash on a daily basis.
6. Remove black money from the economy as they will be blocked since the owners will not be in a position to deposit the same in the banks.

Methodology of the Study

The study is based on Secondary Sources of data. It includes available published literatures such as books, journals, newspapers and relevant government websites. The study tries to look at the extent of demonetization influence on normal banking operations.


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Conclusion

Demonetisation would be sure for divisions like saving money and framework in the medium to long haul and could be negative for parts like shopper durables, extravagance things, adornments, land and unified segments, in the close to medium term. It can likewise prompt enhanced assessment consistence, financial adjust, bring down swelling, bring down defilement, finish end of phony money, a stage for supported monetary development in the more drawn out term. Banks have picked up stores generously after demonetisation which they can contribute for enhancing their productivity. There non-performing propels have additionally descended. Other than as banks will decrease their money possessions because of more computerized interface it will add to their long haul productivity and money misfortune for different reasons like burglary, dacoit and misappropriation will be avoided.

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37	Impact of Road Infrastructure on Agricultural Development in India	Shankara Naik B	205-207
38	Measurement of Poverty and Environment Social Inequality	Dr.P.Chennakrishnan M. Sathiyaseelan	208-211
39	A Study on Strong Rural Development Through Agriculture Infrastructure in Tamilnadu	M.Kuppan Dr. G.Yoganandham	212-215
40	Performance of Rural Agricultural Finance – An Analysis	Dr.P.Chennakrishnan R.Settu	216-220
41	Infrastrucuture and Economy Growth in India	Dr.P.Chennakrishnan R. Shylaja	221-226
42	Sustainable Tourism Development for Poverty Alleviation	Dr.P.Ragu	227-233
43	Agricultural Production Trends in India: An Overview	Dr.P.Chennakrishnan	234-240
44	Impact of Logistic Operations with Reference to Hosiery Export Industry in India	Dr. K. Naina Mohamed	241-245
45	Linkages Between Trade, Development and Poverty Reduction	Dr.P.Chennakrishnan Urmila	246-250
46	A Study on Sugarcane Production in India	Dr.P.Chennakrishnan P.Vidhyadevi	251-255
47	A Study on Inter-State Disparities in Rate of Growth of Agricultural Productivity in India	Dr.K.Singaravelan	256-262
48	Agribusiness in India : Opportunities and Challenges	V.Nanthini	263-271
49	Agriculture Productivity of Principles Crops in Tamilnadu	Dr. C. Rajesh	272-277
50	Changes in Cropping Pattern and Crop Diversification in Tamil Nadu	Dr.A.Saravanadurai K.Santhiya	278-281
51	Impact of Crop Diversification on Production and Marketing of Flowers in Madurai District of Taminadu	Dr.A.Gopalakrishnan P.Renganathan	282-290
52	Energy Saving and Irrigation in Agriculture	M. Manimegalai Dr. S. Seetha Lakshmi	291-294
53	A Study on Crop Diversiication in Tamil Nadu	Dr.P.Stanly Joseph A.Shanmugam	295-302
54	Implications of Crop Diversification on Growth of Food Grains and Non-Food Grains Production in India	Dr.L.Ganesan S.Dhanalakshmi	303-310
55	Food Insecurity and Rural Health in India	Sharon P.R Dr S. Seethalakshmi	311-314
56	The Role of Agriculture in Poverty Reduction	Madhumiiitha .G Maha Lakshmi . M Nithya. M	315-326

PERFORMANCE OF RURAL AGRICULTURAL FINANCE – AN ANALYSIS

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Abstract

Agriculture is the backbone of the Indian economy. Although the sector accounts for 15 percent of the national GDP, as well as roughly 11 percent of its exports, half the population still relies on agriculture as the most important source of income, and agriculture is a source of raw material for a large number of domestic industries. India ranks second in total farm output on a global level. During 2013-14 the total production of cereals amounted to 245.6 million tonnes. The horticulture production reached 277.4 million tonnes in 2013-14, representing a 66.2 percent increase from 2004-05. The dairy sector is one of the major livelihood activities in rural India, and a significant contributor to the country's agricultural economy. With an estimated 139.7 million tonnes of production, the country is responsible for approximately 17 percent of global milk production, the majority of which is consumed domestically. Milk production has increased by approximately 51 percent during the last 10 years. By keeping a sustained growth rate, the production is expected to reach 180 million tonnes by 2020-21.

I. INTRODUCTION

Indian agriculture finance is a most important of development and technologies for sustainable agriculture cultivations in India. The Indian agriculture cultivation technical inputs can be

purchased and used has farmers only if the sufficient funds available with the Indian farmers. Most of the time farmers suffer from the problem of inadequate financial state. This situation leads to borrowing from an easy and comfortable source. In the Indian at farmers borrow the agriculture credit has heavily burdened of debt in the rural farmers.

Agricultural finance has liquidity services credit provides to farm of borrowers. It is also considered as the study of those financial intermediaries who provide loan to agriculture and the financial intermediaries obtain their loanable funds of farmers.

Agricultural production in this country depends upon millions of small farmers. The farming community must be kept informed about the various sources of agriculture finance. Agricultural finance possesses its usefulness to the farmers, lenders and extension workers. The knowledge of lending institutions, their legal and regulatory environment helps in selecting the appropriate lender who can adequately provide the credit with terms and related services needed to finance the farm business.

Statement of the Problems

Agriculture plays a crucial role in the development of the Indian economy. It accounts for about 19 per cent of GDP and about two thirds of the population is dependent on this sector. Agricultural finance is a subset of rural finance dedicated to financing agricultural related activities such as input supply, production, distribution, wholesale,

processing and marketing. Financial service providers face distinct challenges when dealing with this sector. For example, the seasonal nature of production and the dependence on biological processes and natural resources leave producers subject to events beyond their control such as droughts, floods or diseases. The modern agriculture has increased the use of inputs especially for seed, fertilizers, irrigational water, machineries and implements, which has increased demand for agricultural credit. The adoption of modern technology, which is capital intensive, has commercialized agricultural production in India.

Agriculture types of Loans

Short-Term: The "short-term loans" are generally advanced for meeting annual recurring purchases such as, seed, feed, fertilizers, hired labour expenses, pesticides, weedicides and hired machinery charges which are termed as seasonal loans/crop loans/production loans. These are expected to be repaid after the harvest. It is expected that the loan plus interest would be repaid from the income received through the enterprise in which it was invested. The time limit to repay such loans is a year.

Medium-Term (from 15 months up to 5 years): "Medium-term loans" are advanced for comparatively longer lived assets such as machinery, diesel engine, wells, irrigation structure, threshers, shelters, crushers, draught and milch animals, dairy/poultry sheds, etc., where the returns accruing from increase in farm assets is spread over more than one production period. The usual repayment period for such type of loan is from fifteen months to five years.

Results and Discussion

Table -1: Direct Institutional Credit for Agriculture and Allied Activities - Short-Term

Year	Loans Issued				Loans Outstanding			
	Co-operatives	SCBs	RRBs	Total	Co-operatives	SCBs	RRBs	Total
2001-02	216.70	126.61	38.10	381.41	215.40	188.82	48.12	452.34
2002-03	236.29	168.25	48.34	452.88	245.18	232.11	64.95	542.24
2003-04	293.26	241.34	61.33	595.93	308.08	319.82	76.64	704.54
2004-05	318.87	299.78	98.83	717.48	324.81	427.98	109.80	862.59
2005-06	356.24	456.44	128.16	940.84	341.40	599.71	138.77	1079.88
2006-07	407.96	652.45	170.31	1230.72	377.64	760.06	187.07	1324.77

Long-Term 15 month to 5 years (above 5 Years): Loans repayable over a longer period (i.e. above 5 years) are classified as long-term loans. "Long-term loans" are related to the long life assets such as heavy machinery, land and its reclamation, erecting of farm buildings, construction of permanent-drainage or irrigation system, etc. which require large sums of money for initial investment. The benefits generated through such assets are spread over the entire life of the asset. The normal repayment period for such loans ranges from five to fifteen or even upto 20 years.

Murray (1952) examines the farming investment as a monetary study of borrow finances by farmers, the association and process of farmhouse lend agency within society's concern in credit for cultivation.

Tandon and Dhondyal (1960) to study undeveloped finance "as a subdivision of rural economics, which deal with and monetary fund's related to individual farm units".

Objectives of the Study

1. To study analyze growth of Agriculture credit in India
2. To examine the Institutional credit for Agriculture and allied activities in India
3. To find out the Agency level of Agriculture credit flow of borrows in India

Methodology

The secondary data collected from various Journals, Reference Books, Magazine, Periodicals, NABARD Report, the study on analysed of 2001-2016-17 data collected from the RBI Report.

AGRICULTURAL SUBSIDIES IN INDIA – AN OVERVIEW

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I. INTRODUCTION

Agriculture plays an important role in the economic growth of our country. Almost all the activities revolve round agriculture. It provides employment to around 60 per cent of the total workforce in the country. Extremities in climate and variety of soil condition have made possible the cultivation of every item. Introduction of new high yielding varieties after the spread of Green Revolution in the late sixties resulted in record of food grains production. For stimulating agriculture production and attaining self-sufficiency the government provides various incentives together with price supporting schemes. Among the agriculture production incentives, subsidies are considered to be the most powerful instruments for accelerating the growth of agricultural production.

Although agriculture now accounts for only 14 per cent of Gross Domestic Product (GDP), it is still the main source of livelihood for the majority of the rural population. Agriculture is the most important sector in India in terms of the population dependent on it. With more than two third of the population engaged in agriculture related activities. A country with one billion populations, and 56 per cent workforce engaged in agriculture means this is the only sector where such a huge force is engaged. Many countries in the world even do not have their total population, which India is having the workforce engaged in agriculture. As such rapid growth of agriculture is critical for development of rural economy. A viable development of rural economy

will leads to inclusive growth. Thus, it is imperative to study the constraints faced by Indian farmers. Like other sectors, agriculture also requires capital. Capital implies the credit required for the purchase of inputs and machinery. In a poor agricultural country like India, where savings are negligible among the small farmers, agricultural credit appears to be a critical factor affecting agricultural productivity (Gooyal, 2014:22). For many Indian farmers, it is inevitable to incur debt within every stage of the agricultural process. The main obstacles before Indian agriculture are finance. Unlike industry, agriculture is not getting proper credit. As a result, labours are migrating from agriculture to industry in order to earn two squares meal. Credit supply is an important determinant of investment in agriculture. In India, access to credit remains a significant challenge for low income households. Typically, the poor access credit through the informal sector, where monopolistic practices frequently occur, and interest rate can easily exceed 100 per cent per year (Dooner, 2008:14). Besides, poorer households live in remote regions; have hardly any assets, and are viewed as being "unprofitable" by formal institutions

Agricultural Subsidies in India

Major items of agricultural subsidies are food, fertilizer, irrigation, power and credit. While food and fertilizer subsidies are borne by the Centre, power and irrigation subsidies are borne by the respective state government. Credit subsidies are given through the banking system. Food subsidy is the difference between the price at which the Food Corporation of

India (FCI) procures from farmers and sells through the Public Distribution System (PDS). The food subsidy in India was Rs.12060 crores in 2000-01 and it increased to Rs.56002 crores in 2009-10. For fertilizer inputs, subsidy is the difference between the price paid to fertilizer manufacturers and price received from the farmers. For other inputs, it is the difference between economic cost of input and issue price to the farmers, which is paid by the government. Credit subsidy is applicable for short term loans provided for production purpose for a period of one year. It is the difference between cost of credit and the actual interest paid by the farmers. Credit subsidy includes interest subvention and interest subsidy.

In the case of Nationalised Banks interest subvention is only applicable and it is provided by the Government of India through the RBI. For the Co-operative Banks both the interest subvention and the interest subsidy is applicable and it is given through the NABARD. To augment the agricultural production, in addition to the above the Government of India is providing some other subsidies to the farmers, through the Farmers' Co-operative Societies in the form of seeds, development of oil seeds, pulses, cotton, rice, maize, crop insurance schemes and price support schemes. The total agricultural subsidies for the past ten years from 2000-01 to 2009-10 and the agricultural subsidies per hectare of GCA in India is presented in Table 1.

Table -1: Agricultural Subsidies In Per Hectare of Gross Cropped Area in India

Year	Total Agricultural Subsidies (in crores)	GCA in India (million ha)	Subsidy per hectare (in Rs.)
2000-01	50440	185.34	2658
2001-02	56747	188.29	3062
2002-03	59679	175.58	3399
2003-04	66625	190.08	3506
2004-05	75635	191.55	3948
2005-06	82967	193.05	4297
2006-07	91737	193.23	4748
2007-08	119036	195.83	6078
2008-09	204668	195.83	10451
2009-10	108982	195.83	5565

Source: Central Statistical Organisation, National Account Statistics, Government of India

It is noted from Table 1 that the total agricultural subsidies include fertilizer, irrigation, other subsidies and electricity. During 2000-01 the total subsidies in Indian agriculture accounted for Rs.50440 crores and Rs.108982 crores in 2009-10. The amount of subsidy is increasing at a considerably higher rate year after year. The increase in total subsidy may be due to the increase in the consumption of fertilizers, increase in the use of electricity for irrigation purpose and easy availability of credit at a subsidized rate. The subsidy

amount per hectare of GCA was Rs.2658 during 2000-01 and it was Rs.10,451 per hectare during 2008-09.

It is noted from Table 1 that the amount of subsidy disbursed during the year 2000-01 was Rs.9481 crores and it was Rs.24580.23 crores for the year 2009-10. The amount of subsidy provided for domestic (indigenous) production is more than that of imported fertilizer except the year 2009-10.


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ICT IN RURAL DEVELOPMENT: OPPORTUNITIES AND CHALLENGES

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Introduction

India still breathes in villages and this becomes obvious when the fact is taken into consideration that more than 700 million of its population reside in about 636 thousand villages of this country; but even after sixty years of independence, rural India is characterised by severe poverty, illiteracy, lack of health services, lack of employment opportunities and over all backwardness. Rural areas are often regarded as information-poor and information provision has always been a central component of rural development initiatives. Keeping in view these predominant features of rural India – Information and Communication Technology (ICT) has earned its reputation to be the key to information-flow for intensifying the development efforts in rural India and is being considered as an imperative strategy for achieving the goal of sustainable rural development. To empower the rural communities with a sustainable approach, ICT has been one of the most

effective instruments and the following table provides a better insight to this fact.

ICT and Sustainable Rural Growth

Strengthening Rural Governance:

Introduction of ICTs in rural India is expected to bring in changes in the whole process of rural governance by improving transparency, accountability and administrative efficiency of rural institutions, promoting participation of the poor in decision-making processes and improving the efficiency and responsiveness of rural service delivery. It can facilitate speedy, transparent, accountable, efficient and effective interaction between rural citizens - this not only promotes better administration but also saves time and transactions costs of government operations. At the same time, ICT improves interaction with and within civil society and encourages civil society participation in the rural governing process. Ø Encouraging social transformation: access to information is of

fundamental importance to any development process.

The recent development of ICT is greatly facilitating the flow of information and knowledge, beyond the border of social and economic status. In this context, ICTs are now widely recognized as a critical tool to tackle development issues in developing countries which ultimately lead to social transformation. Ø Ensuring A Better Quality of Life: Application of ICT has the potential to improve living standards of people in remote and rural areas by providing important commercial, social and educational benefits.

Objective

- To understand the importance of capitalizing human potential and put forward new enriching human resource which is essential for the growth of IT sector.
- To know the study ICT development opportunity for rural area.

Methodology

The study is based on secondary data. They require data has been collected from various library, research paper, reputed journal that are available on internet.

ICT in rural support

By expanding the use of government services – ICT strengthens the livelihood

opportunities for rural India. ICT can ensure a better quality of life for the rural poor with an improved access to markets, health, and education – which pushes rural India towards economic development, job-creation and poverty alleviation. Ø Strengthening the Information-base of rural communities: ICT initiatives may be designed to provide support to local governance as well as to react to the queries generated by local needs of the rural communities. As rural poor are often unaware of their rights, entitlements and the availability of various government schemes and extension services, ICT can also improve their access to the information they need. It has the potential to ensure improved provision of short-term information required by the rural poor for effective livelihood strategies. Ø Intensifying Effort towards implementation of the rural development initiatives:

For ensuring effective implementation of the rural development programmes - ICT plays a crucial role through demand driven information and communication services. It has the potential to increase the benefits and reduce the opportunity costs of people's participation in the process of rural development. The potential of using ICT to promote rural development lies in

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CONTENTS

S.No	Name of the Paper	Author(s)	Page.No
1	ICT in Rural Development: Opportunities and Challenges	Dr.P.Chennakrishnan Mrs. M.A.Rehka	01-07
2	A Study on Information and Communication Technology (ICT) Role in Indian Economy	Dr.A.Saravanadurai Mr.K.Manimaran	08-12
3	A Study on ICT in Rural Development Opportunities and Challenges in India	Dr.A.Saravanadurai Mr.P.Prakasam	13-18
4	Health and Information Communication Technology in Rural India	Dr.A.Shyamala	19-27
5	M-Commerce or Mobile Marketing: A Business Review from Indian context	C V.Sujaritha	28-32
6	A Study on Information and Communication Technology in Promotion of Sustainable Agriculture and Rural Development in India	Dr.D.Uma Mrs.R.Selvamani	33-40
7	Role of ICTs in Rural Development with Reference to Changing Climatic conditions	K.Deepalakshmi,	41-48
8	Information and Communication Technology (ict) and Rural Development in India	M.S.Vishnupriya Dr.C.Dhandapani	49-54
9	Application of ICT in Rural Healthcare	Dr.K.Saravanan., Mr.N.Iyyappan,	54-58
10	Opportunities and Challenges of E-Health in India – A Study	Dr. K. Saravanan Mrs. K.V.Jayashree	59-64
11	Application of ICT in Rural Development: Opportunities and Challenges	Mr.M.Rajendran Dr.P.Loganathan	65-76
12	A study on ICT-Rural Telephony for Rural Development	Dr.P.Loganathan Dr. C.Gomathi	77-88
13	Vision of Digital India Project	C. Sivakkolundu Dr. P. Loganathan	89-94
14	Role of Information and communication Technologies in Rural Development	Dr.S.Parvathi Mr.M.Madhesh	95-98
15	Challenges and Opportunities for ICT in Agricultural Livelihoods	Dr.P.Chennakrishnan, Dr. S. Saravanan	99-106
16	Ict Susatinability of Indian Agriculture: Challenges and Opportunities	Dr.P.Chennakrishnan Mr.G.Perumal	107-113

17	Mobile Devices and Their Impact in Agriculture	G.Sumithra C.V.Sujaritha	114-126	36
18	Impact of ICT and E - Governance in Rural Development Program A Study of MGNREGA in Tamil Nadu	Mrs.G.Sumithra	127-128	37
19	Employment Opportunities for Information Communication	Dr.P.Chennakrishnan J. Anitha	129-136	38
20	Access and use of Information Communication Technologies (ICTs) by Rural Farmers in Ambasamudram Block, Tirunelveli District	Dr.J.Sahaya Mary Christina,	137-145	39
21	Using Information and Communication Technology (ICT) as a Tool for Marketing Self Help Groups Products in India	M.Poongavanam Dr.K.Jayaraman	146-154	40
22	Technology as a Growth Strategy for the Transformation of rural areas	Dr.K.Jayaraman	155-158	41
23	A Study on ICT Role in Indian Agriculture Sector	Dr.A.Saravanadurai Mr.K.Manimaran	159-165	42
24	Strengthening Health Sector: Role of ICT Initiatives in India	Mr.A.Karthigai Selvam Dr.S.Ramasamy	166-172	43
25	Application of Information and Communication Technology (ICT) in Rural Development: Opportunities and Challenges	Dr.L.Kesavan, Mrs. B.Kavitha	173-179	44
26	Mobile and Wireless Information Systems: Applications, Networks, and Research Problems	Dr.M.Sivakumar, P.Manikandan,	180-194	45
27	A Study on The Impact of ICT on Rural Education in India	A.M.Mahaboob Basha	195-203	
28	ICT in Agricultural Innovatives, E-Agricultural Initiative, National Policies and Strategies.	C.Malliga	204-213	
29	Role of Mobile Learning – Telecommunication and Usage in Rural Areas	T.Mariammal,	214-219	
30	The Impact of Buyer Sensitivity Analysis of E-Banking Services in Public and Private Sector Bank	Dr. R.Mayakkannan	220-223	
31	Agrarian and Rural India	Mr.S.Munusamy, Dr.K.M.Senthilkumar	224-231	
32	ICT and Rural Women Empowerment- A Study	Dr. S. Parvathi Dr. N.Latha	232-237	
33	The Role of Information and Communication Technology in Rural Market with Reference to Tamil Nadu	Dr. N.Nagarajan	238-249	
34	Mobile Technology and Learning: Value and Challenges	Dr.M.Arunarani. K.Kumar	250-258	
35	Information and Communication Technology in Agricultural Development	Dr. N. Senthilkumar, Dr. P.Vadivel,	259-264	

INDIAN INFORMAL RURAL WORKERS IN INDIA: AN ANALYSIS

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Abstract

The Indian economy is characterized by the existence of a vast majority of informal or unorganized labour employment. In India nearly 92.38% of workers are still engaged in informal employment and 7.46 per cent are engaged in formal sector enterprises. However, the employment has

increased in informal sector, where in wages, salaries are quite low and working conditions deplorable as compared to those in the organized sector, while the contribution of unorganized sector to GDP is about 50 per cent as per National Commission for Enterprises in the Unorganized Sector.

I. INTRODUCTION

The informal sector plays a central role in economic development of all the countries. Particularly, developing countries one third of national income comes from this informal sector only. The informal sector reduces the unemployment problems. The entrepreneurs are in this sector for their livelihood, not for making more profit. Some informal entrepreneurs are earning more than the formal employees in our country, like vegetable vendors, agents, brokers, foot-path traders etc. Majority of the entrepreneurs are community based in this sector. In India, each community has their own business. Rural, urban and city side also community based entrepreneurs are more. For example, foot wears and beauty parlor etc. The informal sector develops the Indian economy invisibly. Most of the rural and urban people are continuing their family business, because of lack of employment opportunity. In India most of the family businesses are in the informal sector. The earned income from this sector has utilized for the purpose of their children

education, family commitments, personal savings, etc. So the government should take necessary steps to convert this sector into formal.

About 370 million workers constituting 92% of the total workforce in a country were employed in the unorganized sector as per NSS Survey 1999-2000. It plays a fundamental role in terms of providing employment opportunity to large segment of the working force in the country and contributes to the national product significantly. The contribution of the unorganised sector to the net domestic product and its share in the total NDP at current prices has been over 60%. In the matter of savings the share of household sector in the total gross domestic saving mainly unorganised sector is about three fourth. The informal sector constitutes largest portion of the economy in terms of value addition, savings, investments etc. The share of formal sector is around 12 -14 percent in our national income while that of informal sector is more than 30 percent. In the case of United States, the share of corporate business is nearly 70 percent.

India is experiencing a demographic dividend as more than 50 per cent of the population is in the working age group which can make India the skill capital of the world. It is estimated that by 2020, the average Indian will be 29 years of age compared to average age of 37 years in China and US and 45 years in Europe and 48 years in Japan. However, skilling this youth bulge constitutes a challenge particularly when there is preponderance of informal/unorganised sector. ILO defines "informal sector" as consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. The units operate at low level of organisation, with little or no division between labour and capital as factors of production and on a small scale. Labour relations are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees. In India, the National Commission for Enterprises in the Unorganised Sector (NCEUS) made an important distinction between organised or formal and unorganised or informal employment - "Unorganised workers consist of those working in the unorganised enterprises or households, excluding regular workers with social security benefits, and the workers in the formal sector without any employment/ social security benefits provided by the employers."

Problem of Informal Sector

- Work in the informal sector is less remunerative and the conditions are inferior to the organised sector.
- They lack economic security and legal protection. Therefore there is much greater vulnerability of workers who are outside the reach of labour legislation or trade union organisation due to absence of workers' rights and social protection.

• Women workers in particular, are in vulnerable position than their male counterparts.

About 7 per cent of the 400 million-strong workforces were employed in the formal sector (comprising government and corporate) in 2000 contributing 60 per cent of the nominal GDP of the nation. The Trade Unions Act 1926 provided recognition and protection for a nascent Indian labour union movement. The number of unions grew considerably after independence, but most unions are small and usually active in only one firm. In 1997, India had about 59,000 trade unions registered with the government of India. Of these only 9,900 unions filed income and expenditure reports and claimed to represent 7.4 million workers. The state of Kerala at 9,800 trade unions had the highest number of registered unions, but only few filed income and expenditure reports with the government of India. The state of Karnataka had the fastest growth in number of unions between the 1950s to 1990s.

In 1995, India had 10 central federations of trade unions, namely (arranged by number of member unions in 1980): INTUC, CITU, BMS, AITUC, HMS, NLO, UTUC, AIUTUC, NFITU and TUCC. Each federation had numerous local trade union affiliates, with the smallest TUCC with 65 and INTUC with 1604 affiliated unions. By 1989, BMS had become India's largest federation of unions with 3,117 affiliated unions, while INTUC remained the largest federation by combined number of members at 2.2 million. The largest federation of trade unions, INTUC, represents about 0.5% of India's labour force in organised sector and unorganised sector. In 2010, over 98% of Indian workers did not belong to any trade unions and were not covered by any collective bargaining agreements.

TECHNOLOGY ASPECTS OF AGRICULTURE LIVELIHOODS: ISSUES CHALLENGES

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Abstract

The Agricultural sector has the greatest potential for improving rural livelihood and eradicating the Growth and Transformation Plan (GTP). By the end of the GTP period, the government seeks to double yields of smallholder farmers largely by scaling-up best practices, producing high value crops, expanding irrigation development and promoting natural resource conservation. A substantial increase in agricultural yield and output is expected to be realized by implementing interventions aimed at speeding-up the assimilation and adoption of improved agricultural technology and management practices of the f these strategies on productivity and production are analyzed to determine their adequacy in meeting the GTP production targets. The analysis shows that while production and productivity targets are generally achievable, the country needs to adopt more cost-effective, innovative and modern approaches to agricultural knowledge management and reform and modernize its agricultural extension system.

I. INTRODUCTION

Knowledge management can play a pivotal role in enhancing agricultural productivity and addressing the problem of food insecurity. If properly managed, it enables appropriate knowledge and information to

reach knowledge intermediaries and smallholder farmers in a timely manner. Such delivery of knowledge and information undoubtedly minimizes the risk and uncertainty smallholder farmers face from production to marketing of their produce. But, to effectively engage in agricultural knowledge management, adequate mechanisms are needed for generating, capturing, and disseminating knowledge and information through the use of effective processes and institutional arrangements. Sources of agricultural knowledge include scientific research and indigenous knowledge. After the creation, sourcing or accumulation of knowledge, the knowledge has to be disseminated to users to support the innovation process. Information and communication technology (ICT) can play a critical role in facilitating rapid, efficient, and cost effective knowledge management. However, ICT application in Ethiopia remains low in comparison with several African countries. For instance, in a number of Sub-Saharan African countries, smallholder farmers get technology-related advice as well as location-specific market information on inputs and outputs through ICT kiosks. Furthermore, mobile telephone service is being used to deliver agricultural information to users.

To speed up technology adoption, the government of Ethiopia needs to quickly review and modernize its public extension service delivery system and particularly the agricultural extension

system and provide an enabling framework for utilizing advances in information and communication technology to deliver agricultural extension services. Using available ICTs will not only improve information and knowledge management for extension workers and farmers but optimize and rationalize public resources devoted to agricultural extension services. Illustrative case studies on how modern ICT systems have been utilized to deliver effective public extension service in the agricultural sector will be reviewed and recommendations codified for policy consideration.

Problems

Slow agricultural growth is a concern for policymakers as some two-thirds of India's people depend on rural employment for a living. Current agricultural practices are neither economically nor environmentally sustainable and India's yields for many agricultural commodities are low. Poorly maintained irrigation systems and almost universal lack of good extension services are among the factors responsible. Farmers' access to markets is hampered by poor roads, rudimentary market infrastructure, and excessive regulation."

With a population of just over 1.2 billion, India is the world's largest democracy. In the past decade, the country has witnessed accelerated economic growth, emerged as a global player with the world's fourth largest economy in purchasing power parity terms, and made progress towards achieving most of the Millennium Development Goals. India's integration into the global economy has been accompanied by impressive economic growth that has brought significant economic and social benefits to the country. Nevertheless, disparities in income and human development are on the rise. Preliminary estimates suggest that in 2009-10 the combined all India poverty rate was 32% compared to 37% in 2004-05. Going forward, it will be essential for India to build a productive, competitive, and diversified

agricultural sector and facilitate rural, non-farm entrepreneurship and employment. Encouraging policies that promote competition in agricultural marketing will ensure that farmers receive better prices."

Objective

1. To know India's agricultural growth from 1970 to 2001 by the Food and Agriculture Organization identified systemic problems in Indian agriculture
2. To know study present population and food distribution future safety.
3. To examine modern technology uses in agriculture sector and benefits.

Methodology

The study is based on secondary data. The require data has been collected from various library, in other source, i.e, research paper, various Bulletins of ministry of statistics ,Government of India that are available on internet.

Food and Agriculture

A 2003 analysis of India's agricultural growth from 1970 to 2001 by the Food and Agriculture Organisation identified systemic problems in Indian agriculture. For food staples, the annual growth rate in production during the six-year segments 1970-76, 1976-82, 1982-88, 1988-1994, 1994-2000 were found to be respectively 2.5, 2.5, 3.0, 2.6, and 1.8% per annum. Corresponding analyses for the index of total agricultural production show a similar pattern, with the growth rate for 1994-2000 attaining only 1.5% per annum.

Trends in Agricultural Productivity in India Prior to Green revolution, the yield per hectare in India was low for all important crops. The introduction of modern agricultural practices and HYV seeds; there was a jump in the productivity of most food grains. The following table shows the per hectare yield of main food crops since 1950-51: Crop 1950-51 1964-65 2010-11 Rice 7.1 10.8 22.4 Wheat 6.6 9.1 29.4

CHALLENGES AND OPPORTUNITIES FOR ICT IN AGRICULTURAL LIVELIHOODS

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Introduction

In recent years, the International Institute for Communication and Development (IICD) in the Hague, the Netherlands, has been engaged in projects that focus on the use of ICT in the agricultural sector. The experiences of IICD and other organisations form the basis for the recommendations for future action in Commonwealth countries. The agricultural sector is confronted with the major challenge of increasing production to feed a growing and increasingly prosperous population in a situation of decreasing availability of natural resources. Factors of particular concern are water shortages, declining soil fertility, effects of climate change and rapid decrease of fertile agricultural lands due to urbanisation. However, the growing demand, including for higher quality products, also offers opportunities for improving the livelihoods of rural communities. Realising these opportunities requires compliance with more stringent quality standards and regulations

for the production and handling of agricultural produce. New approaches and technical innovations are required to cope with these challenges and to enhance the livelihoods of the rural population. The role of ICT to enhance food security and support rural livelihoods is increasingly recognised and was officially endorsed at the World Summit on the Information Society (WSIS) 2003-2005. This includes the use of computers, internet, geographical information systems, mobile phones, as well as traditional media such as radio or TV. Although it is a relatively new phenomenon, evidence of the contribution of ICT to agricultural development and poverty alleviation is becoming increasingly available. Since 1998, IICD has been involved in projects and policy trajectories and consistently monitors the progress and impact of the use of ICT.

Objective

- To know the study Increasing and efficiency, productivity and

sustainability of small scale farms is an area where ICT

- To know the study employment opportunities created.

Methodology

The study is based on secondary data. The require data has been collected from various library, in other source, i.e, research paper, private , public institution, published unpublished data that are available on internet.

Enhancing agricultural production

Increasing the efficiency, productivity and sustainability of small scale farms is an area where ICT can make a significant contribution. Farming involves risks and uncertainties, with farmers facing many threats from poor soils, drought, erosion and pests. Key improvements stem from information about pest and disease control, especially early warning systems, new varieties, new ways to optimise production and regulations for quality control.

Improving market access

Awareness of up-to-date market information on prices for commodities, inputs and consumer trends can improve farmers' livelihoods substantially and have a dramatic impact on their negotiating position. Such information is instrumental in making decisions about future crops and

commodities and about the best time and place to sell and buy goods.

In many countries, initiatives have appeared that seek to address this issue. Simple websites to match offer and demand of agricultural produce are a start of more complex agricultural trade systems. These sites tend to evolve from local selling/buying websites and price-information systems, to systems offering marketing and trading functions. Typically, price information is collected at the main regional markets and stored in a central database. The information is published on a website, accessible to farmers via information centre. To reach a wider audience, information is broadcast via rural radio, TV or mobile phone, thereby creating a 'level playing field' between producers and traders in a region. In Sri Lanka, the Govi Gnana project displays prices on light boards at major markets.

The sustainability of these systems requires attention, with an important role for the private sector and organised producer groups. Web-based trading platforms offering one-stop shop facilities are emerging, especially for main commodities. In India the private support several million farmers with price information, tender and transaction facilities. In recent years, short

ICT SUSATINABILITY OF INDIAN AGRICULTURE: CHALLENGES AND OPPORTUNITIES

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Introduction

Knowledge management can play a pivotal role in enhancing agricultural productivity and addressing the problem of food insecurity. If properly managed, it enables appropriate knowledge and information to reach knowledge intermediaries and smallholder farmers in a timely manner. Such delivery of knowledge and information undoubtedly minimizes the risk and uncertainty smallholder farmers face from production to marketing of their produce. But, to effectively engage in agricultural knowledge management, adequate mechanisms are needed for generating, capturing, and disseminating knowledge and information through the use of effective processes and institutional arrangements. Sources of agricultural knowledge include scientific research and indigenous knowledge. After the creation, sourcing or accumulation of knowledge, the knowledge has to be disseminated to users to support the innovation process. Information and

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has been accompanied by impressive economic growth that has brought significant economic and social benefits to the country. Nevertheless, disparities in income and human development are on the rise. Preliminary estimates suggest that in 2009-10 the combined all India poverty rate was 32 % compared to 37 % in 2004-05. Going forward, it will be essential for India to build a productive, competitive, and diversified agricultural sector and facilitate rural, non-farm entrepreneurship and employment. Encouraging policies that promote competition in agricultural marketing will ensure that farmers receive better prices."

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EMPLOYMENT OPPORTUNITIES FOR INFORMATION COMMUNICATION

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Introduction

Indian telecom sector is more than 165 years old. Telecommunications was first introduced in India in 1851 when the first operational land lines were laid by the government near Kolkata (then Calcutta), although telephone services were formally introduced in India much later in 1881. Further, in 1883, telephone services were merged with the postal system. In 1947, after India attained independence, all foreign telecommunication companies were nationalised to form the Posts, Telephone and Telegraph (PTT), a body that was governed by the Ministry of Communication. The Indian telecom sector was entirely under government ownership until 1984, when the private sector was allowed in telecommunication equipment manufacturing only. The government concretised its earlier efforts towards developing R&D in the sector by setting up an autonomous body – Centre for

Development of Telematics (C-DOT) in 1984 to develop state-of-the-art telecommunication technology to meet the growing needs of the Indian telecommunication network. The actual evolution of the industry started after the Government separated the Department of Post and Telegraph in 1985 by setting up the Department of Posts and the Department of Telecommunications (DoT).

The entire evolution of the telecom industry can be classified into three distinct phases.

- Phase I- Pre-Libralisation Era (1980-89)
- Phase II- Post Libralisation Era (1990-99)
- Phase III- Post 2000

Until the late 90s the Government of India held a monopoly on all types of communications – as a result of the Telegraph Act of 1885. As mentioned earlier in the chapter, until the industry was liberalised in the early nineties, it was a heavily government-controlled and small-

sized market, Government policies have played a key role in shaping the structure and size of the Telecom industry in India. As a result, the Indian telecom market is one of the most liberalised market in the world with private participation in almost all of its segments. The New Telecom Policy (NTP-99) provided the much needed impetus to the growth of this industry and set the trend for liberalisation in the industry.

Objective

- To examine the study social development technologies used for rural development.
- To know the study basis for rural youth employment creativity.
- To know the study FDI increases in India.

Methodology

The study is based on secondary data. They require data has been collected from various library, in other source, i.e, research paper, various Bulletins IT sector that are available on internet.

Current Status

Globalisation has made telecommunication an integral part of the infrastructure of the Indian economy. The telecom sector in India has developed as a result of progressive regulatory regime. According to the TRAI, the total gross revenue of the

Indian telecom services industry was Rs 1,524 bn in FY09 up from Rs 1,291 bn in FY08 registering a growth of 18.03% over FY08 and its subscriber base grew by 43% over FY08 to touch 429.70 mn subscribers in FY09. The telecom sector in India experienced a rapid growth over the past decade on account of regulatory liberalisation, structural reforms and competition, making telecom one of the major catalysts in India's growth story. However, much of this growth can be attributed to the unprecedented growth in mobile telephony as the number of mobile subscribers grew at an astounding rate from 10 million in 2002 to 392 million in 2009. Besides, the growth in the service and IT and ITeS sector also increased the prominence of the telecom industry in India. Telecom has emerged as a key infrastructure for economic and consumer growth because of its multiplier effect and the fact that it is beneficial to trade in other industries. The contribution of the sector to GDP has been increasing gradually (its contribution in GDP has more than doubled to 2.83% in FY07 from 1.0% in FY92). Telecom is one of the fastest-growing industries in India; on an average the industry added 8 million wireless subscribers every month in FY08.

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CONTENTS**

S.No	Name of the Paper	Author(s)	Page.No
1	Depletion of natural resources in india and conservation-a view	Dr.Kasireddy Nagendra Reddy	1-12
2	An impact of mgnregp and rural development – a study	A.Ganesan	13-22
3	Trend analysis for production under food and non-food crops in villupuram district, tamil nadu (1998-2009)	Dr.V.Kalaiselvi	23-31
4	Natural resources management for sustainable livelihoods in india	Prof.A.Ranga Reddy	32-40
5	Food security in tamil nadu	Dr.K.Sudarkodi	41-48
6	Role of mgnrega in creating social assets - with special reference to tamil nadu	Dr.V.Lakshmi Mrs. P. Nappenei	49-54
7	The improvement of financial literacy of women's through shg in thiruvallur district	R. Mahalakshmi Dr. V. Raman	55-61
8	Trends in health indicators in india and tamil nadu-a study	Dr. R. Natarajan	62-71
9	Organizational change and scale of stress among the employees working in it industries –A study taken with particular reference to chennai city	DR.P.Jeevarathinam	72-82
10	Current status of agricultural programmes and policies in rural india: an overview	Dr. A. Mariyappan, Dr.A. Sebasthi Sahaya Malathi,	83-90
11	Economic growth and its impact on poverty in india since 1991 – a comparative study with reference to tamil nadu	D. Sundari,	91-97
12	Rural infrastructure in india	Dr.P.Chennakrishnan, Mr.G . Perumal,	98-107
13	Impact of population growth on environment in india – a case study	Dr. C. Theerthalingam,	108-112


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RURAL INFRASTRUCTURE IN INDIA

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ABSTRACT

The majority of India's poor lives and works in its villages. Rural development is seen as a catalyst for economic transformation. The strategy focuses on improving agricultural productivity; promoting the production and exportation of non-traditional products (processed gold, salt, handicrafts, etc.); generating gainful employment and increasing output of small-scale enterprises. Infrastructure is the key in transforming low productive economy into a fast-growing agro-industrial economy. Construction of rural roads, electricity distribution facilities, and telecommunication networks can provide the rural poor with access to a vast range of economically gainful activities and markets. Irrigation facilities can increase agricultural productivity, reduce vulnerability to drought, and stabilize yields. Provision of warehouses and god owns can ameliorate food security concerns

INTRODUCTION

Infrastructure plays a essential role for but not just in the country's economic growth but also its progress in human development. Rural areas account for a larger part of the geographical area in India. Census 2011 reports that there are 6.4 lakh villages in India, which shelter more than two-third of the country's population. In the basic infrastructure facilities for this large section of the population spread across 3.28 million square kilometer of the country's geographical area has been a major challenge. Indian economy is dependent on agro based activities and industrial development Over 70% of the population living in rural areas is dependent on agriculture for their livelihood. A majority of these families have spent over the 90% of their earnings on basic needs such as

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food, fuel and health care. Over 50% of the rural families who are not able to meet even these essential needs fall under the category of the poor. Industrial development and adoption of modern technologies are likely to generate additional employment in urban areas and pay rich dividend to elite and rich investors of infrastructure. The turn might widen the gap between in the urban and rural as well as the rich and the poor with respect to wealth accumulation, resulting in further hardship to the poor. Therefore, we need to address the problems of the poor to ensure social justice and better quality of life. Rural development also deserves priority for maintaining self sufficiency in food supply. Our food security is under severe threat because of the growing population. No doubt, India has tripled her food production over the last four decades, to reach the present level of 200 million tons/year. However, with over 1.8% annual birth rate, our growing population is bound to raise the annual demand for food to 250 million tons by 2010 A.D. As food security is a pre requisite for economic progress, agro based rural development deserves attention. Rural development may be defined as structural changes in the socio-economic situation to achieve improved living standard of low-income population residing in rural areas and making the process of their development self sustained. It includes economic development with close integration among various sections and sectors; and economic growth specifically directed to the rural poor. In fact, it requires area based development as well as beneficiary oriented programmes. That's why rural development is one of the main and important tasks of development planning in India.

Problems of the Rural Poor

The rural development programme should be identify the problems of the poor and address of the local needs, instead of forcing them to accept pre conceived plans. There should be equal opportunity for the weaker sections of the society and women. The programme should be facilitate sustainable management of natural resources and environmental protection and lead to better quality of life of rural poor. The reasons for rural poverty can be attributed to lack of resources, confidence among the poor and management for implementing the development programmes.

Lack of Resources

Most of the rural families are dependent on agro based activities for their livelihood, where land is the limiting factor. Over the 75% of the farmers own less than two ha land. As only about 28% agricultural land is

A STUDY ON IMPACT OF GST: WITH SPECIAL REFERENCE TO SMALL BUSINESSES ENTREPRENEURS IN TAMIL NADU

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I. INTRODUCTION

The proposed GST is likely to change the whole scenario of current indirect tax system. It is considered as biggest tax reform since 1947. GST is one of the most crucial tax reforms in India which has been long pending. It was supposed to be implemented from April 2010, but due to political issues and conflicting interests of various stakeholders it is still pending. It is a comprehensive tax system that will subsume all indirect taxes of states and central governments and unified economy into a seamless national market. It is expected to iron out wrinkles of existing indirect tax system and play a vital role in growth of India. This paper presents an overview of GST concept, explains its features along with its timeline of implementation in India. The paper is more focused on advantages of GST and challenges faced by India in execution.

Tax policies play an important role on the economy as they have an impact on improving the efficiency in tax administration, tax compliance and tax payment. It also aims to bring about equity among all states leading to overall development and growth of the nation. A good tax system should endeavour to generate tax revenues to support

government expenditure on public services and infrastructure development. The tax laws should be such that they raise a given amount of revenue in an efficient, effective and equitable manner. GST is an indirect tax levied on domestic trade at a single rate (with only very few exemptions) which becomes a proportional tax on consumption. It is a destination based tax in the sense that the tax on a goods goes to the state in which the concerned consumer lives.

GST is said to be a transparent tax law that is expected to result in higher tax compliance. Transparent in the sense that the payer of tax is clear about the rate of tax paid on the value of goods and the amount that is to be paid as tax and the amount of tax paid stated in the bill. It also aims to minimize any distortions in the economy caused by the existing tax policy and are framed to establish a tax system that is economically efficient. An efficient tax system should minimize the cost of tax compliance and should pave way for effective tax administration. The disparities in the economy could be removed if there is proportional tax payment system based on the spending of the individuals. The uniformity in the tax rates is to bring about free movement of goods along

the state borders thus leading to better markets for goods. The delay in the entry of goods along the border line would be reduced. The destination-based value added tax on all goods and services is the most elegant method of eliminating disparities and the state that has the ultimate consumption of goods gets the tax revenue. The tax reform also aims at the reduction in cost of goods and services due to elimination of cascading effect of taxes thus increase in purchasing power and real income. With the reduction in the cost there would be increased saving among the consumers. The investments are expected to increase when the savings increase. The hike in the investment would lead to economic development as the productivity and output increasing making the nation Self-Sustaining.

II. LITERATURE REVIEW

Dr. R. Vasanthagopal (2011) studied, "GST in India: A Big Leap in the Indirect Taxation System" and concluded that switching to seamless GST from current complicated indirect tax system in India will be a positive step in booming Indian economy. Success of GST will lead to its acceptance by more than 130 countries in world and a new preferred form of indirect tax system in Asia also.

Ehtisham Ahmed and Satya Poddar (2009) studied, "Goods and Service Tax Reforms and Intergovernmental Consideration in India" and found that GST introduction will provide simpler and transparent tax system with increase in output and productivity of economy in India. But the benefits of GST are critically dependent on rational design of GST.

Nitin Kumar (2014) studied, "Goods and Service Tax- A Way Forward" and concluded that implementation of GST in India help in removing economic distortion by current indirect tax system

and expected to encourage unbiased tax structure which is indifferent to geographical locations.

Pinki, Supriya Kamma and Richa Verma (July 2014) studied, "Goods and Service Tax- Panacea For Indirect Tax System in India" and concluded that the new NDA government in India is positive towards implementation of GST and it is beneficial for central government, state government and as well as for consumers in long run if its implementation is backed by strong IT infrastructure.

Research Methodology

Being an explanatory research it is based on secondary data of journals, articles, newspapers and magazines. Considering the objectives of study descriptive type research design is adopted to have more accuracy and rigorous analysis of research study. The accessible secondary data is intensively used for research study.

III. OBJECTIVES

The following objectives are identified for the purpose of the study.

1. To study the demographic profile of the respondents.
2. To study the Knowledge of consumers about GST.
3. To elucidate the acceptance of consumers that GST will lead to economic growth.

Sampling

Primary data is collected from 50 respondents on a random sampling method belonging to various age, educational and income category using a structured questionnaire.

Tools Used

The following tools were used for the purpose of analysis data.

- Percentage analysis
- Chi Square test

IMPACT OF GST ON INDIAN ECONOMY

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I. INTRODUCTION

The word tax is derived from the Latin word 'taxare' meaning to estimate. A tax is not a voluntary payment or donation, but an enforced contribution, exacted pursuant to legislative authority" and is any contribution imposed by government whether under the name of toll, tribute, impost, duty, custom, excise, subsidy, aid, supply, or other name.

The introduction of Goods and Services Tax (GST) would be a significant step in the reform of indirect taxation in India. Amalgamating several Central and State taxes into a single tax would mitigate cascading or double taxation, facilitating a common national market. The simplicity of the tax should lead to easier administration and enforcement. From the consumer point of view, the biggest advantage would be in terms of a reduction in the overall tax burden on goods, which is currently estimated at 15%-30%. As India is a federal republic GST would be implemented concurrently by the central government and by state governments.

Goods and service tax is a comprehensive tax levy on manufacturing, sale and consumption of goods and services at a national level. GST is a tax on goods and services with value addition at each stage having comprehensive and continuous chain of set-of benefits from the producer's service provider's point up to the retailer's level where only the final consumer should bear the tax.

India has seen a number of tax reforms in the past two decades. The Goods and Services Tax(GST) is one of the biggest taxation reforms in the history of Independent India that shall change the face of the tax system of the nation. The primary idea behind this move is to replace a multitude of existing taxes in the form of value-added tax, service tax, excise duty and sales tax by levying a single integrated and comprehensive tax on the manufacture, sale and consumption of goods and services in the country. The tax reform is expected to unite India economically by removing different taxes levied by different entities at different points. GST is a tax on goods and services with value addition at each stage having comprehensive and continuous chain of set-of benefits from the producer's/ service provider's point up to the retailer's level where only the final consumer should bear the tax.

Indian Taxation System

India has got a well-structured and simplified taxation system, wherein an authoritative segregation has been done among the Central Government, the different State Governments as well as the Local Bodies. The Department of Revenue under the Government of India's Ministry of Finance is solely responsible for the computation of tax. This department levy taxes on individuals or organizations for income, customs duties, service tax and central excise. However, the agriculture based income taxes are levied by the respective State Governments.

Local bodies have got the power to compute and levy taxes on properties and other utility services like drainage, water supply and many others. The past 15 years have witnessed tremendous reformations of the taxation system in India. Apart from the rationalization of the rates of tax, simplification of the different laws of taxation has even been done during this period. However, the process of tax rationalization is still in progress in the Republic of India.

Impact of GST on Indian Economy

GST will lead to more transparent and neutral manner to raise revenue. The main reason to implement GST is to abolish the cascading effect on tax. A product on which excise duty is paid can also be liable to VAT. Suppose a product A is manufactured in a factory. As soon as it releases from factory, excise duty has to be paid to central government. When the product A is sold in same state then VAT has to be paid to the State Government. Also no credit on excise duty paid can be taken against output VAT. This is termed as cascading effect since double taxes is levied on same product. Implementation of GST will help resolve various issues concerning taxation and logistics with regard to e-commerce business, which has been recording rapid growth in the country, says a study.

II. REVIEW OF LITERATURE

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III. OBJECTIVES

To find out eliminate the effects of taxes of production and distribution of goods and services.

1. To felt that GST would serve a superior reason to achieve the objective of streamlining indirect tax regime in India.

Research Methodology

Being an explanatory research it is based on secondary data of journals, articles, newspapers and magazines. Considering the objectives of study descriptive type research design is adopted to have more accuracy and rigorous analysis of research study. The accessible secondary data is intensively used for research study.

A STUDY ON IMPLEMENTATION OF GOODS AND SERVICE TAX IN INDIA

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Abstract

GST is an indirect tax which will subsume almost all the indirect taxes of central government and states governments into a unified tax. As the name suggests it will be levied on both goods and services at all the stages of value addition. It has dual model including central goods and service tax (CGST) and states goods and service tax (SGST). CGST will subsume central indirect taxes like central excise duty, central sales tax, service tax, special additional duty on customs, counter veiling duties whereas indirect taxes of state governments like state vat, purchase tax, luxury tax, octroi, tax on lottery and gambling will be replaced by SGST. Integrated goods and service tax (IGST) also called interstate goods and service tax is also a component of GST. It is not an additional tax but it is a system to examine the interstate transactions of goods and services and to further assure that the tax should be received by the importer state as GST is a destination based tax.

I. INTRODUCTION

India has got a well-structured and simplified taxation system, wherein an authoritative segregation has been done among Central Government, the different state Governments as well as the Local bodies. The department of revenue under the government of India's ministry of finance is solely responsible for the computation of tax. This

department levy taxes on individual or organizations for income, customs duties, service tax and central excise. However, the agriculture based income taxes are levied by the respective state Governments. Local bodies have got the power to compute and levy taxes on properties and other utility services like drainage, water supply and many others. The past 15 years have witnessed tremendous reformations of the taxation system in India. Apart from the rationalization of the rates of tax, simplification of the different laws of taxation has even been republic of India.

II. OBJECTIVE

1. To study about the challenges of Introduction of Goods and Service Tax (GST in India)
2. To study on prospects in Implementation of Goods and Service Tax (GST) in India

III. METHODOLOGY

Researcher used an exploratory research techniques based on past literature from respective journals, annual reports, newspaper and magazines covering wide collection of academic literature on Goods and Service Tax.

Timeline of GST in India

In 2000, an empowered committee was set up by NDA government under the chairmanship of Asim Das Gupta to design GST model With UPA in

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power union finance minister, Mr. P. Chidambaram, proclaimed the implementation of GST from April 2010 in budget of 2007 and set up an empowered committee of state Finance ministers to work with center. Therefore, on 10 May 2007 Joint Working Group was set up by empowered committee of state finance ministers which submitted the report in Nov 2007. First detailed discussion paper on structure of GST was introduced by empowered committee in Nov 2009 with the objective of generating a debate and getting the inputs from all stakeholders. It suggested a dual GST Module along with a GST council and finally in March 2011, constitution 115th amendment bill was introduced to draw up laws for implementing GST. It includes the followings:

- Setting up of GST council by the president within 60 days of passage of bill. The council will chaired by union finance minister and its members includes MoS for revenue and finance ministers of states. It will work on GST rates, exemption limits etc.
- Setting up of a GST Dispute Settlement Authority having three members to resolve dispute arising among states and take action against states.
- GST Amendment Bill was referred to parliamentary committee on finance for evaluation. In Aug 2013 the standing committee submitted the report and recommended that proposed Dispute Settlement Authority should be removed and its mechanism should be given to GST Council itself. It also recommended that GST Council should take decision by voting rather than consensus. The representation in the GST Council should be 1/3 from central and rest 2/3 from states. The decision in the council

should be passed with more than $\frac{3}{4}$ vote representatives present. The quorum of council is raised from proposed 1/3 to half by standing committee. But the proposed 115 amendment bill was lapsed with dissolution of 15th Lok Sabha. On 19 Dec 2014 after making slight changes in GST Bill, NDA government redefined it in 16th Lok Sabha as 122nd amendment of constitution. On 6 may 2015 it passed in lower house of government. Currently, the 122nd constitutional amendment is crafasted in Rajya Sabha where it has to passed with $\frac{2}{3}$ rd majority in order to be implemented from 1 April 2016.

Features of Proposed GST Ambit of GST

- It is applied to all taxable goods and services except the exempted goods and services and on transactions below the threshold limit.
- Exempted goods and services include alcohol for human consumption, electricity, custom duty, real estate. [Proposed article 366(12A)]
- Petroleum products [crude oil, HSD (high speed diesel), motor spirit (petrol), natural gas, ATF (aviation turbine fuel)] are initially exempted from GST till the GST Council announces date of their inclusion.
- Tabaco products are included in GST along with central excise tax.

Imposition and Collection of GST

- The power of making law on taxation of goods and services lies with both union and state legislative assemblies. A law made by union on GST will not overrule a state GST law. (proposed article 246A)
- GST has two components CGST and SGST as discussed above. CGST will be collected by

GOODS AND SERVICE TAX OPPORTUNITY AND CHALLENGES

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Abstract

India has witnessed a number of reforms in indirect taxes over the last two decades with the replacement of State Sales Taxes by Value Added Tax (VAT) in 2005 marking a watershed in this regard. A Modified Value Added tax (MODVAT) was introduced for selected commodities at the Central level in 1986 and subsequently extended to all commodities through Central Value Added Tax(CENV AT). Value Added Tax (VAT) at the State level was introduced in a phased manner during 2003 to 2008. Prior to the implementation of VAT, the indirect tax structure in the country was considered somewhat problematic due to the "cascading effect of taxes" where by an item is taxed more than once from the production stage to the final retail sales stage. Exporters were also becoming less competitive in the international market due to the relatively higher input costs involved through the earlier sales tax mode (tax burden of a commodity increases when it is taxed repeatedly) –reflected in higher prices of products as compared to global competitors

I. INTRODUCTION

The major role of taxation economic development with much awaited GST system and in-depth analysis, here we are final GST bill passed by the parliament. Because taxes are only means for financing the public goods because they cannot be properly priced in the market. And government is only source of funding using the taxation methods. As taxes are the drivers of the economy. Tax regimes should be designed in such a manner that is does not become the source of distortion in the market or result in failure of market. Raising a sufficient amount of revenue is main aim of tax law in efficient, effective and quotable manner. Tax policies are important contributor to the economy in both cases efficiency and equity. Good tax system should keep in view the issues of income distribution and also focused on strategies to generate tax revenues to support government expenditures on public services and infrastructural development. At present, separate tax rates are applied to goods and services.

Under GST, there would be only one tax rate for both goods and services. The goods and services Tax will indeed be a further significant improvement towards a comprehensive indirect tax reforms in the country. Integration of goods and services taxation would give India a world class tax system and improve tax collections. It would end distortions of differential treatments of manufacturing and service sector. GST is expected to create a business friendly environment, as price levels and hence inflation rates would come down overtime as a uniform tax rate is applied. It will also improve government's fiscal health as the tax collection system would become more transparent, making tax evasion difficult. The GST is expected to replace all the indirect taxes in India.

Concept of Goods and Service Tax

GST is a comprehensive indirect tax on manufacture, sale and consumption of goods and services at national level. One of the biggest taxation reforms in India the (GST) is all set to integrate State economies and boost overall growth. Currently, companies and businesses pay lot of indirect taxes such as VAT, service tax, sales tax, entertainment tax, octroi and luxury tax. Once GST is implemented, all these taxes would cease to exist. There would be only one tax, that too at the national level, monitored by the central government. GST is also different in the way it is levied at the final point of consumption and not at the manufacturing stage. At the centre's level, GST will replace central excise duty, service tax and customs duties. At the state level, the GST will replace State VAT.

Impact of GST on Indian Economy

The Goods and Service Tax(GST)bill is expected to have wide ranging ramifications for the complicated taxation system in the country. It is

likely to improve the country's tax to GDP ratio and also inhibit inflation. However, the reform is likely to benefit the manufacturing sector but may make things difficult for the services sector. Though there are expectations that the GDP growth is likely to go up by 1 to 2 %, the results can only be analysed after the GST implementation. The response is mixed from countries around the world. While the New Zealand economy had a higher GDP growth, it was lower in case of Canada, Australia and Thailand after the GST was implemented. The one per cent tax that has been proposed as a sop to appease the States for compensating their loss of revenue from the inter-state CST is likely to play a spoil sport. It is probable that it may affect the GDP adversely. The Congress is already opposing the 1 per cent tax. The GS Tax rate is expected to be around 17-18% and can be assumed as a tax neutral rate. This tax rate is not likely to give any incremental tax revenue to the government. The rate will prove beneficial for the manufacturing sector where the tax rate is around 24% at present. The major manufacturing sectors that will benefit the most are FMCG, Auto and Cement. This is because they are currently reeling under 24 to 38 per cent tax. The sector which is going to be adversely affected is the services sector. Already there has been a hike from 12 to 14% from the 1st of June this year. Another 4 per cent increase will break their backs. The uniformity in the taxation rate is fine but it should not result in disparity for the goods and services sectors. Nobody has thought of the implications it will have in the services sector if the government moots a higher GS Tax rate like 20% or 24%. The higher GST rate will definitely boost the tax to GDP ratio, while giving financial muscle to the government for increasing the capital expenditure. This is likely to spur growth in the economy. There is

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INDEX FOR VOLUME 52


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Rainfed Agriculture in India: Issues and Challenges

By C. Sivakkolundu and P. Loganathan*

At present 95 percent of area under coarse cereals, 91 percent under pulses, 80 percent under oilseeds, 65 percent under cotton and 53 percent under rice is rainfed (Government of India, 1994). Livestock forms an integral part of rainfed ecosystem and two out of every three animals are thriving in these regions. These areas are spread-out throughout the length and breadth of the country with semi-arid to sub-humid environments, shallow textured light soils to deep textured black and alluvial soils with varied effective crop growing periods from 90 to 180 days.

While agriculture's share in India's economy has progressively declined to less than 15% due to the high growth rates of the industrial and services sectors, the sector's importance in India's economic and social fabric goes well beyond this indicator. Nearly three-quarters of India's families depend on rural incomes. The majority of India's poor (some 770 million people or about 70 percent) are found in rural areas. India's food security depends on producing cereal crops, as well as increasing its production of fruits, vegetables and milk to meet the demands of a growing population with rising incomes. To do so, a productive, competitive, diversified and sustainable agricultural sector will need to emerge at an accelerated pace.

At present 95 percent of area under coarse cereals, 91 percent

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under pulses. 80 percent under oilseeds, 65 percent under cotton and 53 percent under rice is in rainfed (Government of India, 1994). Livestock forms an integral part of rainfed ecosystem and two out of every three animals are thriving in these regions. These areas are spread-out throughout the length and breadth of the country with semi-arid to sub-humid environments, shallow textured light soils to deep textured black and alluvial soils with varied effective crop growing periods from 90 to 180 days.

India is a global agricultural powerhouse. It is the world's largest producer of milk, pulses, and spices, and has the world's largest cattle herd (buffaloes), as well as the largest area under wheat, rice and cotton. It is the second largest producer of rice, wheat, cotton, sugarcane, farmed fish, sheep and goat meat, fruit, vegetables and tea. The country has some 195 m ha under cultivation of which some 63 percent are rainfed (roughly 125m ha) while 37 percent are irrigated (70m ha). In addition, forests cover some 65m ha of India's land.

Rainfed Agriculture

The term Rainfed agriculture is used to describe farming practices that rely on rainfall for water. It provided much of the food consumed by poor communities in developing countries. For example, rainfed agriculture accounts for more than 95% of farmed land in sub-Saharan Africa, 90% in Latin America, 75% in the Near East and North Africa; 65% in East Asia and 60% in South Asia.

Levels of productivity, particularly in parts of sub-Saharan Africa and South Asia, are low due to degraded soils, high levels of evaporation, droughts, floods and a general lack of effective water management. A major study into water use by agriculture, known as the Comprehensive Assessment of Water Management in Agriculture, coordinated by the International Water Management Institute, noted a close correlation between hunger, poverty and water. However, it concluded that there was much opportunity to raise productivity from rainfed farming.

Objectives

1. To assess the Rainfed Agricultural areas.

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Prospects for BRICS

Prof. C. Sivakkolundu*

[BRICS—a grouping of five emerging economies Brazil, Russia, India, China and South Africa – is gradually gaining international salience in the comity of nations for its programmes and policies, especially in economic and social realms. Whether it can provide an effective alternative to the US and European dominated financial institutions like World Bank and IMF for the benefit of developing countries is yet to be seen. Ed.]

The Sixth BRICS summit was recently held in the sixth annual diplomatic meeting of the BRICS, a grouping of major emerging economies that includes Brazil, Russia, India, China and South Africa. It was hosted by Brazil, as the first host country of the current five-year summit cycle.

Undoubtedly, Brazil had earlier hosted a four-member BRIC summit in April 2010; nevertheless, the 2014 summit marks the first full BRICS summit. The 2010 summit held in Brasilia did not officially include South Africa, which was only invited as guest in a prelude to full membership, which was achieved in December 2010.

Brazil hosted the 6th Summit of Heads of State and of Government of BRICS on 14-16 July 2014, and it was held in Fortaleza and Brasilia cities of Brazil. At its 6th Summit, the BRICS emphasized social inclusion and sustainable development. The debate informed by the theme “Inclusive growth: sustainable solutions”. The Summit inaugurated the second cycle of BRICS. Each member country has hosted one meeting of leaders of the BRICS.

Democratization of International Relations

The Fortaleza Summit showcased BRICS’ accomplishments, and the discussions leading to the realization of its vast potential. Since its first Summit in 2009, the BRICS has consolidated its position as a positive force for the democratization of international relations and for the enhancement of existing institutions of international governance. It

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has also forged an impressive partnership carrying out cooperation initiatives in more than 30 areas between its members.

Additional line of Defence

Among other topics, the leaders have held discussions on the Contingent Reserve Arrangement (CRA) and the New Development Bank (NBD). The CRA is an additional line of defence available to the BRICS countries in scenarios of Balance of Payments’ difficulties. The NBD will finance infrastructure and sustainable development projects.

Priority to Developing Countries

On 16 July 2014, a working session was held in Brasilia between the Leaders of BRICS and the Heads of State and or Government of South America. The dialogue between BRICS Leaders and their South American counterparts reflects the priority accorded to developing countries in the BRICS outreach strategy.

Three Pillars of BRICS Summit Meetings

- Finance Ministers and Central Bank Governors meeting
- Trade Ministers meeting, Development Bank Presidents’ meeting
- Business Forum and a session of the Business Council of the BRICS

The Academic Forum

The Academic Forum and the Council meeting of BRICS were held in Rio de Janeiro, on the 18-19 March 2014.

urban areas was more modest - from 11.3 kg to 10.6 kg over the same period. At the same time, consumption of milk and meat products as well as vegetables and fruits has increased. Such changes are a natural outcome of economic development.

The food subsidy bill for 2002-03 is budgeted at Rs.21,200 crore, which works out to 5.2 per cent of total Central Government expenditure. The level of food subsidies as a proportion of total government expenditure has gone up from a level of 2.5 per cent or below in the early 1990s to more than 5 per cent today.

Table-1: Food subsidy of Central Government

Year	Amount (Rs. crore)	% of total Government expenditure
1990-91	2450	2.33
1991-92	2850	2.56
1992-93	2785	2.27
1993-94	5537	3.9
1994-95	4509	2.8
1995-96	4960	2.78
1996-97	5166	2.46
1997-98	7500	3.23
1998-99	8700	3.11
1999-00	9200	3.03
2000-01	12125	3.61
2001-02	17612	4.83
2002-03	21200	5.17

Targeted Public Distribution System

The government streamlined the system by issuing special cards to BPL families and selling food grains under PDS to them at specially subsidized prices with effect from

June 1997. Under this Targeted Public Distribution System (TPDS), each poor family was entitled to 10 kg of food grains per month at specially subsidized prices. In keeping with the consensus on increasing the allocation of food grains to the BPL category and to better target the food subsidy, the Government increased the allocation to BPL families from 10 kg to 20 kg per month at 50 per cent of economic cost from 1 April 2000. The number of BPL families increased with effect from 1 December 2000. The allocation of foodgrains for the BPL category thus increased to 147 lakh tonnes per annum.

Some implementation of PDS

Items other than rice and wheat need to be excluded from the purview of TPDS. The main objective of providing food subsidy to the poor is to ensure food security. Sugar should be kept outside the purview of PDS. It should be decontrolled and the system of levy on sugar discontinued. It is argued that encouraging production of coarse cereals in dry land areas can check environment damage like degradation of soil to some extent. Kerosene oil is also supplied through PDS and is intended for the poor.

All further attempts to include more and more commodities under the coverage of food subsidy should be resisted. The coverage TPDS and food subsidy should be restricted to the BPL population. For the APL population, which has the purchasing power to buy food. With the liberalization of external sector, the operation of the buffer stock can be supplemented by timely exports and imports. Ration

cards should not be used by the administration as an identification card for various purposes.

Conclusion

It is clear that a task of utmost importance today is to guarantee adequate access to food to ensure food security and to end endemic hunger. A well functioning universal public distribution system can be the mean to ensure adequate physical access to food at the local and house hold levels. The proper PDS schemes to provide and regulate the systems as well. The plan schemes strengthening the food and public distribution system. It points out the various allocation of expenditure and methods in different states. The proposal for a universal public distribution system is likely to require higher food subsidies. In choice between fiscal restraint and basic food security, if the former is chosen, the result will be a very high welfare cost to the majority of our people in this and the next generation.

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in which case the market system is more apt anyway.

- F.C.I. and other prominent agencies should provide quality food grains for distribution.
- Frequent checks and raids should be conducted to eliminate bogus and duplicate cards, which is again an added expenditure.
- The Civil supplies Corporation should open more Fair Price shops in rural areas.
- The Fair Price dealers seldom display rate chart and quality available in the block-boards in front of the shop. This should be enforced.

Financial support

Food stamps is an indirect financial support given to the needy and to the underprivileged by issue of coupons, vouchers, electronic card transfer etc. they can purchase commodities at any shop or outlet and would not have to purchase food from an particular shop as in the case of the PDS system in India.

This was the plan proposed by the Finance Minister in his budget but the United Progressive Alliance (UPA) government which came to power in 2004, decided on a Common Minimum Programme (CMP) and one of the agenda was food and nutrition security. Under that the government had plans for strengthening the Public Distribution System (PDS). However the Finance Minister P. Chidambaram in his budget speech went contrary to the idea proposed in the CMP and proposed the idea of the food stamp scheme and has proposed to try the scheme in few districts of India to know its viability.

In the CMP the government had proposed that if it is viable it would universalize the PDS but if the Food stamps would be introduced it would be a Targeted public

distribution system and a group of about 40 economists have cautioned the NAC headed by Sonia Gandhi against the food security bill as it would put an additional burden on the exchequer and instead have advised to go ahead and experiment with food stamps and other alternative methods and did point out the flaws in PDS. These set of 40 economist hail from different institutes like Delhi School of Economics, Indian Statistical Institute, Jawaharlal Nehru University, Indira Gandhi Institute of Development Research, Centre for Development Studies, Harvard, MIT, Columbia, Princeton, London School of Economics, University of British Columbia, University of California and University of Warwick.

Distribution of food

It will reduce tariff on wheat and 80% percent tariff on rice which further resulted in one of the outlandish incidents in the Indian history that was accumulation of buffer stocks which were exported which, incidentally, came back for sale at high MSP's for instance in 2002-03, the government sold 1.6 million tones to exporters but actual exports were only 0.682 million tones.

The government may have to set up a complete system for the same or would have to put this responsibility on Post office, banks or such other institutions. In this process there could be leakages which are a matter of concern. Also there would be a burden which would come on the poor class who has to benefit from the same of going and collecting the food stamps.

Substitute of cash subsidy

In the midst of sweeping political reforms to transform the public functioning making it corruption-free, the Government of India has put in place several proposals to tackle corruption hence defending its stand. Among the proposals

have been the policies on food, fertilizers and fuel to help the lower bulk of population in both rural and urban help attain a sustainable living standard. Pranab Mukherjee in his February 6 2011 budget speech had put forward the proposal of Cash Subsidy as a substitute.

These subsidies could only complement but no substitute for a solution. Another basic argument lies in search for evidence that such conditional cash subsidies would work better than the Mid-Day Meal schemes of the Central government. To concise, such conditional cash transfers are productive in providing scholarships to poor students or cycles to girl student as seen in Bihar. They could further complement the existing Public Distribution Systems but the idea of it being a substitute is a mere failure.

Inflationary pressure

Often the Whole Sale Price Index of measuring inflation in India is marked by a high degree of fluctuation. These incidences could well change the cash transfer process in compensating public with a de-regulated market where prices fluctuate so often. Hence, designing a specific average weighted index in lieu of price fluctuations seems quite unrealistic in nature. To consider the works of a Public Distribution Centre, it always has provided for an inflation proof mechanism.

Changes in food consumption pattern

Dramatic changes in food consumption patterns have taken place in India in the post Green Revolution period. At the All India level, cereal consumption in the rural areas declined from 15.3 kg per capita per month in 1972-73, to 13.4 kg per capita per month in 1993.94 the corresponding decline in the

Public Distribution System And Food Subsidy

C Sivakkolundu* Dr P Loganathan**

Introduction

Public Distribution System (PDS) is an Indian food security system. Established by the Government of India under Ministry of Consumer Affairs, Food and Public Distribution and managed jointly with state governments in India, it distributes subsidised food and non-food items to India's poor. Major commodities distributed include staple food grains, such as wheat, rice, sugar, and kerosene, through a network of Public Distribution Shops (PDS) established in several states across the country. Food Corporation of India, a Government owned corporation, procures, maintains and issues food grains to the state. Distribution of food grains to poor people throughout the country is managed by the state governments. As of date there are about 4.99 lakh Fair Price Shops (FPS) across India.

Food security network

In terms of both coverage and public expenditure, it is considered to be the most important food security network. However, the food grains supplied by the ration shops are not enough to meet the consumption needs of the poor or are of inferior quality. The average level of consumption of PDS grains in India is only 1 kg per person / month. The PDS has been criticized for its urban bias and its failure to serve the poorer sections of the population effectively. The targeted PDS is costly and gives rise to much corruption in the process of extricating the poor from those who are less needy. Today, India has the largest stock of grain in the world

besides China, the government spends Rs.750 billion (\$13.6 billion) per year, almost 1 percent of GDP, yet 21% remain undernourished.

Authorities to regulate PDS

Both the central and state governments shared the responsibility of regulating the PDS. While the central government is responsible for procurement, storage, transportation, and bulk allocation of food grains, state governments hold the responsibility for distributing the same to the consumers through the established network of Fair Price Shops (FPSs). State governments are also responsible for operational responsibilities including allocation and identification of families below poverty line, issue of ration cards, supervision and monitoring the functioning of FPSs.

Schemes of PDS

Under PDS scheme, each family below the poverty line is eligible for 35 kg of rice or wheat every month, while a household above the poverty line is entitled to 15 kg of foodgrain on a monthly basis. However, there are concerns about the efficiency of the distribution process.

Several schemes have augmented the number of people aided by PDS, but the number is still extremely low. Poor supervision of FPS and lack of accountability have spurred a number of middlemen who consume a good proportion of the stock meant for the poor. There is also no clarity as to which families should be included in the BPL list and which excluded. This re-

sults in the genuinely poor being excluded whilst the ineligible get several cards.

The stock assigned to a single family cannot be bought in installments. This is one of the biggest barriers to the efficient functioning of PDS in India. Many BPL families are not able to acquire ration cards either because they are seasonal migrant workers or because they live in unauthorized colonies. A lot of families also mortgage their ration cards for money.

Malpractices of PDS

- Generally, the consumers get inferior food grains in ration shops.
- Deceitful dealers replace good supplies received from the F.C.I (Food Corporation of India) with inferior stock.
- Many retail shopkeepers have large number of bogus cards to sell food gains in the open market.
- Many FPS dealers resort to malpractice since they acquire less salary.
- Despite the PDS, India accounts for over 400 million poor and hungry people.

Measure to improve PDS

- Vigilance squad should be strengthened to detect corruption, which is an added expenditure for taxpayers.
- Personnel-in-charge of the department should be chosen locally.
- Margin of profit should be increased for honest business,

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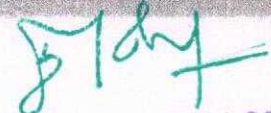
20 Creativity-individual Characteristics
Prof N Damodar Reddy

**23 Non Performing Assets in
Old Private Sector Banks in India**
Dr V Dheenadhayalan

**28 Public Distribution System And
Food Subsidy**
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