

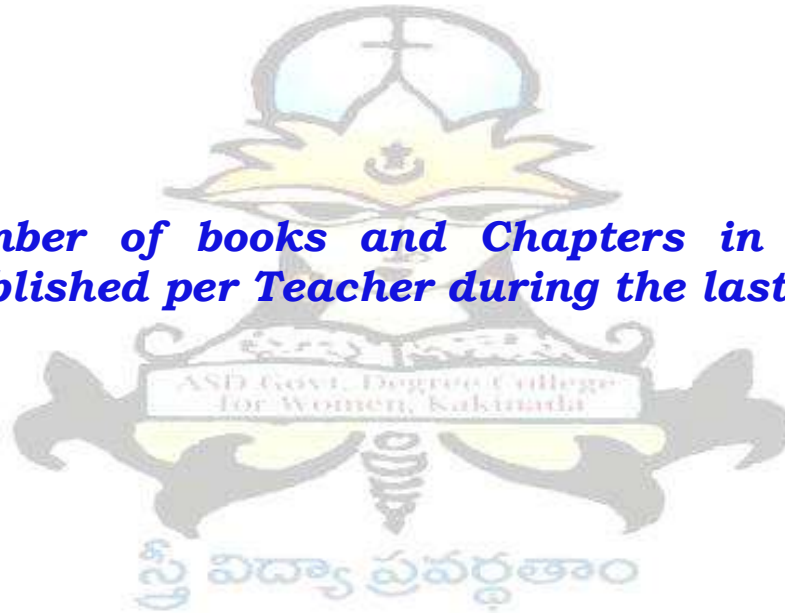


**A.S.D. Government Degree College for Women**  
**An Autonomous Institution**  
Jagannaickpur, Kakinada, Andhra Pradesh-533002  
Affiliated to Adikavi Nannaya University, Rajamahendravaram



**INTERNAL QUALITY ASSURANCE CELL**

**3.4.4. Number of books and Chapters in edited Volumes published per Teacher during the last five years (5)**



**NUMBER OF BOOKS AND CHAPTERS PER  
TEACHER  
(2019-2020)**

### 3.4.4 Books and Edited Chapters 2019-2020

Sl. No.	Name of the Teacher	Title of the Book published	Title of the Chapter published	Name of the Publisher
1	K. Lavanya	Prevention and management of noncommunicable diseases	Smartphone Usage and Perceived Physical Wellbeing of College Students	Dr. Ambedkar Government Arts College, Chennai
2	M. Suvarchala	Prevention and management of noncommunicable diseases	Review of academic stress mental health and suicidal ideation among Adolescents	Dr. Ambedkar Government Arts College, Chennai
3	Dr.D. Chenna Rao	One Day National Workshop	Academia-Industry Interface: Strategies and Perspectives for Resource Management and Organizational Development	Sucharitha Publications
4	Dr. P. Sanjyotha	Academia-Industry Interface: Strategies and Perspectives for Resource Management and Organizational Development	Bridging Academia-Industry Hiatus in HEIs: Focus on Training in English for Specific Purposes (ESP)	Sucharitha Publications
5	K. Yamuna	Impact of Economic Recession on Human Resource Development	Indian Manufacturing Sector During Economic Recession	Sucharitha Publications
6	Dr.K. Lavanya	Health & Wellbeing of Women and Children	Smartphone usage and physical Health Risks of Young people-A Review	Pragma Publications

7	K. Yamuna	India's Economic Slowdown: Dynamics and Perspectives	<b>Impact</b> of Economic Slowdown on Indian Industrial Sector	Roshan Publications, Visakhapatnam
8	K. N. B. Kumari	India's Economic Slowdown: Dynamics and Perspectives	Impact and Challenges of GST in India	Roshan Publications, Visakhapatnam
9	MD. Hazara parveen & V.Srinivas	India's Economic Slowdown: Dynamics and Perspectives	Stock market crash - recent trends	Roshan Publications, Visakhapatnam
10	P. Rajya Lakshmi	India's Economic Slowdown: Dynamics and Perspectives	Impact of demonetization on Indian Economy	Roshan Publications, Visakhapatnam
11	A. Sandhya	India's Economic Slowdown: Dynamics and Perspectives	Demonetization and its effects on economy	Roshan Publications, Visakhapatnam
12	R.R.D. Sirisha	India's Economic Slowdown: Dynamics and Perspectives	Microfinance and financial inclusion	Roshan Publications, Visakhapatnam



# PREVENTION AND MANAGEMENT OF NON-COMMUNICABLE DISEASES

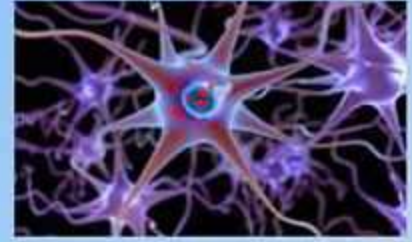
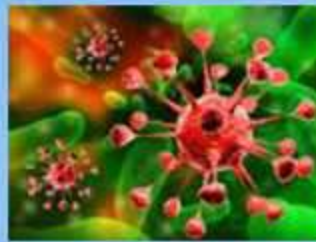
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# **PREVENTION AND MANAGEMENT OF NONCOMMUNICABLE DISEASES**

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**RESEARCH ARTICLE****SMARTPHONE USAGE AND PERCEIVED PHYSICAL WELLBEING OF COLLEGE STUDENTS****\*K.Lavanya<sup>1</sup> Prof R.Varalakshmi <sup>2</sup>**

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**ABSTRACT**

Smartphone is a mobile phone which is capable of performing diverse functions of internet browsing, operation of multimedia, possibility of installation of various applications along with the basic feature of oral communication. Day by day smart phones are updated with various new features facilitating the user to perform various activities on a Smartphone to make life easier. Ubiquity and affordable prices of smart phones has made it available for the people of all income and also age groups. Of all the age groups, College students especially at undergraduate levels have adopted them widely. The primary reasons being availability of more leisure time and their need for staying in touch with their peers throughout. Another important reason is the multiple functionality of smart phones which caters to many requirements of the college students like academics, entertainment and social activities. Hence they are with their smart phones round the clock. Majority of the studies carried out across many countries to study the effect of smart phones reveal that overuse of smart phone negatively affect the wellbeing of the college students. The present study is an attempt to study the smart phone usage of college students and its effect on the perceived Physical wellbeing of the college students. The components studied under physical wellbeing were General Health, Vision problems, sleep problems and musculoskeletal problems. The study was undertaken in Kakinada city, a hub of educational institutions. The college students in the age group of 16-24 were included in the study. The sample included 412 students of engineering, medical, government and private degree colleges and vocational college. Students were selected through Purposive sampling, those who were using smart phone for not less than a year. Married students were not included in the study. The tools used for the study are a General Questionnaire to study the socio-demographic variables of the respondents, a Smartphone Usage Questionnaire and a Physical Wellbeing Questionnaire developed for the study. The results revealed that among the sample investigated for the study, 7.9 percent scored low, 45 percent scored average and 47 percent scored high on physical wellbeing. However physical wellbeing and various dimensions of the physical wellbeing like general health, vision problems, sleep problems and musculoskeletal problems are negatively correlated and highly significant with the smartphone usage. It can be concluded that majority of the college students participating in the present study scored high to average scores on physical wellbeing but it is negatively correlated with smartphone usage. Hence measures should be taken to minimize the effect of smart phone use by taking suitable measures

*Keywords* : Smartphone, Questionnaire, musculoskeletal

**INTRODUCTION**

Smart phone is a mobile phone which is capable of performing diverse functions of internet browsing, operation of multimedia, with the possibility of installation of various applications along with the basic feature of oral communication. Day by day smartphones are updated with various new features facilitating the user to perform various activities on a smartphone to make life easier. Ubiquity and affordable prices of smartphones has made it available for the people of all income and also age groups. Of all the age groups, College students especially at undergraduate levels have adopted them widely. The primary reason is the availability of more leisure time and their need for staying in touch with their peers throughout. Another important reason is that, a Smartphone caters to many requirements of the college students like academics, entertainment and social activities. Hence they are with their smartphones round the clock. Majority of the studies carried out across many countries to study the effect of smartphones reveal that overuse of smartphone negatively affect the wellbeing of the college students. The present study is an attempt to study the smartphone usage of college students and its effect on the

perceived Physical wellbeing of the college students. The components studied under physical wellbeing were general Health, vision problems, sleep problems and musculoskeletal problems.

**REVIEW OF LITERATURE**

Smartphone has become an inseparable part of everyone's life as it facilitates the user in many day to day activities. Especially college students have adopted smartphones widely and they have started playing a very important role in their lives. Hence research is carried out throughout the globe to study the effect of smartphones on wellbeing of this age group. The results have indicated that the overuse of smartphones effect the physical, psychological and social wellbeing of college students. The common physical health problems studied were vision problems, sleep problems, musculo skeletal problems, headaches, obesity, risk of accidents and cancers. It was found that high exposure to smartphones led to sleep problems and insomnia is commonly found among smartphone users (Zencirci SA, 2018). It was also found that Musculo skeletal complaints of neck, shoulder and upper back are significantly associated with smartphone usage (Hyo-Jeong Kim, 2015). Joowon Kim in 2016 reported



that ocular problems are caused among high smartphone users due to the strain caused to the eyes.

In India the smartphone penetration is very high and as per Ericsson Mobility Report, June 2019 edition, the data usage in India is also very high compared to the rest of the world. In this scenario, there is a need to study the effect the smartphone usage is going to cause to the users. The present study is an attempt to study the association between smartphone usage and the physical wellbeing.

## MATERIALS AND METHODS

The study was undertaken in Kakinada city, a hub of educational institutions. The college students in the age group of 16-24 years were included in the study. The sample included 367 students of engineering, medical, government and private degree colleges and vocational college. Those students, who were using smartphone for not less than a year, were selected through Purposive sampling technique. Married students were not included in the study.

The tools used for the study are a General Questionnaire to study the socio demographic variables of the respondents, a Smartphone Usage Questionnaire and a Physical Wellbeing Questionnaire developed by the investigator for the study. All the tools used for data collection are self reported questionnaires.

Smartphone Usage Questionnaire consists of 42 items. The questionnaire was sent for content analysis to the experts in the area of study and the necessary modifications were undertaken. The minimum score of the questionnaire is 42 while the maximum score is 210.

Those students, who were using smartphone for not less than a year were selected through Purposive sampling technique. The dimensions covered under physical wellbeing are General Health, Vision Problems, Sleep Problems and Musculoskeletal problems. The participants were asked to respond to the items based on their physical condition during the last one month. Those who have major health issues, chronic health problems and those who met with accidents before the study were excluded from the study. The minimum score of the questionnaire is 26 and maximum score is 130. Except the items 1 and 2, the remaining 24 items were reversely coded. High scores indicated good wellbeing in all the dimensions and also the total physical wellbeing. The questionnaire was sent for content analysis to the experts in the area of study and necessary modifications were carried out.

In the selected colleges of Kakinada, the study was carried out during January 2019 to April 2019. Those who participated in the study were given consent forms to give their willingness to participate in the study which also stated that no remuneration is provided for participating in the study and the participation was purely voluntary.

## RESULTS AND DISCUSSION

Out of 400 questionnaires collected from the participants, 33 questionnaires were not included for analysis as they were incomplete. From the remaining 367 questionnaires, the obtained data was analysed and tabulated. Frequencies and percentages were calculated wherever necessary. The data was analysed using SPSS Software. Mean scores and Standard Deviations were calculated using descriptive statistical analysis. Pearson Correlation Coefficient was calculated to study the association between the smartphone usage of college students and the various dimensions of Physical Wellbeing.

**Table 1. Smartphone usage of college students**

Smartphone Usage Score	Percentage			Mean Score and SD
	Boys(n=139)	Girls(n=228)	Total(n=367)	
Low(42-98)	39(54)	43(98)	41.6(153)	107.56±30.26
Medium(99-154)	56(78)	50(114)	52.1(191)	
High(155-210)	5(7)	7(16)	6.3(23)	

The results from Table 1 indicates that only 6.26 % of the participants scored high on smartphone usage indicating that they use their smartphone heavily while more than 50 % of them reported medium usage and less than 50 % of the respondents were on the lower side of the smartphone usage. The mean and standard deviation also lies in the range of medium scores on smartphone usage indicating that the smartphone usage lies in medium and low ranges. Not many differences were found among girls and boys in smartphone usage. This study is in line with the results of a study by Ahmed et al. (2011) who found that 4.8 to 18.5 percent university students of Pakistan only exhibited addictive symptoms and majority users used their phones in reasonable limits and did not show any extreme behaviour. But it is contradicting with a study by Shilpa & Deshpande (2016) who investigated the levels of smartphone addiction among 100 engineering students and found that 45 male and 39 female students were having high levels of addiction.

**Table 2. Physical wellbeing of college students**

Physical Wellbeing Score	Percentages			Mean Score and SE
	Boys(n=139)	Girls(n=228)	Total(n=367)	
<b>General Health</b>				
Low (6-18)	37.4(52)	33.8(77)	35.2(129)	20.64±5.03
High(19-30)	62.6(87)	66.2(151)	64.8(238)	
<b>Vision problems</b>				
Low	44.6(62)	38.6(88)	40.8(150)	21.03±7.11
High	55.4(77)	61.4(140)	59.2(217)	
<b>Sleep patterns</b>				
Low	45.4(63)	38.2(87)	40.8(150)	16.77±4.33
High	54.6(76)	61.8(141)	59.2(217)	
<b>Musculoskeletal problems</b>				
Low	38.8(54)	34.2(78)	35.9(132)	32.98±10.65
High	61.2(85)	65.8(150)	64.1(235)	

Total Physical Wellbeing				
Low	9.3(13)	7.1(16)	7.9(29)	91.43±22.85
Medium	50.3(71)	41.5(94)	44.9(165)	
High	40.4(57)	51.4(116)	47.2(173)	

The above table presents the frequencies and percentages of physical wellbeing of college students. The various dimensions like General Health, Vision problems, Sleep problems and musculoskeletal problems were studied under physical Wellbeing.

It can be inferred from the above table that on the General Health dimension which includes symptoms like frequent headaches, ear problems, general weakness and tiredness, majority of the respondents (65.8 %) scored high indicating that they have good general health while only 34.2 % scored low. Mean score and standard deviation obtained are also in the range of high scores. No significant differences on scores were found among boys and girls.

Previous Studies indicate that Vision problems are common among the smartphone users as they stare at the screen for a longer duration without blinking and also it causes dryness and myopia problems among the users. Findings of the present study indicate that 59.1 % of the total respondents were on the higher side on visual problems where higher score indicated less vision problems and 40.9% were on the lower scores. Majority of the girls (61.4%) were on the higher scores compared to boys (55.3%) indicating that girls had less vision problems compared to the boys.

With respect to the sleep patterns, in the present study high scores on sleep patterns indicate good sleep while lower scores indicate sleep problems. 59.2 % of the respondents had high scores on sleep problems indicating that they had good sleep, while 40.8 had lower scores which denote that they have sleep problems. Compared to boys, majority of the girls had high scores indicating less sleep problems among girls.

Musculoskeletal problems are the pains related to the bones, ligament, muscles and tendons. In the present study, 64.1 % of the college students had higher scores indicating that they had lesser musculoskeletal problems while 35.9 % scored low indicating high incidence of musculoskeletal problems. No gender differences were observed on the scores of musculoskeletal problems. Mean score was 32.98±10.65

The scores on total physical wellbeing were divided into high, medium and low as the range of scores was high. In the present study, very few i.e., less than 10 % of the participants scored low on physical wellbeing, while majority of them scored average(44.9%) and high(47.2%) scores. From this it can be inferred that majority of the participants are enjoying good physical wellbeing on all the dimensions of General health, vision, sleep and musculoskeletal problems.

To study the association between Smartphone usage and Physical Wellbeing, Pearson Correlation Coefficient is calculated for all the dimensions of physical wellbeing and the

total physical wellbeing. The results are presented in the table below:

**Table 3: Pearson Correlation Coefficient Analysis of Smartphone Usage and Physical Wellbeing and its dimensions**

	General Health		Vision Problems		Sleep Pattern		Musculoskeletal problems		Physical Wellbeing	
	R	P	R	P	R	P	R	P	R	P
Smartphone Usage	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value
	-0.217	0.000	-0.289	0.000	-0.207	0.000	-0.335	0.000	-0.333	0.000

**\*\*Highly Significant at 0.01 level of significance**

The table indicates that there is a negative correlation between smartphone usage and the various dimensions of physical wellbeing.

General health dimension which covers general fatigue, ear ache, headache and lack of good appetite. **R value -0.217 and P value 0.000** indicate a highly significant negative correlation with smartphone usage. The results are parallel to a study conducted by Leonid Miakotko (2017) reporting that six respondents out of ten had symptoms like headache, fatigue, distraction and inattention after using the handheld devices like smartphones for more than 2 hours. Similarly, another study by Soderqvistetal (2008) examined the effect of use of various wireless phones in 2000 Swedish adolescents and found that complaints such as tiredness, stress, headache, anxiety, concentration and sleep difficulties among the frequent mobile phone users.

Computer Vision Syndrome is a common problem reported among the high users of smartphone and other screen devices. In the present study, **R value of -0.289 and a P value of 0.000**, shows a highly significant negative correlation between smartphone usage and vision problems. As high scores on vision problems indicate good vision capacities, it is inferred that high smartphone use is associated with low scores on visual problems. These findings can be supported by a study of Sadagopan (2017) who found that prevalence of cellphone vision syndrome was 83% among the medical students of Trichy. Another study by Joowon Kim in 2016 reported that higher exposure of adolescents to smartphones was associated with developing ocular symptoms caused by strain to the eyes.

A highly significant negative association was found between the smartphone usage and sleep patterns of the college students with **R value of -0.207 and a P value of 0.000**. This indicates that high smartphone usage is associated with lower sleep quality. These findings can be supported by the findings of Sahin et al. (2013) and Ahn& Kim (2015) that the sleep quality worsens with increased mobile phone addiction and longer the duration of smartphone use, lower the quality of sleep. Sahin et al. (2013) also reported that the blue light emitted by the screen reduces the night hormone melatonin and causes sleep disturbances among smartphone users.

Majority of the previous studies reported that smartphone use for longer duration causes problems in back, joints, bones and ligaments. Dr.Badar and Dr.Santhosh (2015)

found that mobile phone use is significantly associated with neckpain (71%) and they also coined a term Mobile Phone Head and Neck pain Syndrome when they are accompanied by other symptoms like irritability, anxiety, eye strain etc. In a mixed sample study, Leonid Miakotko (2017) reported that adolescents using mobile phones for longer duration almost 90% of them had tingling sensation in arm, shoulder and hand. The findings of the present study are in tune with the previous findings as **R value of -.335 and P value of 0.000** indicates a highly significant negative correlation between smartphone usage and musculoskeletal problems which means that those with high usage of smartphones had tendency to develop more musculoskeletal problems.

Total physical wellbeing is also found to be having highly significant negative correlation with smartphone usage with a **R value of -.333 and a P value of 0.000**. According to a study by Datta et al. (2016) conducted on medical students, 45% of them had self reported symptoms like headache, earache and blurred vision and a significant association was found between the self reported symptoms and multimedia usage on their mobile phones; Similarly Anju Mittal et al (2015) also found that earache, headache and insomnia were significantly higher among the frequent users of smartphones. Acharya et al. (2013) studied the common health effects of cellphone usage on young adults and reported that the common health problems like eye strain, hearing problems, digital thumb, insomnia, loss of appetite were observed among the respondents.

## CONCLUSION

From the present study, it can be concluded that the majority of the participants had good physical wellbeing and they scored high on all the dimensions of physical wellbeing like General health, vision, sleep patterns and musculoskeletal problems indicating that they have high wellbeing. It was also found that less than 10 percent of the respondents scored high on usage of smartphones and nearly 50 % of them were on low and medium usage. However when the association was studied between the smartphone usage and physical wellbeing, it was found that smartphone usage has highly significant negative relationship with general health, vision, sleep patterns and musculoskeletal problems and total Physical Wellbeing indicating that high usage of smartphone can affect the physical wellbeing of the college students.

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## REVIEW ARTICLE

# REVIEW OF ACADEMIC STRESS, MENTAL HEALTH AND SUICIDAL IDEATION AMONG ADOLESCENTS

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### ABSTRACT

Adolescence is the most stressful period of all developmental stages in the lifespan due to physical emotional and social changes which happen at a very fast pace. Above that during present days academics is also causing more stress which is leading to several mental health problems and suicidal ideation. Suicide is one of the three leading causes of deaths for adolescents and young adults worldwide. In Indian context academic achievement is highly valued because it is viewed as opportunity to get better employment options and upward mobility. This intensifies the stress on adolescents. However, stress irrespective of its type, entails same negative consequences when it crosses a certain limit. While it can be agreed that certain amount of stress is a necessary factors and acts as a motivator in completion of tasks, students today are burdened with often unnecessary academic works that do not aid in developing self-efficacy among them. Much research has been oriented in understanding the factors that cause academic stress among adolescent students however; there is a dearth of in-depth study of understanding the effects of academic stress on the psychological health of the adolescent students. All the studies reviewed showed that excessive assignments, poor time management, and social skills, peer competition, personal inadequately, fear of failure, interpersonal difficulties with teacher, inadequate study facilities, parental over expectations are the main causes of academic stress among adolescents. Studies show that stress – suicidal ideation link among adolescents is stronger in societies where family and societal demand for academic excellence is high. Adolescence is a period of change and it is essential for us to understand the various elements that adversely affect this period as this age is marked for impulsive decisions and behavior. Academic stress has been related to impulsive behavior and in extreme cases may cause suicidal ideation or suicide among adolescents. This paper intends to review various stressors of academic stress and examine the possible indicators and factors of suicidal ideation through a review of various studies conducted so far. This review paper makes an attempt to find out the reasons for academic stress among adolescents and its impact on psychological wellbeing so that stress coping strategies can be suggested.

**Keywords:** Academic stress, suicide, suicidal ideation, adolescents, academics

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### INTRODUCTION

Stress is an inevitable aspect of modern life. Stress has been defined in multiple ways. In the simplest terms, it is unpleasant psychological situations that arise due to mismatch in expectations from self and society. Everyone is exposed to stress at some time in their lives. A moderate level of stress is seen as a positive aspect in terms of motivation and achievement. However, when stress reaches beyond a threshold, it can lead to mental health issues. Mental health problems like anxiety and depression can be resulted due to prolonged and extreme stress. Stress can become a trigger for psychological disorders as well. Due to the stigma that is associated with mental health issues and lack of awareness in the society usually lead to delayed identification of the problem.

Academic environments are stressful and highly competitive. This is especially true in case of Indian academic environment. Indians commonly associate academic achievement with success in life. Much is

demanding from the students by parents and society. While these demands seem rational oftentimes lead to anxiety, fear and depression in the students.

Moreover, adolescence is marked by rapid changes both physical and psychological. It is an age of changing social roles and responsibilities. It must be carefully managed to evolve into successful and happy individuals. India has the highest rate of suicides among adolescents as reported by Reddy et al (2018).<sup>1</sup> Therefore there is a need to reassess the academic demands placed on them by parents and society in a rational and assist in their holistic development.

Stress can become a hindrance in the process of development of social skills and if the adolescent student is not aware of proper coping techniques may develop psychological problems like anxiety and in extreme cases: suicidal ideation and suicide completion.

The objectives of the paper are to: 1. Review, assess and identify major stressors in context to academic stress. 2. To elucidate the factors that cause adolescent suicidality and 3. Propose coping mechanisms to academic stress.

## REVIEWS

Studies on academic stress have exponentially increased in the past few years due to its ubiquitous nature across countries. Multiple studies rely on Perceived Academic Stress Scale and Academic Stress scale. These scales help to identify the stressors and behavior patterns among the subjects.

Academic stress is a multifaceted problem. The stressors differ basing on various factors like gender, age, academic year, demography and culture. Hence, many studies are endeavors to assess these varying factors and their contribution to stress levels. It is to be noted that certain studies included children and young adults apart from adolescents as well.

### Academic stress and Gender

Gender plays a key role in stress and its management. However contradictory results are observed in the studies reviewed. A study by Gómez et al (2018)<sup>4</sup> on 335 students aged between 15 and 19 years found that girls are more stressed than boys when concerned with academics. Another study conducted by Yumba (2010)<sup>6</sup> also concluded that males express less stress than female. The researcher hypothesized that it is perhaps due to cultural conditioning. However, in the study of Porwal and Kumar (2014), boys were identified to suffer from higher stress levels when compared to girls. They proposed that traditionally male children are burdened with higher expectations from parents hence the higher stress levels. In another study conducted by Nasreen and Tasleema (2019)<sup>5</sup> on polytechnic students of Kashmir reported no significant differences in stress levels among male and female students.

### Academic stress and Failure

Porwal and Kumar (2014)<sup>2</sup> while studied the academic stress among senior secondary students, identified that fear of academic failure as one the primary stressor in academic stress. The awareness of such failure has more impact on the stress levels of the students. Fear of failure may act as a driving force in academic achievement but when it is in excess it leads to panic which hinders academic performance. This fear is most often instilled by parents and teachers who emphasize on success excessively. Failure is often perceived as being unproductive and not working hard enough while this may not always be the cause. A heavy credence on academic success reflects Indians obsession with colonial scales of achievement.

### Academic stress and Stressors

Year of study is also a considerable factor in the perception of stress. This is particularly true in academic stress levels. In the study of Yumba (2010)<sup>6</sup>, he attempted to understand the effects of age on stress levels in undergraduate students. The study concluded that first year students feel more stressed when compared to the second

year students. However, in the aforementioned study of Gómez et al (2018) third years are also stressed as they are in their final year; they are more concerned about their future and in most programs course wise for the final year is toughest.

The study further identified that after fear of failure, teachers' attitude towards the subject ranked next. Teachers mold the student's perception of academics. A teacher who is too strict or who has less knowledge of the subject may cause undue stress among the students. Similar results are observed and recognized by another study that concerns with secondary students, in which Saqib and Rehman (2018)<sup>3</sup> asserted that teacher plays a key role in the academic pressure perceived by the students. Thus the teacher's attitude towards the students and subject is a key factor in academic stress.

Competitiveness among students is also another stressor that influences academic performance. While often this is due to comparison at academic and social environments. Parents also often compare their children with others' children which dents the confidence of the child. Family environment should be accepting and encouraging to the aptitude of the child.

While factors in the academic environment like fear of failure, breakdown of student-teacher interactions, assignments, punishments are acknowledged stressors; factors that emanate from the home environment such as divorce, financial problems and unrealistic expectations from parents also act as stressors for adolescents. A study by Sonia (2015)<sup>7</sup> identified the academic background of the parents as a determiner of the amount of stress placed on their ward. The study urged the parents to identify the symptoms of anxiety or depression caused by the academic demands.

Ramachandiran and Dhanapal (2018)<sup>8</sup> not only associated factors like peer pressure, family and financial problems with stress but also BMI of the students. The study observed that students with higher BMI i.e. overweight or obese experienced more stress when compared to other participants with normal BMIs. While BMI remains a disputed scale, it should however be acknowledged that overweight and obesity can lead to lower confidence and lack of social skills, both of which are known to influence academic performance. Higher BMI levels among adolescents have also been identified as predictors for other mental disorders like General Anxiety Disorder and Bipolar Disorder.

Unlike other studies that identified the stressor as those originating from the psyche of the student, a study done by Singh (2011)<sup>9</sup> posited that there exists a need to change the academic pattern to reduce stress on students. The study's results verify the fact that some courses are more mentally demanding than others. In fact, a study by Maajida et al (2018)<sup>10</sup> concluded that science stream

students face more stress when compared to arts and commerce stream students. The study also observed higher stress levels in students of professional courses. Nevertheless, it is imperative that more emphasis should be laid on acquirement of skills than achievements and examinations

### Academic Stress and Suicidal Ideation

In a report, Nagle and Sharma(2018)<sup>11</sup> provided insight into the Indian perspective of Academic stress. The study reported that 6.23% of students are committing suicide every day due to academic related issues. The study also elaborated on the academic pressure and competitive environment that the students face from parents, peers and themselves. The study points out that though Indian education system is renowned; it puts undue pressure on the student to excel which impacts the socialization and development of vocational skills among students. The study also recommended that parents focus on not just academic achievement but also in other fields like sports and arts which lead to holistic development of the student.

Academic stress is the sole cause for suicidal ideation and suicide completion in adolescence. Adolescence is a period of realization of many factors of life and often with little comprehension. Any stress during this period of transition can lead to mental health issues and may cause impulsive behavior as well as suicidal ideation and suicide completion.

It is during adolescence, the child develops complete awareness of his place in the family and society. Suicidal ideation can arise when there is a mismatch in the perceived identity and the reality. In a study by Gedeon (2017)<sup>12</sup> factors like economic class, sexual orientation, religious practice, suicide attempts in the family and among friends, alcohol consumption and depressive symptoms were associated with suicidal ideation.

The risk factors assessed by a study in which Mars et al (2019)<sup>13</sup> identified sex, intelligence quotient, executive function, impulsivity, sensation seeking, personality traits, exposure to self-harm in others as some of the important predictors for suicidal thoughts. It was also observed that suicidal ideation is less associated with depression or other mental disorders but when suicidal ideation transitions into suicidal attempt and completion, psychological factors play a key role.

In response to the 12-item General Health Questionnaire (GHQ-12) (Goldberg, & Williams, 1988), in an international study by Eskin et al (2016).<sup>14</sup>, university students across 12 nations identified nonfatal suicidal behavior, religious affiliation and strength of religious belief, attitudes towards suicide and suicidal individuals, individualistic collectivistic value orientations and

psychological distress as some of the factors that are associated with suicide.

In a research report by Aaron et al (2004)<sup>15</sup> multiple factors have been identified as contributing factors to adolescent suicide including “family conflicts, domestic violence, academic failure, unfulfilled romantic ideals and mental illness” in Vellore among the suicides of adolescents and young adults.

### CONCLUSION

It can be deduced from the reviews that academic stress is dependent upon a host of factors. The studies so far reviewed serve as a representation of the magnitude of the problem. Academic stress can at times cause a lifetime psychological damage to mental health if not lead to suicidal ideation and suicide completion

Therefore, there exists a dire need to create awareness among adolescents and parents about academic stress. While academic achievements play a key role in success, they should not be the sole markers of success. Awareness programs organized by the academic institutions and colleges can aid in creating this awareness. Moreover, there is a need to provide counseling facilities in schools and colleges. Measure aforementioned will also help in reducing the stigma associated with mental health problems and will assist in ensuring that adolescent mental health is taken care.

The recommended coping mechanisms include meditation, yoga and mindfulness. Practices such as these along with the availability of counselors at academic institutions will help in combating stress related suicides among adolescents. Easy access to counseling facilities in the institution or college will also help in identifying mental issues in early and preventive stages.

There is also a need to revise ~~how~~ the functioning of academic mechanisms ~~function~~. Students should not only be tested for retention of information but also on other skills especially those essential to lead a fulfilling life. Students should be made aware of the various mental health issues and misconceptions related to them to reduce the stigma surrounding them. While the review is only representative, there is scope to understand the differences in Indian academic environment and other so as customize coping mechanisms to the students.

Many of the studies recommended a course on stress management to the students. The academicians and teachers should reconsider their attitude towards student's achievements and offer quality service without any prejudice or segregation. It is the duty of both parents and teachers to ensure that there is a smooth transition from adolescence to adulthood.

Psychological distress is more or less commonplace among students across the world given the changes in social

setting and academic demands. A more severe form of psychological distress is depression. The rate of depression increases during adolescence and young adulthood. Suicide is the most severe form and behavioral expression of psychological distress and it is a serious public health concern. It is understood that not all people who contemplate suicide and those who attempt suicide eventually attempt or die from suicide; however it still remains to be addressed in the manner that ensures happy life for the upcoming generations of adults.

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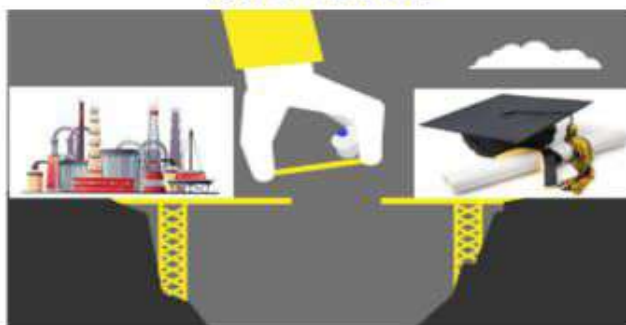
ON

**Academia-Industry Interface**

*Strategies and Perspectives for  
Resource Management and Organizational Development  
(IQACAIWORKSHOP – 2019)*

05<sup>th</sup> September 2019

**SOUVENIR**



Organized by

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### **Theme of the Workshop:**

In the current Global scenario, the pursuit for quality in higher education has been snowballing in the milieu of employer's prerequisites and aspirant's abilities. Despite the fact that the Higher Educational Institutions (HEIs) are achieving their outcomes by producing academically sound graduates, nevertheless, the academic outcomes would be inclusive until they succeed in employment. Pragmatically, the demand for the skilled and expertise manpower from the industrial sector has been met to a certain extent as large section of graduates still need to acquire the necessary skills required by the industry. The expected skill and expertise could only be anticipated by bridging collaborations between Academic institutions and Industry to explore novel ideas by implying theoretical knowledge into practice. Thus, the synergy of academia and industry is of utmost importance as academia requires insight into industry's needs to ensure that it can develop a future workforce. Therefore, there is a dire need for the Industry and HEIs to build a constructive framework through collaboration for the mutual benefit.

The present workshop on "Academia-Industry Interface: Strategies and Perspectives for Resource Management and Organizational Development" creates a platform for the interaction, knowledge sharing, resource mobilization and exploring the various possibilities of collaboration between Academia and Industry for common benefit of the organizations.

### **SUB-THEMES**

- Scope of Academia-Industry Interface
- Strategies for the technology transfer and resource mobilization between the stakeholders
- Thrust areas of Industry Interests
- Transition of curriculum from Theory to Practical/Career Oriented Approach
- Impediments in Academia and Industry Collaboration



Abstracts of RUSA Sponsored National Workshop on "Academia-Industry Interface: Strategies and Perspectives for Resource Management and Organizational Development" 05<sup>th</sup> September 2019 Organized by IQAC, A.S.D. Govt. degree college for Women (A), Jagannaickpur, KAKINADA-533002. Ph: 0884-2378446 Website: [www.asdgdew.ac.in/](http://www.asdgdew.ac.in/) E-mail: [asdiqacnetwork2019@gmail.com](mailto:asdiqacnetwork2019@gmail.com).

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IQAC/WORKSHOP- 2019 SOUVENIR

**IQAC COORDINATOR / WORKSHOP CONVENOR**

It gives me immense pleasure to welcome all the delegates to One Day National Workshop organized by IQAC of this college. I am glad to be present and lead the Workshop as the convenor as well as the coordinator of IQAC.

IQAC acts as a nodal agency of an institution for Quality related activities.

This cell plays a pivotal role for Quality sustenance and Quality enhancement in HEIs. One of the important functions of IQAC is organization of Workshops / Seminars on quality related themes and promotion of quality circles. It provides the sound basis for decision making, better internal communication and act as a change agent in the institution.

The present day's global scenario posed unprecedented challenges for higher education system and there is an urgent need to work for quality and innovations in academia to meet the emerging opportunities, improve employability of the younger generation and handle the future academic challenges effectively.

The theme of the Workshop is to stress on the synergy of Academia and Industry as Academia requires insight into industry's needs to ensure employment to the young undergraduates. It is a known fact that the expected skill and expertise could only be anticipated by bringing collaborations between academic institutions and industry. This workshop provides a platform for discussions, extracting knowledge, resource mobilization and exploring the various possibilities of collaborations between Academia and Industry for common benefit of the organizations.

I extend my sincere thanks and gratitude to the Principal and Coordinator, RUSA of St. Theresa College, Eluru for providing financial assistance for the conduct of the Workshop. I thank our beloved Principal for her constant support, the Resource persons for their cordial acceptance, the organizing committee for their extensive cooperation, coordination and finally the participants for their active participation.

**Dr. D. Chenna Rao, M.Sc., NET, Ph.D.  
Convenor/Coordinator, IQAC**

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## **Bridging Academia-Industry Hiatus in HEIs: Focus on Training in English for Specific Purposes (ESP)**

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### **ABSTRACT:**

Academia and Industry are two different worlds which operate on different platforms. Both have different purposes and different ideologies. However, with the rapid increase in industry, science and technology the outside environment is compelling these two different worlds to come together to address and solve some of the real-world challenges. Effective Communication Skills in English represent a major success factor in almost every aspect of world today. To have a competitive advantage, the graduates need to master those skills with limited or even non-existing experience. Largely due to the global spread of English, English for specific purposes (ESP) has become increasingly important in recent years. As majority of the students are failing in interviews due to lack of effective communication skills and so to bridge the Academia-Industry gap in placements there is a need for HEIs to focus on training in ESP that reinforces learning in specific contexts and helps to improve ability to acquire English. ESP helps to enhance developing spoken skills and writing skills with a focus on technical/ Business presentation and drafting of projects and reports, etc., It helps to generate a set of academic skills that are specific for a number of varied fields like English for Academic purpose, English for Law, English for Business Purpose, English for Art, English for Technical purpose etc. English in specific context allows to get acquainted and plan the techniques of teaching with particular methods in which English Language is used in relation to its functions.

**Key words:** Academia and Industry, Effective Communication Skills, English for specific purposes (ESP), competitive advantage

### **Introduction:**

With the rapid increase of industry, science and technology English has become the international language. There are many doors (opportunities) but the only key to open is English. Largely due to the global spread of English, English for specific purposes (ESP) has become increasingly important in recent years. Academia and Industry are two different worlds

which operate on different platforms. Both have different purposes and different ideologies. However, the rapid pace of change in the outside environment is compelling these two different worlds to come together to address and solve some of the real-world challenges.

It is a good sign that already sometime since a decade HEIs have instituted placement cells for their passing out graduates and postgraduates to get placed in one or another of MNCs firms or industries through campus interviews. Universities have their placement officers/HR agents; Colleges have either Jawahar Knowledge Centers (JKC) or similar units to train the students in employable skills among other things to encourage the thousands of recruiters across the world. They have gained mass and momentum in achieving this goal to a considerable extent, though not encouraging enough.

However, graduates (or postgraduates, for that matter) are not really performing at the point of action since they lack in communication skills. Apart from their academic excellence in the subject at the UG & PG level, the youth are not really capable of selling themselves when it comes to performing skills in an interview. Thus, they are in reality missing out the actual, key element of fluent, tolerable English, if not accurate one. They are thus failing miserably to grab the opportunities in winning their bread.

The situation is not very promising with those who have gone through the process and got placed with a commendable performance in the interview process, either face to face or through the telephone. The rate of retention is enough to mirror the situation. More often than not sustenance is a bigger challenge than the initial performance. Statistics reveal that retrenchment is the outcome of lacunae in performance up to the mark. The young graduates ought to be trained, trained in a more focused, intrinsic and specific manner, i.e. in tune with the requirement of industry.

Focus on ESP is to reinforce learning in specific contexts and help to improve ability to acquire English. ESP helps to enhance developing spoken skills and writing skills with a focus on technical/ Business presentation and drafting of projects and reports, etc., It helps to generate a set of academic skills that are specific for a number of varied fields like English for Academic purpose, English for Law, English for Business Purpose, English for Art, English for Technical purpose etc., It thus, enhances convincing, persuading, advertising and such other skills that are indispensable to business/corporate world. English in specific context allows to get acquainted and plan the techniques of teaching and involve with particular methods in which English Language is used in relation to its functions.

In the era of globalization, people have now realized the importance of English and the need to master the English language therefore the role of English has expanded tremendously.

This can be seen in the use of English at a higher level of education as in ‘specialized area of research and scholarship. According to Hutchinson and Waters, ESP was not a ‘planned and coherent movement’ but it has emerged because of numerous unified trends based on notably three main reasons that have been identified in the emergence of ESP: the demands of a Brave New World, a revolution in linguistics, and focus on the learner.

Dudley-Evans and St. John have offered a modified definition of ESP by summing up their position in two groups like Strevens. Their revised position is as follows:

**Absolute Characteristics**

ESP is defined to meet specific needs of the learner;

ESP makes use of the underlying methodology and activities of the discipline it serves;

ESP is centered on the language (grammar, lexis, register), skills, discourse and genres appropriate to these activities.

**Variable Characteristics**

ESP may be related to or designed for specific disciplines;

ESP may use, in specific teaching situations, a different methodology from that of general English;

ESP is likely to be designed for adult learners, either at a tertiary level institution or in a professional work situation. It could, however, be for learners at secondary school level;

ESP is generally designed for intermediate or advanced students. Most ESP courses assume some basic knowledge of the language system, but it can be used with beginners.

In their motion, Dudley-Evans and St. John have removed the absolute characteristic that ‘ESP is in contrast with General English’ and added more variable characteristics. They have asserted that ESP is not necessarily related to a specific discipline. Furthermore, ESP is likely to be used with adult learners although it could be used with young adults in a secondary school setting. According to Karklina, she argued that what distinguishes ESP from General English is not the existence of a need as such but rather an awareness of the need. She also added that if learners, sponsors and teachers know why the learners need English, that awareness will affect on what will be accepted as reasonable content in the language course and, on the other side, what potential can be exploited. Thus, although it might appear on the surface that the ESP course is characterized by its content (Science, Medicine, Commerce, Tourism, etc.), this is, in fact only a secondary consequence of the primary matter of being able to specify why the learners need English.

**Conclusion:**

‘Skill-based education’ is somewhat lacking in all the higher education fields. The focus of HEIs need to shift from theoretical knowledge to skill-based education with a more practical and dynamic approach. Therefore, besides imparting the core or technical knowledge, academia should also try to focus on the softer and behavioural aspects such as interpersonal skills, leadership capability, attitude, communication skills (with increased emphasis on learning the English language) team spirit and alike which will play pivotal role in determining the success of individuals once they join the industry. The approach incorporates collaborated final assessment of students’ knowledge and skills from both educational institution and industry entity. It is the responsibility of HEIs to impart training on English for specific purposes (ESP) to UGs & PGs along lines of industry requirement, job specific in matters of Communication skills. It is believed that training in ESP and first hand orientation by industry representatives would bring about a change in the already bloomed sensitivity of the youth and thereby bridging the gap between Academia-Industry.

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## Indian Manufacturing Sector during Economic Recession

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### Abstract:

A Recession is when the GDP growth rate is negative for two consecutive quarters or more. But a Recession can quietly begin before the quarterly gross domestic product reports are out. India's gross domestic product (GDP) growth has dropped to 4.5% in the July-September quarter of 2019-20, a free fall from the government's ambitious call for a double-digit growth not so long ago. Propelling India into a \$5 Trillion economic behemoth by 2024-2025 also seems doubtful now. The fall has been sudden although not entirely unexpected. In the first quarter of 2016-17, India registered a spectacular GDP growth of 9.4%. India's growth rate is struggling at a 26-quarter low. The crisis brewing within the Indian economy has gained unanimous acceptance by now. Even the latest annual report of the RBI for the fiscal year 2018-19 (or FY19) confirmed that the Indian economy has indeed hit a rough patch. The GDP growth rate of the economy has slipped to 5 per cent in the first quarter of FY20, the lowest in over six years. This is an indication of tougher times ahead. Be it the recent collapse of the automobile sector or the rising number of non-performing assets (NPA) sluggish consumer demand or failing manufacturing sector; all have a hand in this deceleration of growth rate. The present study focuses on the current economics position of India. Reasons for present economic slowdown and analyses some government initiatives to correct the Economic deceleration.

**Key Words:** Deceleration, Downturn, GDP, GVA, Manufacturing, Recession,

### Introduction

The economy of India is characterised as a developing market economy. It is the world's fifth-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). According to the IMF, on a per capita income basis, India ranked 142<sup>nd</sup> by GDP (nominal) and 119<sup>th</sup> by GDP (PPP) in 2018. From independence in 1947 until 1991, successive governments promoted protectionist economic policies with extensive state intervention and regulation; the end of the Cold War and an acute balance of payments crisis in 1991 led to the adoption of a broad program of economic liberalisation. Since the start of the 21<sup>st</sup> century, annual average GDP growth has been 6% to 7%, and from 2014 to 2018, India was the world's fastest growing major economy, surpassing China. Historically, India was one of the largest economy in the world for most of the two millennia from the 1<sup>st</sup> until 19<sup>th</sup> century.

### Objectives:

- The present study is focussing the following objectives:
- To understand the Concepts of Economic Slowdown and Economic Recession
- To analyse the current economic position of India.
- To examine the major reasons for present Economic Position
- To analyse the Government initiatives to correct Economic Slowdown.

### Methodology:

This research papers is purely based on the Secondary data drawn from various journals, news articles and Statistical data from Economic Survey of recent issues.

Economic Recession in Indian Manufacturing Sector

## Impact of Economic Recession on Human Resource Development

An economic Recession is typically defined as a decline in Gross Domestic Product (GDP) for two or more consecutive quarters while Economic Slowdown may not be the decline in GDP it may be the decline in the growth of GDP. Gross Domestic Product is the market value of all goods and services produced within a country in a given period of time. The National Bureau of Economic Research (NBER) defines a Recession as "a period of falling economic activity spread across the economy, lasting more than a few months". The NBER is the private non-profit that announces when Recessions start and stop. It is the national source for measuring the stages of the business cycle. A Recession is when the GDP growth rate is negative for two consecutive quarters or more. But a Recession can quietly begin before the quarterly gross domestic product reports are out.

India's gross domestic product (GDP) growth has dropped to 4.5% in the July-September quarter of 2019-20, a free fall from the government's ambitious call for a double-digit growth not so long ago. Propelling India into a \$5 Trillion economic behemoth by 2024-2025 also seems doubtful now. The fall has been sudden although not entirely unexpected. In the first quarter of 2016-17, India registered a spectacular GDP growth of 9.4%. India's growth rate is struggling at a 26-quarter low. The crisis brewing within the Indian economy has gained unanimous acceptance by now Even the latest annual report of the RBI for the fiscal year 2018-19 (or FY19) confirmed that the Indian economy has indeed hit a rough patch The GDP growth rate of the economy has slipped to 5 per cent in the first quarter of FY20, the lowest in over six years This is an indication of tougher times ahead. Be it the recent collapse of the automobile sector or the rising number of non-performing assets (NPA) sluggish consumer demand or failing manufacturing sector; all have a hand in this deceleration of growth rate.

The quarterly GDP Growth rates at 2011-12 Prices are shown below.

Table 1. Quarterly GDP Growth rate of India at 2011-12 Prices

Year	GDP growth at 2011-12 prices				
	Q1	Q2	Q3	Q4	Total
2019-2020	5.01	4.55	-	-	4.78
2018-2019	7.95	7	6.58	5.83	6.81
2017-2018	5.99	6.77	7.69	8.13	7.17
2016-2017	9.37	8.87	7.55	7.04	8.17
2015-2016	7.59	8.03	7.2	9.09	8
2014-2015	8.02	8.7	5.92	7.11	7.41
2013-2014	6.45	7.34	6.53	5.34	6.39
2012-2013	4.87	7.49	5.38	4.3	5.46

Source: Economic Survey 2019-20

A severe slowdown is here. If the same slowdown continues the Indian economy may hit the Recession. Recession can be short-lived if corrective actions are taken immediately, failure of which can have a prolonged effect on the health of an economy.

### Reasons behind Economic Recession

High interest rates are a cause of Recession because they limit liquidity, or the amount of money available to invest. Another factor is increased inflation. As inflation increases, the percentage of goods and services that can be purchased with the same amount of money decreases. Reduced consumer confidence is another factor that can cause a Recession. If consumers believe the economy is bad, they are less likely to spend money. Consumer confidence is psychological but can have a real impact on any economy. Reduced real wages, another factor, refers to wages that have been adjusted for inflation. Falling real wages means that a worker's pay check is not keeping up with inflation. The

worker might be making the same amount of money, but his purchasing power has been reduced

**Is India Experiencing Recession?**

The spurt in instances of job losses from automobile manufacturers to biscuit makers has led to the general acceptance of the downturn. This is the third instance of an economic slowdown for India in the past decade after the ones that began in June 2008 and March 2011. But since India is a large developing economy, contraction is a rarity. The last instance of negative growth for India was in 1979. A growth Recession is more commonplace where the economy continues to grow but at a slower pace than usual for a sustained period, what India has been facing nowadays.

**Table 2. Quarterly GVA Growth rate of India at 2011-12 Prices**

	Sector	Q1	Q2
1	Agriculture Sector	2.04	2.08
1.1	Agriculture, forestry & fishing	2.04	2.08
2	Industry Sector	2.74	0.52
2.1	Mining & quarrying	2.68	0.13
2.2	Manufacturing	0.58	-1.05
2.3	Electricity, gas, water supply & other utility services	8.62	3.61
2.4	Construction	5.75	3.33
3	Services Sector	6.88	6.81
3.1	Trade, hotels, transport, communication and services related to broadcasting	7.07	4.81
3.2	Financial, real estate & prof servs	5.92	5.79
3.3	Public Administration, defence and other services	8.5	11.61

Source: <http://statisticstimes.com/economy/quarterly-gdp-growth-of-india.php>

The sector wise GVA at 2011-12 prices also witnessing the downturn in Indian Economy. We can clearly observe that there is negative GVA in manufacturing sector in second Quarter of the financial year 2019-20. The growth of the Indian economy had been predominated by consumption inclusive of both Private Final Consumption Expenditure (PFCE) as well as the Government Final Consumption Expenditure (GFCE). Over the last five years, the total consumption expenditure by Indian households had accelerated with an average growth rate of 78 per cent compared to an average of 61 per cent in 2011-14. But the recent sharp fall in PFCE in the June quarter to 31 per cent compared to 72 per cent in the March quarter has significantly contributed to the recent slowdown. That being said, any fall in consumption expenditure, as and when it would happen, would escalate the crisis even more. If consumption spending falls, then output and employment levels also fall since consumption expenditure directly impacts the other two. As a consequence, the economy would stagnate, and prices deflate. Lower prices, if unable to recover the costs, would halt the operations of any firm and would initiate the layoff process. This, in turn, reduces earnings further. Hence this vicious cycle keeps on repeating itself until the economy slips into a deeper state of shock.

In addition to these factors, the slump in the economy is also affected by the various exogenous factors. A leading dampener is the US-China trade war, which has intensified over time and has contracted world trade and, in turn, Indian exports. Also, high rates of GST, liquidity crisis in NBFCs, and shift in the behavioural pattern of the workforce due to the entry of young people has discouraged savings. When people save less in the economy, it leaves less money for investments.

## Impact of Economic Recession on Human Resource Development

### **Corrective measures to overcome Downturn**

The government should liberalise FDI policy, take measure to create ease of doing business and provide world class infrastructure to rise in FDI inflow. In a welcoming move, government revised GST for the automobile sector, opened up FDI in contract manufacturing sector and even announced the recapitalization of the banking sector. Together with these, it should also focus on optimum utilization of funds granted by RBI and direct them to boost investment in the economy both infrastructural and research investment. Further, structural shifts over the long run can be achieved through tapping into the health and education sectors that long for quality improvements.

In September 2019, the Central Government of India announced slashing the corporate tax from 30% to 22% for companies not availing other tax breaks, and from 25% to 15% for new manufacturers. The state governments, Union territories and the Centre would need to ensure quick disbursement of payments due to the private sector, so that liquidity improves in the economy. There should be correction in salary offerings rather than job cutting corporate sector. In real estate the builders should drop prices, so as to bring back buyers in to the market. Aggregate demand can be increased by spending more in rural India which can help in fast moving of consumer goods sector.

The RBI, for its part, has already lowered its benchmark interest rate (repo rate) five times during this calendar year, taking the cumulative cuts to 135 basis points, from 6.5% in January to 5.15% in October, even as the Consumer Price Index (CPI)-based inflation shot up from a paltry 1.97 to a mildly worrisome 4.62. To avoid further economic turbulence, the Centre has pressed the pause button on banning single-use plastics as well as the quick replacement of fossil fuel-guzzling automobiles with electric vehicles. The present state of economy has clearly re reversed the government's intent of being environmentally smart.

### **Conclusion:**

The annual report from RBI characterised the ongoing Economic Deceleration as a soft patch mutating into a cyclical downswing rather than deep structures slowdown. Lowering of benchmark interest rates, boosting infrastructural and research investment and their proper utilisation by RBI, revised GST for the automobile sector slash in Corporate taxes at the world's lowest by Central government may help the economy to bring back in the growth path. Hence, growth deceleration may be corrected easily by taking the timely measures in fiscal and monetary policies of the country through cyclical and long-lasting structural changes can improve the growth potential of the Indian economy.

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# Smart Phone Usage and Physical Health Risks of Young People -A Review

K.Lavanya, R.Varalakshmi

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## Abstract

Smart phone is a mobile phone that performs many of the functions of a computer, typically having a touch screen interface, internet access and an operating system capable of running downloaded apps (Oxford Dictionary). With its wide and attractive features smart phone has penetrated into the lives of people very fast in a very short span of time. The smart phone with its multiple functionality has replaced many gadgets previously used. Majority of the adolescents and young adults have readily adopted the smart phone due to its varied applications. Smart phone is playing a very crucial role in communicating, learning, entertainment and other multiple applications, but its over usage is a matter of concern as studies say that its affecting the health of people. Adolescents and young adults usually have good health and vigor. Though it is the healthiest phase of life, the behavioral patterns and life styles may affect their health. As this is the age of Smartphone revolution and young people are extensively using it, many researches are going on all over the globe to study the effect of smart phone usage and their possible effects on health. Previous studies indicate that overuse of Smartphone which causes Physical inactivity, wrong body postures, problem of the blue light emission, and sleep disturbances are affecting the user's health causing obesity, musculo skeletal problems, vision problems etc. The present paper reviews the studies conducted on the relationship between the smart phone usage and the physical health risks of adolescents and young adults. Research indicates that the

extensive usage of a smart phone for prolonged time is causing pain in the neck and shoulders, pain in arms and fingers, numbness, sleep problems, obesity, disturbances in circadian rhythms etc.

**Key words:** *Smart phone addiction, musculo skeletal problems, cellphone vision syndrome, obesity, Risk of cancers, martphone and accidents, Headache and smartphone.*

## Introduction

Smart phone is a mobile phone that performs many of the functions of a computer, typically having a touch screen interface, internet access and an operating system capable of running downloaded apps (Oxford Dictionary). With its wide and attractive features smartphone has penetrated into the lives of people very fast in a very short span of time. The smart phone's functions are so wide that it has replaced many gadgets previously used. Majority of the adolescents and young adults have readily adopted and addicted to the smart phone due to its varied applications. smartphone is playing a very crucial role in communicating, learning, entertainment and other multiple applications, but its over usage is a matter of concern as studies say that its affecting the health of the users. Smartphone has made life easier and comfortable but on the flipside the negative effects of the smartphones also need to be considered. The obsession and the overuse of the smartphones by the young people has become a matter of concern. Many studies have been conducted throughout the globe on the effect of smartphones on the health of adolescents. The studies indicate that the overuse of smartphone has an impact on the physical, mental and social wellbeing of the adolescents.

India is a country with majority population in the age group of below 40 years in whose welfare lies the welfare of the country. Adolescents and young adults usually have good health and vigor but their behavioral patterns and life styles may affect their health. Hence they should be educated on the prevention of health problems occurring due to their behaviors and life styles.

The present paper reviews the studies conducted on the physical health risks for the young people due to overuse of smartphones. Research says that various physical health risks due to the overuse of smartphone include musculoskeletal

sleep disorders, vision problems, obesity, risk of cancer and so on. The paper discusses the various health risks and their underlying factors. Only the physical health risks are discussed excluding the psychological and social issues.

**Methodology:** The literature was collected from online with different websites using the keywords. Twenty full articles are collected conducted after 2000 till date and categorized under different health risks. The studies included both Indian and abroad as an extensive research is going on in countries like China, Taiwan, Korea on the effect of Smartphone on health. The literature was studied and reviewed.

**Exclusion and Inclusion Criteria:**

**Inclusion criteria:**

- Studies conducted on smartphone use of adolescents and young adults
- Studies related to all physical health issues due to smart phone/mobile phone usage

**Exclusion Criteria:**

- Studies on internet usage
- Studies on computers, laptops and other gadgets

**Table showing the articles collected and reviewed:**

S.No	Health Problem	Authors
1.	Musculo skeletal problems	<ul style="list-style-type: none"> <li>• Sanjeev Davey and Anuradha Dave</li> <li>• Dhvani Deepak Dakoria and RatanKhuman</li> <li>• Gustafsson, Ewa&amp;Thomé, Sara &amp; Grimby-Ekman, Anna &amp;Hagberg, Mats (2017)</li> <li>• Hyo-Jeong Kim, DH, Jin-Seop Kim</li> <li>• Joshua Samuel rajkumaretal (2013)</li> <li>• Lee S1, Kang H, Shin G (2015)</li> <li>• Yeum, hee young &amp; S. Son, H &amp; J. Kim, R &amp; J. Choi, Y &amp; J. Song, Y &amp; Y. Lim, S.(2015)</li> <li>• RajanBalakrishnan, ElanchezhianChinnavan, Tan Feil (2016)</li> </ul>
2.	Sleep disorders	<ul style="list-style-type: none"> <li>• Jessica Schmerler (2015)</li> <li>• Mahesh D. Kurugodiyavaretaetal.,(2018)</li> <li>• Manishaetal., (2018)</li> </ul>
3.	Computer Vision Syndrome	<ul style="list-style-type: none"> <li>• Hasan C A, Hasan F, Mahmood Shah S (2017)</li> <li>• Joowon Kim, Yunji Hwang, Seungheon Kang, Minhye Kim, Tae-Shin Kim, Jay Kim, JeongminSeo, HyojeongAhn, Sungjoon Yoon, Jun Pil Yun, Yae Lim Lee, Hyunsoo Ham, HyeongGon Yu &amp; Sue K. Park (2016)</li> <li>• SadagopanAP,ManivelR. MarimuthuA,nagarajH, Ratnam K., etal (2017)</li> </ul>

# HEALTH & WELLBEING OF WOMEN AND CHILDREN

S.No	Health Problem	Authors
4.	Head aches	<ul style="list-style-type: none"> <li>• Hillert L, Akerstedt T, Lowden A, Wilholm C, Knutson N, Ebert S, Boutry C, Moffat SD, Berg M, Arnetz BB(2018)</li> <li>Jing Wang, Hui Su, Wei Xie, Shengyuan Yu (2017)</li> <li>Min Kyung Chu, HoonGeun Song, Chulho Kim, ByungChul Lee (2011)</li> </ul>
5.	Obesity	<ul style="list-style-type: none"> <li>• Dr. Erica L. Kenney and Dr. Steven L. Gortmaker (2016)</li> <li>• Sung-Eun Kim, Jin-Woo Kim, Yong-SeokJee (2015)</li> <li>• Caitlyn Fuller (2017)</li> </ul>
6.	Risk of accidents	<ul style="list-style-type: none"> <li>• Hye-Jin Kim, Jin-Young Min, Hyun-Jin Kim, Kyoung Bok Min (2017)</li> <li>• Professor Tim Horberry, Accident Research Centre, monash University (2018)</li> </ul>
7.	Risk of cancers	<ul style="list-style-type: none"> <li>• Stefan Lönn, Anders Ahlbom, Per Hall and Maria Feychting (2008)</li> </ul>

**Discussion:** Based on the review of the above studies, it is evident that overuse of smart phone has both direct and indirect effect on the health of the users. The common problems studied were musculo skeletal problems, vision problems, sleep disturbances, obesity, risk of accidents, risk of cancers etc.

**Musculoskeletal problems:** Musculoskeletal problems are the pains related to the bones, ligament, muscles and tendons. These might be caused due to stress and strain of daily activities, postural strain, overuse, repetitive movements etc. Recently the overuse of smart phone is also causing musculoskeletal problems. Smartphone, apart from making calls, is extensively used for texting, browsing, online shopping, entertainment etc. due to which great amount of time is spent on it. Browsing and texting requires forward head position which cause pain in the neck due to prolonged use (Lee S1, Kang H, Shin G. 2015, Yeum, hee young et al., 2013). Browsing for a long time leads to pain and numbness in the fingers. Text messaging, one of the frequently used app causes neck pain as head flexion is higher while text messaging (Joshua Samuel rajkumaretal, 2013) Holding the phone for a long time causes pain in the wrist and palm. Association was also found between text messaging and musculoskeletal pain in the neck/upper back, shoulder/upper extremities, and numbness/tingling in the hand/fingers for both men and women (Gustafsson, Ewa, 2017). Significant relationship was found between the

smartphone usage and musculoskeletal complaints in neck, shoulder and upper back(Hyo-Jeong Kim, DH, Jin-Seop Kim,2015).A significant positive correlation was found between the hand dominance, predominant usage of thumb while texting and occurrence of upper extremity musculoskeletal is Orders(Joshua Samuel rajkumaretal,2013). A study found that nearly 70 percent of the smartphone users were suffering from hand pain out of which 3.5 percent experienced severe pain.(RajanBalakrishnan, ElanchezhianChinnavan, Tan Feii ,2016).

**Sleep disorders:** Sleep disorders are the group of conditions that affect the ability to sleep well on a regular basis.(Julie Roddick and KristeenCherney, 2016)Usage of smart phone before bedtime is one of the many factors causing sleep disorders. Majority of the adolescents use their smart phones continuously during their leisure time which extends even minutes before going to bed. Exposure to too much light before going to bed causes sleep disturbances. The blue light emitted by the screen reduces thesecretion of nightly hormone melatonin and thus disturbs the sleep cycle(Jessica Schmerler, 2015) Studies also indicate that usage of smart phone has considerably affected the sleep quality of adolescents and insomnia was the most common complaint among smartphone users(Zencirci SA, 2018).

Adolescents are sleeping less than 8 hours a day (Manisha etal.,2018). while minimum 8-9 hours of sleep helps to stay healthy and also reduce stress. Statistically significant association was found between inadequate sleep and number of calls attending per day (Manishaetal., 2018). It was found that smart phone addiction affects the sleep quality and males are at risk of having poor sleep quality due to smart phone use(Mahesh D. Kuru-godiyavaretal, 2018).

**Computer Vision Syndrome:** Computer Vision Syndrome also known as Digital Eye Strain refers to the group of symptoms due to prolonged use of computers or any other electronic screens(Mark Rosen field, 2016). The Continuous exposure to screens affects the vision of the users due to theblue light emission. Eye-Health experts warns of global Myopia epidemic especially in Asian countries and overexposure to digital devices being one of the culprits as the eyes are getting accustomed to seeing short

distances due to the smart phones and other digital devices, (João Medeiros). Studies also indicate that higher exposure of adolescents to smart phones was associated with developing ocular symptoms due to the strain caused to the eyes (Joowon Kim, 2016). A study on medical students in Trichy found that the prevalence of cellphone vision syndrome was 83%. (Sadagopan APetal., 2017) A Transient Smartphone blindness is a new risk associated with the usage of smartphone lying down in the dark. The blue light emitted by the smart phone can also lead to macular degeneration (Hasan C A, Hasan F, Mahmood Shah S, 2017).

**Headaches:** Headache occur due to various reasons like stress, eye strain, allergies, hormonal changes etc. In the present days, eye strain, the radiation effect of the smartphones used by adolescents and young adults throughout their leisure time are observed causing headaches. Research says that headache is higher in smart phone users than non-users (Jing Wang, Hui Su, Wei Xie, Shengyuan Yu, 2017) and incidence is high among those who receive more calls and use phone for a longer duration (Min Kyung Chu, 2011) The headaches were caused due to the radiation absorbed by the head and the resulting alterations in the brain activity and brain chemistry (20, 24). Exposure to Radio frequencies during mobile phone use triggered a variety of symptoms such as headache, fatigue, difficulties in concentration, and nausea. (Hillert L, Akerstedt T, 2008).

**Obesity:** Obesity is defined as abnormal or excessive fat accumulation in the body that may impair health. (WHO 2018) Obesity is caused due to excessive intake of food and or sedentary life style. Smart phone overuse is also leading to obesity as bsession with smartphones is leading to sedentary life styles among the users. In the present days, young people mostly spend their time indoors engaged in virtually communication orentertaining themselves via their smartphones. The regular day to day activities which demanded physical activity previously are also now performed on smart phones leading to sedentary lifestyles. For example tasks like banking; shopping, bill payment, ticket booking etc. are performed sitting at home without any physical strain. This sedentary life styles lead to lowering of physical stamina, obesity, increase in fat mass and reduction in muscle mass associated with adverse health consequences. (Sung-Eun J

etal.,2015) Dr. Erica L. Kenney and Dr. Steven L. Gortmaker (2016) in their study on US adolescents found that adolescents who spend more than 5 hours a day on screen devices are more prone to high consumption of sugary drinks, less active and 43% more prone to obesity than those who did not. Usage of smart-phones before bedtime also leads to fatigue during mornings and increased (BMIs) Body Mass Index and is prone to obesity. Caitlyn Fuller2017, Katie Bohn, 2017).

**Risk of accidents:** Accident is an unfortunate incident that happens unexpectedly and unintentionally, typically resulting in damage or injury(Oxford Dictionary).Among the many factors, constant indulgence with the phone while walking, driving, travelling also is one leading to accidents. The concentration and attention levels are affected due to the use of smart phones while driving. In spite of using wireless devices and voice messages, distractionfrom driving for a few seconds to take the call leads to accidents. Talking on phones and watching videos while walking and crossing the roads is also causing many accidents. "The very act of talking on a phone is a heightened risk, even if it's a hands-free conversation," insists Professor Tim Horberry of the Accident Research Centre at Monash University. "Reaction time drops further when you're texting."(Greg Callaghan, 2018). A study conducted on students in Korea revealed that participants who were addicted to their phones were more likely to have experienced accidents especially males experiencing traffic accidents(Hye-Jin Kim,2017).Though sufficient research is not available on the accidents due to smartphone usage, many incidents in the news are reported globally on the various accidents caused due to dangerous selfies, car crashes due to mobile phone distractions, road accidents due to the phone conversations etc. However much research is required on this aspect as road accidents are the major cause of death all over the world.

**Risks of cancer:** Cancer is the second leading cause of death globally and is estimated to account for 9.6 million deaths in 2018. (WHO) Apart from various genetic factors, environmental causes like exposure to certain chemicals and radiation also lead to cancer. Though there are nostudies linking smartphone use with cancer,smart phone users should be cautious towards the

electromagnetic radiation emitted from the smartphones. A study indicates that the risk of acoustic neuroma after a long duration of 10 years as the tumor was observed on the side of the head phone was used. However no relationship could be established between tumors and short term usage. But precautionary measures are to be taken to avoid any potential risks (Stefan Lönn, 2004).

**Conclusion:** As per the studies conducted in various parts of the world, smart phone over usage by the young people has many detrimental effects on their physical health causing musculoskeletal problems, vision problems, sleep disturbances, headaches, obesity etc which might severely affect their health in future. As the young people form the majority of the population in India, their health is a matter of high concern which if affected might have an economic impact on the country too. Hence there is a direct need to conduct more research on these issues and the preventive measures to be recommended to prevent further problems to both the smart phone users and the society as a whole.

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## Impact of Economic slowdown on Indian Industrial Sector

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### ABSTRACT

Economy of the world is cyclical. It fluctuates between periods of expansion and contraction i.e between the growth and recession. So yes, what goes up must come down. However, the timing of that cycle is far less certain. There is no set cycle for when recession occur. Hence the effectiveness of any national economy depends on the corrective measures taken by them at the time of economic crisis. If we observe the India's GDP Growth rate for last few years it is continuously declining. This slowdown is not a bolt from the blue. The signs of economic slowdown are visible to us. Our statistics are proving the slowdown in growth rate. When we come the concept recession, Recession is the condition that any country experiencing negative growth rate in GDP for 2 quarters consecutively. Economic Slowdown is the decline in the growth of GDP for 2 quarters. It may not be negative.

**Key Words:** Deceleration, GDP, GFCE, GST, GVA, Industry, NBFC, Slowdown.

### INTRODUCTION

The growth of the Indian economy had been predominated by consumption inclusive of both -- Private Final Consumption Expenditure (PFCE) as well as the Government Final Consumption Expenditure (GFCE) Over the last five years, the total consumption expenditure by Indian households had accelerated with an average growth rate of 78 per cent compared to an average of 61 per cent in 2011-14 But the recent sharp fall in PFCE in the June quarter to 31 per cent compared to 72 per cent in the March quarter has significantly contributed to the recent slowdown. That being said, any fall in consumption expenditure, as and when it would happen, would escalate the crisis even more. This, in turn, reduces earnings further Hence this vicious cycle keeps on repeating itself until the economy slips into a deeper state of shock

Another major component of India's GDP is investment, induced by both private and government sectors It has been a key driver of growth since the liberalisation of 1991 Though gross fixed capital formation (GFCF), the main constituent of investment in the economy, increased, yet its contribution to growth fell by 62 percentage points in 2014-19 than in 2011-14 The slackening of investment lowers the level of infrastructure development, causes hesitation in creating small businesses, stop entrepreneurs from investing in research and development, and thus stagnates technological development Capital Investments are long-term gains that generate profitability for many years by improving operational efficiency and boosting innovation It goes without saying that for holistic growth of the economy and to gain competitive edge over others, the economy must innovate

In addition to these factors, the slump in the economy is also affected by the various exogenous factors A leading dampener is the US-China trade war, which has intensified over time and has contracted world trade and, in turn, Indian exports Also, high rates of GST, liquidity crisis in NBFCs, and shift in the behavioural pattern of the workforce due to the entry of young people has discouraged savings When people save less in the economy, it leaves less money for investments. Recession can be short-lived if corrective actions are taken immediately, failure of which can have a prolonged effect on the health of an economy Amidst the news of slowdown, rise in FDI inflows from \$127bn

(FY19) to \$163 bn (Q1 FY20) brought respite for the government. In a welcoming move, government revised GST for the automobile sector, opened up FDI in contract manufacturing sector and even announced the recapitalization of the banking sector. Together with these, it should also focus on optimum utilization of funds granted by RBI and direct them to boost investment in the economy both infrastructural and research investment. Further, structural shifts over the long run can be achieved through tapping into the health and education sectors that long for quality improvements. Only such long-lasting structural changes can improve the growth potential of the Indian economy and deter the possibility of three slowdowns within the short span of a decade.

### Major Causes for the Economic Slowdown:

#### A. Decline in Demand for Industrial Products:

Several study showed significant decrease in the demand, especially in rural areas, for new automobiles is responsible for degrowth of the auto industry. Customers are also postponing their purchase decisions due to various considerations, including an expected fall in Goods and Service Tax (GST) rates, and the hope that the transition from Bharat Stage-IV (BS-IV) to BS-VI may lead to big discounts between January and March 2020. Customers are also expecting discounts in the coming festive season. These factors are other reasons behind the auto slowdown.

#### B. Disturbance in the Industrial Finance due to NBFC Crisis:

After the IL&FS crisis, non-banking finance companies (NBFCs), or shadow banks, have dramatically slashed lending, in late 2018. Non-bank or shadow banking firms generate credit outside traditional lenders, by means such as collective investment vehicles, broker-dealers or funds that invest in bonds and money markets. In India, NBFCs have in recent years helped fund nearly 55-60% of commercial vehicles both new and used, 30% of passenger cars and nearly 65% of the two-wheelers in the country, according to rating agency ICRA.

NBFC crisis had a twin effect on demand. It curtailed financing to new vehicles, and NBFC were financing customers who were not preferred for financing by banks. Hence, revival of lending by NBFC is critical for demand revival. Over FY19-21, vehicle prices are estimated to jump 13-30% (1-2% per annum over previous decade) due to safety, insurance and emission related compliance costs. Higher insurance costs coupled with the introduction of the GST have increased acquisition costs by 2-5%. Hence, a sharp increase in vehicle prices over FY19-21 can restrict the recovery.

#### C. Severe Competition:

Over the past five years, the size of pre-owned market has expanded significantly, with higher share of organised players. For instance, in passenger vehicle, a significantly higher growth in pre-owned cars over the past two years is a reflection of rising consumer interest in this segment. This may impact new vehicle demand, especially in case of sharp price hikes. In July 2018, the government increased the official maximum load carrying capacity of heavy vehicles by 20-25% with the aim of bringing down logistics costs. However, the decision adversely affected the sale of automobiles, particularly commercial vehicles and is believed to have a weightage of 10% in explaining the decline in the auto industry sales.

## D. Other Factors

Slowdown in new car sales suggests that the demand is shifting towards a pre-owned car market because of significantly lower costs of second-hand vehicles as compared to the new ones. The pre-owned car market in India has been expanding considerably in the past few years and buying and selling of second-hand cars exceeded the sale of new cars in 2018-19. Further, the increased availability of automobile rentals, tech-led disruptions like shared mobility from firms such as Ola and Uber, promotes consumers to rent vehicles instead of buying them. Finally, factors like the lack of a clear migration policy towards Electric Vehicles (EV) creates confusion among buyers, deficit monsoon and liquidity crunch in the economy are also contributing towards a reduction in auto sales.

### Consequences of Slowdown on the Industrial Finance:

The sharp decline in sales numbers of the leading manufacturer shows the decline in consumer sentiment and indicates an overall slowdown in the economy. The drop in sales over the last one year has led major manufacturers to cut production, and has put pressure on the overall automotive sector, including the automobile ancillaries. The continuing decline in sales is now expected to put pressure on manufacturers to cut down on their costs, and reduce headcounts.

The decline in growth in the auto industry over the past 11 months has affected the components industry as well. It has resulted in the laying off of 8-10 lakh contract employees in recent months in the auto parts sector. The automotive component industry exports 26% of its total production and growth in revenues from exports also slowed down to 17.1% last fiscal year to Rs. 1,06,048 crore in FY19 compared to a growth of 23.9% to Rs. 90,571 crore in FY18. The auto industry contributes revenues of upwards of Rs. 180,000 crores to government treasuries. The slowdown has resulted in an 8% loss in GST collection in the first six months of 2019. Just to catch up with the FY19 GST collections, the auto industry will need to grow at a rate of at least 7% in the remaining 6 months of the FY20. But, the current slowdown in the auto industry poses a greater threat to the financial arithmetic of the government.

### Measure Required for Streamlining Industrial Finance:

The industry experts have urged the government to take a few short-term measures for reviving the automotive industry. It includes: revising the GST, either by modifying the slabs (from 28% to 18% on vehicles), or, if that is not possible, by removing the cess. Another suggestion would be a relook at the registration fees, which have gone up very substantially and a roll back of the increases in road tax mandated by state governments after the introduction of GST.

The industry has also been demanding that banks and other lenders pass the cut in rates by the Reserve Bank of India (RBI) to the consumers so that demand is revived. The auto industry needs to lend support for suppliers as well as the dealers. Further changes in targets for roll-out of Electric Vehicles (EVs) would increase the country's import bill and damage the current components manufacturing ecosystem. This will also result in significant job losses. Therefore, a stable technology-agnostic e-mobility policy is the need of the hour to ensure a smooth transition and creation of a strong local supply base.

Industry also stressed on the need for a stable overall roadmap towards transition to EVs stating that Niti Aayog's aggressive target to move to EVs has made the auto industry nervous, especially after taking part in thorough deliberations with Department of Heavy Industries for framing FAME II scheme. The NITI Aayog has proposed transition to EVs for three-wheelers by 2023 and two wheelers by 2025. According to the experts, these few actions along with the traditional post monsoon revival will set us back on track and positively impact the economy.

### Conclusion:

The auto industry slump coincides with an overall economic slowdown in the industrial sector that has affected almost all segments. Amid this gloom, the industry needs immediate government intervention to spur demand for vehicles on several fronts such as clear policy on EVs, transition from BS-IV to BS-VI standards, tax deduction under GST, liquidity crunch, among others. Hence, government intervention is needed before there is further deterioration in sales because the auto industry has a multiplier effect on the economy, with linkages to consumer demand and industrial demand. The need of the hour is a corrective course of action by the government that will at least stop vehicle sales from falling further. Further, the outlook for the rest of the year will depend on multiple factors, including the progress of the monsoon and the festive season off take as well as improvement in the liquidity situation.

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## Impact and challenges of GST in India

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### ABSTRACT:

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. It would be interesting to understand why this proposed GST regime may hamper the growth and development of 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.

**KEYWORDS:** Goods and service tax, models of GST, Indirect tax, Direct Tax, Indian Economy.

### INTRODUCTION:

The Goods and Services Tax (GST) is a vast concept that simplifies the giant tax structure by supporting and enhancing the economic growth of a country. GST is a comprehensive tax levy on manufacturing, sale and consumption of goods and services at a national level. The Goods and Services Tax Bill or GST Bill, also referred to as The Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014, initiates a Value added Tax to be implemented on a national level in India. GST will be an indirect tax at all the stages of production to bring about uniformity in the system. On bringing GST into practice The proposed GST structure is likely to succeed only if the country has a strong IT network. It is a well-known fact that India is still in the budding state as far as internet connectivity is concerned. Moreover, the proposed regime seems to ignore the emerging sector of e-commerce. E-commerce does not leave signs of the transaction outside the internet and has anonymity associated with it. As a result, it becomes almost impossible to track the business transaction taking place through internet which can be business to business, business to customer or customer to customer. Again, there appears to be no clarity as to whether a product should be considered a service or a product under the concept of E-commerce. New techniques can be developed to track such transaction but until such technologies become readily accessible, generation of tax revenue from this sector would continue to be uncertain and much below the expectation. India has adopted dual GST instead of national GST. It has made the entire structure of GST fairly complicated in India. The centre will have to coordinate with 29 states and union territories to implement such tax regime. Such regime is likely to create economic as well as political issues. The states are likely to lose the say in determining rates once GST is implemented. The sharing of revenues between the states and the centre is still a matter of contention with no consensus arrived regarding revenue neutral rate. , India is one of the 123 countries across the world that most discussed Indirect Taxation reforms. It is a comprehensive tax regime levied on manufacture, sales and consumption of goods and services. It is expected to bring about 2% incremental GDP growth of the country.



**OBJECTIVE OF STUDY:** The study has following objectives:

- 1) To cognize the concept of GST.
- 2) To study the features of GST.
- 3) To evaluate the advantages and challenges of GST.
- 4) To furnish information for further research work on GST.
- 5) Ensuring that the cascading effect of tax on tax will be eliminated.
- 6) Ensuring the availability of input credit across the value chain.
- 7) Reducing the complications in tax administration and compliance.
- 8) Unclear estimate of the exact impact of GST.
- 9) There should be no export of taxes across taxing jurisdiction.
- 10) The Indian market should be integrated into single common market
- 11) It enhances the cause of co-operative federalism.
- 12) The efficiency and equity of system is optimized.

### RESEARCH METHODOLOGY

The paper is based on secondary sources of data, which have been obtained from various GST implementation discussion papers, published article in journals, web articles (internet sources), past studies and newspaper etc. With the help of these secondary sources, attempt has been made to find the obstacles coming on the way of GST and looking for future opportunities of it in India.

### ADVANTAGES OF GST :

Under GST regime the burden of taxation will be allocated fairly between manufacturing and services via lower tax rates resulting in increased tax base and minimized exemptions.

1. It is anticipated to help in establishing an effective and transparent tax administration.
2. It is expected to remove the cascading effects of taxes and help in establishing of common national market.
3. Maintenance of uninterrupted Input Tax Credit (ITC) chain on inter-State Transactions.
4. No upfront payment of tax or substantial blockage of funds for the inter-state seller or buyer.
5. No refund claim in exporting State, as Input Tax Credit (ITC). It is used up while paying the tax. Self-monitoring model.
6. Level of computerization is limited to inter-State dealers. Central and State Government will Be able to computerize their process expeditiously.
7. Model can take „Business to Business“ as well as „Business to Consumer“ transactions into account.

### CHALLENGES OF GST:

**HIGH REVENUE NEUTRAL RATE (RNR) :** RNR is the rate which neutralize revenue effect of state and central government due to change in tax system, means ,the rate of GST which will give at least the same level of revenue that is currently earned by state and central governments from indirect taxes is known as RNR. As per 13 finance commission the RNR should be 12% whereas state empowered committee demanding 26.68%. Union government is reckoning the rate band should be 15%-20% which is very high as compare to other counties. Due to high RNR Competitive edge of India in Asian

giants will decrease and domestic industry may be wrecking. Tax evasion and smuggling will increase. Regressive nature of indirect taxes will badly affect the purchasing power of poor people which will have negative impact on human development index. So, before implementing GST, RNR should be minimized. This can be achieved by inclusion of petrol, liquor, land, electricity within the ambit of GST which will enhance the tax base and increase revenue of government

### IMPACT OF GOODS AND SERVICES:

Section 2, GST has a positive impact on the economy and on various sectors which are as follows:

**FAST MOVING CONSUMER GOODS SECTOR:** With the implementation of Goods and Service Tax, FMCG sector would really change. FMCG sector consist 50% Food and Beverage sector and 30% is Household and Personal care. FMCG sector is the major taxation contributor both direct and indirect in the economy. The multiplicity of the taxation influences the company's decision on manufacturing location and distribution of Goods. FMCG companies set their manufacturing units and warehouses where they can avail tax benefits. To transfer the stock from the warehouses among the states they have to pay taxes. So, GST would surely impact on FMCG sector as taxes affect the cost to the company.

**FOOD INDUSTRY:** Since food constitutes a large portion of the consumer expense of lower income households, any tax on food would be regressive in nature. Therefore extending GST to food processing sector will also cause difficulty in view of the fact that production and distribution of food is largely unorganized in India. On global front, most of the countries tax food at a lower rate keeping in view the considerations of fairness and equity. Even in countries such as Canada, UK and Australia where food constitute a relatively small portion of the consumer basket, food is taxed at zero rates. While in some countries, food is taxed at a standard rate which is as low as 3% in Singapore and Japan at the inception of the GST. Even in international jurisdictions, no distinction is drawn on the degree of processing of food. Hence, the benefit of lower or zero tax rates should also be extended to all food items in India regardless to degree of processing.

**INFORMATION TECHNOLOGY ENABLED SERVICES:** The proposed GST rate under the IT industry is not yet decided. While the discussed combined rate of GST for the product is 27%. According to proposed GST if the software is transferred through electronic form it would be regarded as service (intellectual property) and if it is transferred through media or any other tangible property then it should be treated as goods. Implementation of GST will help in uniform simplified and single point taxation and thereby reduced price.

**INFRASTRUCTURE SECTOR:** The Indian infrastructure sector largely comprise power, road, port, railways and mining. And the indirect tax levy is different and unique for each of them, and this is complex in nature. Although this sector enjoys different exemptions and concessions as it is important on national front. With the implication of GST the multiplicity of taxes will be removed and it would increase the tax base with continuation of exemptions and concessions for national interest and growth.

**IMPACT ON SMALL ENTERPRISES:** In the small scale enterprises there are three categories:- Those below threshold need not to register for the GST. Those between the threshold and composition turnovers will have the option to pay a turnover based tax or opt to join the GST regime. Those above threshold limit will need to be within framework of GST. In respect of the central GST the situation is slightly complex. GST is expected to encourage compliance and which is also expected to widen tax base adding up to 2% to GDP. Manufacturers, traders will have to pay less tax with the implication of GST.

### SUGGESTIONS:

The suggestions which are being drawn out from the study are as follows:

- Tax payer education or public awareness campaign need to be provisioned by Central Government.
- Public Workshops, training and various seminars on GST must be conducted in all states by their respective State Governments.
- States must analyze and deduce their revenue neutral rates, revenue implications as well as compensation packages.
- Government should construct a proper monitoring system for monitoring the dummy registrations and refunds problems.

### CONCLUSION:

The proposed GST regime is a half-hearted attempt to rationalize indirect tax structure. More than 150 countries have implemented GST. The government of India should study the GST regime set up by various countries and also their fallouts before implementing it. No doubt, GST will simplify existing indirect tax system and will help to remove inefficiencies created by the existing current heterogeneous taxation system only if there is a clear consensus over issues of threshold limit, revenue rate, and inclusion of petroleum products, electricity, liquor and real estate. Until the consensus is reached, the government should resist from implementing such regime. It can be concluded from the above discussion that GST will provide relief to producers and consumers by providing wide and comprehensive coverage of input tax credit set-off, service tax set off and subsuming the several taxes. Efficient formulation of GST will lead to resource and revenue gain for both Centre and States majorly through widening of tax base and improvement in tax compliance. It can be further concluded that GST have a positive impact on various sectors and industry. Although implementation of GST requires concentrated efforts of all stake holders namely, Central and State Government, trade and industry. Thus, necessary steps should be taken.

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## Stock market crash-recent trends

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### ABSTRACT

We study investors overreacting using data for the five major stock market crashes during the 1987 - 2008 period. The price of stocks, investors bid down more than the average in the post-crash market reversals. In examining the industry specific behavior, our result indicate the investors over bid down the prices of high tech stocks in the 1997 crash and manufacturing stocks in 2008 crash relations. To other stock larger than the period temporary price decline during 1987 and 2010 flash crashes suggest rapid selling exacerbates transitory price impact. Similar than predicted price declines from then 1929 crash suggest slower selling markets more resilient. However the price of the stock in the post - crash market reversals implying investors' overreaction for those industries in these stock market crashes.

### INTRODUCTION

A stock market crash is a sudden dramatic decline of stock prices across a significant cross-section of a stock market, resulting in a significant loss of paper wealth crashes. They often follow speculative stock market bubbles. Stock market crashes are social phenomena where external economic events combine with crowd behavior and psychology in a positive feedback loop where selling by some market participants drives more market participants to sell. There are no numerically specific definitions of a stock market crash but the term commonly applies to steep double-digit percentage losses in a stock market crash Capital in America was represented in the form of stocks. The stocks crashed in 1929 and affected The American Economy greatly.

### CONCEPT

Generally speaking, crashes usually occur under the following conditions:

- a) A prolonged period of rising stock prices and excessive economic optimism, a market where Price Earnings ratio exceed long term averages, and extensive use of margin debt and leverage by market participants. Other aspects such as wars, large-corporation hacks, changes in federal laws and regulations, and natural disasters of highly economically productive areas may also influence a significant decline in the stock market value of a wide range of stocks. All such stock prices for corporations competing against the affected corporations.
- b) Crashes are often distinguished from bear markets by panic selling and abrupt, dramatic price declines. Bear markets are periods of declining stock market prices that are measured in months or years. Crashes are often associated with bear markets; however, they do not necessarily go hand in hand. The crash of 1987, for example, did not lead to a bear market. Likewise, the Japanese bear market of the 1990s occurred over several years without any notable crashes.

### OBJECTIVES OF THE STUDY

Stock market prediction is the act of trying to determine the future value of a company stock or other financial instrument traded on an exchange. The successful predictions of

stock future price could yield significant profit. Stock market learning is an International Competition run by the Savings Bank in Europe with the support of the European Savings Bank Group (ESBG). The primary purpose of a stock market is to regulate the exchange of stock as well as other financial assets. Stock Market, Equity Market of share or discrete entity. Investment in the stock market is most often done via stock brokerages and electronic trading platforms. Investment is usually made with an investment strategy in mind.

**RESEARCH METHODOLOGY:** The process of assimilation of information about the target audience is called as a market research the goal behind. Understanding the market research is to enable organization to have a clear idea about the consumer for satisfying all their needs another primary reason for understanding market research service by a company is to equip itself able to complain with other organization industry through proper analysis of the needs of the market. The market size and prevailing competition.

The market research use various technical and technological research method only option and social based research techniques whose importance is increasing in today's competitive business environment. The day of relying on get instincts to run a business are ours.

### **Methods of Market Research and Techniques:**

The broad classification market research services involve Primary or Secondary. The Primary market research involves conduct of research by an organization of a company collect data for meetings its current goal involves.

- Interviews
- Direct Observation
- Focus groups organized for carrying on research.

### **IMPACT OF STOCK MARKET CRASH**

The stock market crash of 1929, on a day that came to be called Black Tuesday, is one of the most famous events in the financial history of the United States and ultimately was a sign of the Great Depression to come. Like some subsequent crashes, the impact of the stock market crash is still felt in some financial reforms that were assed in its wake. The stock market crash and Great Depression are never far from economic leaders' minds in deciding what to do in more recent downturns. The U.S. stock market rose through much of the 1920s, though they began to fall rapidly. The sell off continued over the next few trading days, including days dubbed Black Monday and most infamously, Black Tuesday on October 29, 2019, when the market lost billions of dollars in market capitalization and heavy trading volume. Many individuals and businesses had been heavily invested in the market, and some struggled to make basic purchase or pay employees after the market collapse. Some banks, which had invested consumer deposits in the soaring market, also were forced to shut their doors, costing some depositors their life savings. Longer lasting effects of the stock market crash of 1929 include greater financial regulation and government oversight of the nation's economy.

### **LEVERAGED STRATEGIES WHEN TO INVEST IN A PARTICULAR STOCK:**

**Margin Buying:** Buying a stock on margin means buying stock with money borrowed against the stock in the account. Those stocks are collected guaranteed that the buyer can repay the loan otherwise the stock broking has the right to sell the stock repay the borrowed money. The broker usually charge 8 - 10% interest on margin borrowings.

**Short Selling:** Short Selling in the context of stock market is the practice where an investor sells shares that he does not own at the time of selling them. He sells them in the hope that the price of those shares will decline and he will profit by buying back those shares at the lower price.

**FINDINGS:** The share represent a fraction of ownership business the common features of all . There is equity participation in different classes of shares have different voting rights. A shareholder is an individual for a company that legally own one or more shares of a company. Finance a company through a state of stock in company knowledge as Equity Financing. At any given movement the price is result of supply and demand. The supply is the number of shares offered for sale at any one moment the demand is the number of shares investors wish to buy at exactly that same time.

## SUGGESTIONS FOR STOCK MARKET CRASH

There are 3 suggestions to prepare for a crashing market:

### **Set aside money you will need within five years:**

One of the most important rules of asset allocation is that money you need to spend from your portfolio within the next five years does not belong in stocks. If you have been neglecting that rule during the bull market, now is a great time to bring it front and centre and convert enough to cash or duration-matched investment grade bonds to reach that threshold.

### **Assess your stocks based on their long term potential:**

Ultimately, stocks are nothing more than financial assets that represent ownership stake in the companies that offer them. Over time, the value of company's stock is based on the market's expectation for its cash flows between now and when the business eventually closes its doors for the last time.

**Let your dividends tell you about the health of the company:** In addition to the cold, hard cash they provide, a company's dividends can tell you a lot about what's really happening to the company's fundamentals, regardless of what its share price is doing. A company's dividend payout ratio will tell you how much it's earning compared with what you're getting paid. A low payout ratio combined with a high dividend yield usually indicates that the underlying business is much stronger than the market is giving it credit for.

**CONCLUSION:** Some conclusions about the stock market crash is that it was a huge decrease in prices, and it also didn't last for a day but it lasted for whole two weeks. It occurred on October 28, 1929, and it was also known as Black Tuesday. It was also the most devastating stock market crash in the history of The United States. It was caused by many imbalances because many people thought that buying shares would give them money back but it really didn't. The second cause was that there was a huge increase in bank loans because many consumers borrowed money to buy shares. The third cause was that many people assumed that buying shares would bring them nothing at all. Many workers couldn't work because nobody could afford to pay them because of the crash. The crash also affected American lives health by discouraging them not to buy anything. It finally affected the houses of Americans because there was nobody to make the houses for investors.

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## Impact of demonetization on Indian Economy

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### ABSTRACT:

The term 'Demonetization' ruled the nation after govt. the demonetized the Rs. 500 and Rs. 1,000 currency notes. This study attempts to showcase the aspects for which demonetizations was implemented, for example, to eradicate black money, corruption, fake currency, terrorism etc. This decision was considered as biggest cleanliness drive against the black money and corruption in the history of Indian economy. Demonetization is the act of stripping a currency unit of its status as legal tender. In an important move, the Government of India declared that the five hundred and one thousand rupee notes will no longer be legal tender from midnight, 8th November 2016. The RBI will issue Two thousand rupee notes and new notes of Five hundred rupees which will be placed in circulation from 10th November 2016. Notes of one hundred, fifty, twenty, ten, five, two and one rupee will remain legal tender and will remain unaffected by this decision. This measure has been taken by the PM in an attempt to address the resolve against corruption, black money and counterfeit notes. This move is expected to cleanse the formal economic system and discard black money from the same. The reasons of it are as under: This article has made an attempt to assess how the tool of Demonetization can be used to eradicate parallel economy. Demonetization is one of the big steps initiated by Government in addressing the various issues like black money, counterfeit currency, corruption, terrorism etc. The stock of the black money constitutes a major part of the GDP. It is imperative to evaluate the short run and medium-term impacts that this decision has created in our economy. Further, the impact of such a move would depend upon the extent to which the government decides to remonetize. This paper would give a clear picture of the demonetization and the steps taken by our Central Government to reduce the trauma of common people.

**Keywords:** Demonetization, Indian economy, Black money, corruption.

### INTRODUCTION:

According to Merriam Webster Dictionary, The term demonetization has its root word from verb demonetize. Demonetization is a word which has various meanings. It is essential whenever there is the need to change national currency. Here the old unit of currency is replaced with a new currency unit. Actually it is a medium of payment which is recognized by a legal system. Paper currency and coins are common forms of legal tender in many countries. Legal tender is variously defined in different jurisdictions. Central government is replacing the old Rs. 500 notes with newer ones and also doing away with Rs. 1000 notes. It is actually scrapping of certain notes from the circulation for different purposes.

Money is the life blood of every economy. With the growth of civilization and mankind, the needs of human beings increased. In order to fulfill humans unlimited wants barter system emerged. But over a period of time, the invention of money became a strong pillar to build an economy. Money exchange appears to be more convenient than barter because it obviates the "double coincidence of wants" and is capable of sustaining relatively complex economy. Money exchange facilitates ease of doing business, facilitates taxation and national integration. All activities such as production, exchange,

distribution, services etc. form an economy. It is called formal economy. An informal economy is neither economic activity/activities that is neither taxed nor monitored by Government, contrasted with a formal economy. Presence of corruption, black money, counterfeit currency, poor governance etc. promotes and establishes parallel economy. Demonetization is not new to India or to the outside world. Various Governments across the world have decided to ban currency note in circulation, rendering huge amount of cash useless overnight, due to plethora of reasons. These include fighting counterfeiting, stopping terror activities, battling black money etc. Many countries have adopted this process of demonetization to overcome hyperinflation, to curb black money, to bring economic stability, to remove counterfeit currency etc.

### **Objectives of Demonetization:**

The main objectives of demonetization are:

- To eradicate black money.
- To remove counterfeit currency.
- To fight against terrorism.
- To stop money laundering activities.
- To mitigate corruption and so on.

### **Strategies for tackling Black money:**

The distillation of various approaches can be summarised as under:

- Establish identity of persons (through PAN Card, Aadhar Card etc.) operating in the country citizens and foreigners.
- Enable low the cost direct bank transfers (Implementation of NEFT/IMPS/RTGS and other formats)
- including direct transfers of subsidies to the beneficiaries under the Aadhar scheme.
- Enable electronic register of assets (Underway through electronic land records, digitisation of revenue records)
- Reform tax system so that cost of compliance is lower than cost of tax evasion. (through initiatives such as Saral forms, e-filing, self declaration etc.) Indirect tax system through simplification (GST).
- Widen the net for disclosure by filing Income Tax return. (auto processing returns for tax refunds)

**Research Methodology:** The paper is based on secondary data. The data has been collected from internet

### **REASON WHY INDIAN ECONOMY SHOULD GO DIGITAL?**

In the recent years, the emphasis to go digitally advance has been improved because of financial inclusion. Financial inclusion is the foremost policy challenges India is facing today. Approximately 61% of India's population had access to formal financial services. Just because of this, Central government had taken major steps in order to include a greater percentage within the umbrella of formal financial services. One of the most famous initiatives in this regard is the Pradhan Mantri Jan Dhan Yojna (PMJDY). PMJDY has done a commendable job of opening approximately 28.68 crore bank accounts and the goal of including over 90% of undeserved sections of the society in the ambit of formal finance in 2021.

### **ADVANTAGES OF GOING CASH LESS:**

The recent waiver of service tax on card transactions up to Rs 2,000 is one of the incentives provided by the Central government to promote digital transactions in country. This has been followed by a series of cuts and freebies. Another plus of going cashless is



that we can pay the exact amount without worrying about not having changed or getting it back from shopkeepers. Heavy discounts and offers on many Government control sectors such as railway ticking, railway catering, highway tolls, insurance policies, fuels etc.

**POLITICAL IMPACT OF DEMONETISATION ON INDIA:** Most of the educated people in our country were seeing the positive side of demonization and was also supporting it. Speeches regarding the curbing of black money made by Prime Minister Narendra Modi were able to draw huge votes for BJP. Especially youth and educated people, despite of any religion are supporting the steps taken by the Central government to curb black money.

**SOCIAL IMPACT OF DEMONETISATION ON INDIA:** On November 8, 2016 the announcement of Rs 1,000 and Rs 500 to not be treated as a legal tender from 9th November resulted in creating havoc among the people. People were facing several issues such as marriage issue and health issue. To list the worst effect of demonization, the impact on health sector was worst as hospitals were refusing to accept the old currency. Several cases of deaths and agitation caused by people were registered due to demonization.

### **ECONOMICAL IMPACT OF DEMONETISATION ON INDIA:**

The role of Reserve bank of India was very important in this cleanliness drive. A positive and warm response was received from the banking experts. Both private and public sector are facing severe issue of NPA (Non-Performing Assets) or bad loans. It has expected that demonization will help the banks to recover bad loans and will improve their financial position. Demonetization will lead to increase in formal banking sector which will result in transparency. From 4% to 28% this jumped in figure has been recorded by the Income Tax Department in regard of paying taxes by people. When black money within India gets curbed, it will result in the overall economic development of the nation.

### **CONCLUSION:**

Central government's recent decision to demonetize the high value currency is one of the major steps towards the eradication of black money and corruption in India. If the money disappears, as some hoarders would not like to be seen with their cash pile, the Indian economy will not benefit. On the other hand if the money finds its way in the economy it could have a meaningful impact. Demonetization in Indian economy is having negative impact on the different sectors. Majority of the negative effect are short run effects. All these effects are solved when the new currency notes are widely circulated in the economy.

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loans. Apart from providing empowerment, microloans also have better repayment rates as women pose lesser risk to borrowers. This improves the credit management practices of the community.

- It results in better education – It has been noted that families benefiting from microloans are more likely to provide better and continued education for their children. Improvement in the family finances imply that children may not be pulled out of school for monetary reasons.

## MAIN GOAL OF FINANCIAL INCLUSION

Each type of microfinance institution is different from the other in many ways but they work towards the same goal- financial inclusion. Due to their operational frameworks, some models have been less successful than the others in attaining this objective. In addition to the above, microfinance institutions can also be categorised into large, medium and small scale. These institutions differ in terms of geographical reach, infrastructure, manpower skills availability, funding and lending processes, revenues and success in operations

## MICROFINANCE INSTITUTIONS ARE STRUGGLING FOR SURVIVAL

(MFIs) came into being in the 90s as banks' reluctance to lend to those without credit history provided an opportunity to those willing to take risk and organise rural communities. Though the gap still exists, the likes of Axis Bank, HDFC Bank or RBL Bank are developing their own ecosystem to reach out directly to the poor for higher returns. There are pockets of oversupply squeezing growth potential for the pure-play micro lenders. India has some 223 MFIs, including societies and NGO-run entities, and 168 of them are registered with Sa-Dhan, the association of community development finance institutions.

### Conclusion:

In this paper, we carried out an empirical analysis to test the influence of the development of the financial system on the development of the microfinance sector, considering the moderating effect of economic growth. The results show the relevance of the moderating effect of economic growth in the analysis of microfinance sector development. In fact, the absence of a relationship between the financial and microfinance sectors development our first analysis appears to be caused by the opposite effect occurring depending on the degree of economic growth. In fact, these results can shed light on the difficulties of running successful programs in other countries, which do not always achieve the degree of success expected. Our results show that these differences cannot only be due to the effectiveness of the policies, but also the manner in which these policies are affected by the economic and financial environment.

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## Demonetization and its effects on economy

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### ABSTRACT

India has amongst the highest level of currencies in circulation at 12.1% of GDP. Cash on hand is an estimated at around 3.2% of household assets, higher than investment in equities, or roughly around \$ 220 billion. Of this cash, 87% is in the form of Rs 500 and Rs 1,000 notes or roughly Rs 14 lakh crore (\$190 billion). A significant portion of the household cash on hand is generated by economic transactions that are not reported to tax authorities or generated through corruption. Scrapping the higher denomination money would either result in these being brought into the system or the money just disappearing. The present paper highlights the probable consequences of this decision on various economic variables and entities. The argument posited in favor of demonetization is that the cash that would be extinguished would be "black money" and hence, should be rightfully extinguished to set right the perverse incentive structure in the economy. Further, the impact of such a move would vary depending on the extent to which the government decides to remonetize.

### INTRODUCTION

Demonetization for us means that Reserve Bank of India has withdrawn the old Rs 500 and Rs 1000 notes as an official mode of payment. Demonetization is the act of stripping a currency unit of its status as legal tender. On 28 October 2016, the total currency in circulation in India was Rs.17.77 lakh crore (US\$260 billion). In terms of value, the annual report of Reserve Bank of India of 31 March 2016 stated that total bank notes in circulation valued to Rs.16.42 lakh crore (US\$240 billion) of which nearly 86 was 500 and 1000 rupee notes. The RBI will issue Two thousand rupee notes and new notes of Five hundred rupees which will be placed in circulation from 10th November 2016.

**The reasons of it are as under:** To tackle black money in the economy and to eliminate fake currency and dodgy funds which have been used by terror groups to fund terrorism in India and so on. Similar measures have been taken in the past. In January 1946, currency notes of 1000 and 10,000 rupees were withdrawn and new notes of 1000, 5000 and 10,000 rupees were introduced in 1954. The Janata Party coalition government had again demonetized notes of 1000, 5000 and 10,000 rupees on 16 January 1978 as a means to curb forgery and black money.

### OBJECTIVES OF THE STUDY:

The experience of impact of demonetization in various countries in past years; To analyze the current the immediate impact of demonetization on Indian economy; To work out the probable consequences of the demonetization. **RESEARCH METHODOLOGY** The paper is based on secondary data. The data has been collected from internet. Graph and percentile method has been used to analyze the data.

In context of present research work the primary objective of the study is to evaluate the financial performance of the public and private sector banks in India.

**The following are the specific objectives of the study :**

- (1) To find out the trend of financial performance of all public sector banks and private sector banks in India.
- (2) To examine comparatively the financial performance of public sector banks

### RESEARCH METHODOLOGY

This study is an empirical research of the impact of Demonetization on the stocks of Indian Real estate sector. The returns of reality stocks are analysed for the pre and post demonetisation period. The Objectives of the study were (1) To analyse selected Reality sector stock returns pre and post demonetisation and (2) To analyse Reality Index Returns pre and post demonetisation. 6 of the top real estate companies of 2017 were considered for the study. The selected companies were DLF, Oberoi Realty, Prestige Estates, Godrej Properties, HDIL and Sobha.

### CONCEPT

It refers to the decision of RBI/Government to recall the status of a currency note to be used as a legal tender. Usually, all the currencies issued by RBI can be used as a legal tender as the value they carry is promised by RBI and once the value has been demonetized / recalled / revoked, the currency note cannot be used. Globally the central banks follow a practice wherein older currency notes are recalled and new currency notes with enhanced security features are issued so as to overcome the menace of counterfeit currency. In India, this is not the first instance of demonetization. In 1946, the Reserve Bank of India had demonetized Rs. 1,000 and Rs. 10,000 currency notes which were then under circulation. In 1954, the Government introduced new currency notes of Rs. 1,000, Rs. 5,000, and Rs. 10,000. Further, these notes were demonetized in 1978 when the Moraji Desai Government decided to curb illegal transactions and anti-social activities.

- It will plug financing to terrorists
- It will help unearth black money
- It will help reduce interest rates in the banking system

The government offered several incentives to induce people to use digital transactions too.

### Advantages of Demonetisation

1. A major advantage of demonetisation is that it helped the government track black money. Large sums of black money was kept hidden by tax evaders. Demonetisation helped government uncover huge amount of unaccounted cash. According to estimates made by RBI, people have deposited more than rupees 3 lakh crores worth of black money in the bank accounts. This has helped the government in slowing down the plague of parallel economy.
2. A major reason behind demonetisation was that a big part of black money was being used for funding terrorism, gambling, in inflating the price of major assets classes like real estate, gold and other social evils. Demonetisation is acting as an effective countermeasure against such activities. Now all such activities will get reduced for some time and also it will take years for people to generate that amount of black money again and hence in a way

it helps in putting an end this circle of people doing illegal activities to earn black money and using that black money to do more illegal activities.

3. Another benefit is that due to people disclosing their income by depositing money in their bank accounts government gets a good amount of tax revenue which can be used by the government towards the betterment of society by providing good infrastructure, hospitals, educational institutions, roads and many facilities for poor and needy sections of society.

### IMPACT of Demonetization:

Many argues that demonetization move is replete with downside risks as demonetization entail economic costs and it could potentially spiral into an administrative nightmare as people struggle to offload their stock of soon to be worthless banknotes. In fact, the first few months will be painful as short-term liquidity squeeze could be severe and hence economic activity could suffer in short run. Sectors like real estate where a major part of transactions are carried out in cash will suffer and construction activity will also slowdown in the short-run. Demonetization will be painful for middle-class in short run. A day after the demonetization, there is a situation of chaos and public mayhem as automated teller machines were shut and banks were remained close on the next day for general public. People are queuing to banks and ATMs to exchange their Rs 500 and 1000 notes. In the first few days, withdrawals will be limited to Rs. 2,000 per day per card.

### IMPACT ON CASHLESS ECONOMY

With phasing out of Rs. 500 and Rs.1000 currency notes, there is a projected shift in the pattern of consumer spending behavior. Following will be the impact of demonetization on cashless economy;

- Increase in transactions on debit cards: People will seek to reserve Rs 100 notes for smaller transactions and use debit cards to pay for higher value transactions.
- Point of Sale (POS) Terminals usage will surge: With increase in cashless transactions, POS terminal usage are expected to increase.
- Payment Banks and Online payment solutions like Paytm will see surge in number of users.

### Findings :

Almost 99% of demonetised currency came back into the banks, which clearly implies that hardly any black money was taken out from the system. Entire operation facilitated the flow of unaccounted money into the banking system, thereby leaving the onus of recovering tax and penalty upon agencies. This decision in its wake entailed not so insignificant costs in terms of GDP loss by possibly at least one percentage point. Costs related to printing of replacement currency, large-scale recalibration of ATMs, logistic and administrative costs incurred by banks. Committee not entirely convinced with government's decision to curb fake currency notes by cancelling tender character of old Rs 500 and 1000 notes.

### SUGGESTIONS:

1) **Cut down on lending rates** : India is a land of small businesses. Over 5 million small businesses employing more than 40% of the workforce are the backbone of this growth engine called the Indian economy. These are largely in the unorganized sector and have suffered twin blows of GST and demonetization. They already grapple with issues like raising capital for projects, bids or increasing their stocks to compete with the organized sector.

2) **Simplification of GST:**

Our indirect tax system has been complex multi-layered for some time now. People thought GST would simplify it. However multiple slabs (0,5,12,18,28) and the fact that many end products are an aggregation of individual products

with varying rates has compounded the woes of SMBs, MSMEs and especially the unorganized sector. Add to it the IT backbone of the system in a largely not so digital savvy business environment and we have a recipe for unmitigated chaos.

### CONCLUSION:

The involvement of black money and cash transaction in real estate sector was considerable. The passing of RERA (Real Estate Regulation and Development Act 2016), the Benami Transactions Act and now the demonetization will ensure that going forward will become more transparent and will definitely lose its historic taint. These regulations would also prevent investors from getting cheated and buy properties of their choice at affordable prices, the place where they want to and the timely possession will also be assured.

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## Microfinance and financial inclusion

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### ABSTRACT:

The present paper highlights the micro-finance institutions & evaluates the position and their growth. The concept of microfinance is not new in India. Traditionally, people have saved with and taken small loans from individuals and groups within the context of self-help to start businesses or farming ventures. Majority of poor are excluded from financial services. Micro finance is a programme to support the poor rural people to pay its debt and maintain social and economic status in the villages. Micro-finance is an important tool for improving the standard of living of poor. In spite of many organizations of micro finance, micro finance is not sufficient in India. The study explores some suggestions to make micro finance more effective. The potential for growing micro finance institutions in India is very high. Microfinance market in India is expected to grow rapidly, supported by government of India's initiatives to achieve greater financial inclusion, and growth in the country's unorganized but priority sector. Microfinance, the provision of a wide range of financial services to poor people, has proved a very successful way of providing immensely valuable services to poor people on a sustainable basis. Access to financial services has allowed many families throughout the developing world. It is incontestable that an efficient and effective microfinance system is essential for building a sustained. Economic growth. The Indian Government should find an avenue for creation of awareness on how microfinance can benefit from loans and monitors closely to ensure disbursement of loans and grants to entrepreneurs.

**Keywords:** microfinance; financial system; economic growth; panel data; developing countries

### Introduction

Over the past centuries, practical visionaries, from the Franciscan friars who founded the community-oriented pawnshops of the 15th century to the founders of the European credit union movement in the 19th century (such as Friedrich Wilhelm Raiffeisen) and the founders of the microcredit movement in the 1970s (such as Muhammad Yunus and Al Whittaker), have tested practices and built institutions designed to bring the kinds of opportunities and risk-management tools that financial services can provide to the doorsteps of poor people. While the success of the Grameen Bank (which now serves over 7 million poor Bangladeshi women) has inspired the world it has proved difficult to replicate this success. In nations with lower population densities, meeting the operating costs of a retail branch by serving nearby customers has proven considerably more challenging. Hans Dieter Seibel, board member of the European Microfinance Platform, is in favour of the group model. This particular model (used by many Microfinance institutions) makes financial sense, he says, because it reduces transaction costs. Microfinance programmes also need to be based on local funds

**Microfinance** is a category of financial services targeting individuals and small businesses who lack access to conventional banking and related services. Microfinance includes microcredit, the provision of small loans to poor clients; savings and checking

accounts micro insurance; and payment systems Microfinance services are designed to reach excluded customers, usually poorer population segments, possibly socially marginalized, or geographically more isolated, and to help them become self-sufficient. In developing economies and particularly in rural areas, many activities that would be classified in the developed world as financial are not monetized: that is, money is not used to carry them out. This is often the case when people need the services money can provide but do not have dispensable funds required for those services, forcing them to revert to other means of acquiring them.

A **microfinance institution** is an organization that offers **financial** services to low income populations. Almost all give loans to their members, and many offer insurance, deposit and other services. A great scale of organizations is regarded as **microfinance institutes**.

Microfinance practitioners have long argued that such high interest rates are simply unavoidable, because the cost of making each loan cannot be reduced below a certain level while still allowing the lender to cover costs such as offices and staff salaries. For example, in Sub-Saharan Africa credit risk for microfinance institutes is very high, because customers need years to improve their livelihood and face many challenges during this time. Financial institutes often do not even have a system to check the person's identity. Additionally they are unable to design new products and enlarge their business to reduce the risk. The result is that the traditional approach to microfinance has made only limited progress in resolving the problem it purports to address: that the world's poorest people pay the world's highest cost for small business growth capital. The high costs of traditional microfinance loans limit their effectiveness as a poverty-fighting tool. Offering loans at interest and fee rates of 37% mean that borrowers who do not manage to earn at least a 37% rate of return may actually end up poorer as a result of accepting the loans.

According to a recent survey of microfinance borrowers in Ghana published by the Center for Financial Inclusion, more than one-third of borrowers surveyed reported struggling to repay their loans. Some resorted to measures such as reducing their food intake or taking children out of school in order to repay microfinance debts that had not proven sufficiently profitable

In recent years, the microfinance industry has shifted its focus from the objective of increasing the volume of lending capital available, to address the challenge of providing microfinance loans more affordably. Microfinance analyst David Roodman contends that, in mature markets, the average interest and fee rates charged by microfinance institutions tend to fall over time. However, global average interest rates for microfinance loans are still well above 30%.

**As per the report the top 10 Microfinance Companies in India are as follows.**

- Annapurna Microfinance Pvt Ltd.
- Arohan Financial Services Pvt Ltd.
- Asirvad Microfinance Pvt Ltd.
- Bandhan Financial Services Pvt Ltd.
- BSS Microfinance Pvt Ltd.
- Cashpor Micro Credit.
- Disha Microfin Pvt Ltd.
- Equitas Microfinance Pvt Ltd.



In general, MFIs can borrow from big banks and investors or issue bonds; take deposits (savings) from clients; and accept equity investments, which are ownership stakes that **earn** a share of the profits. ... So 10,00,000 million in equity is not 10,00,000 million received from investors.

### **GOALS OF MICROFINANCE INSTITUTIONS.**

Microfinance institutions have been gaining popularity in the recent years and are now considered as effective tools for alleviating poverty. Most MFIs are well-run with great track records, while others are quite self-sufficient. The primary goals of microfinance institutions are the following:

- Transform into a financial institution that assists in the development of communities that are sustainable.
- Help in the provision of resources that offer support to the lower sections of the society. There is special focus on women in this regard, as they have emerged successful in setting up income generation enterprises.
- Evaluate the options available to help eradicate poverty at a faster rate.
- Mobilise self-employment opportunities for the underprivileged.
- Empowering rural people by training them in simple skills so that they are capable of setting up income generation businesses.

### **KEY BENEFITS OF MICRO FINANCE.**

The part that microfinance plays in economic development is noteworthy. Some of the key benefits of MFIs include the following:

- It enables people expand their present opportunities – The income accumulation of poor households has improved due to the presence of microfinance institutions that offer funds for their businesses.
- It provides easy access to credit – Microfinance opportunities provide people credit when it is needed the most. Banks do not usually offer small loans to customers; MFIs providing microloans bridge this gap.
- It makes future investments possible– Microfinance makes more money available to the poor sections of the economy. So, apart from financing the basic needs of these families, MFIs also provide them with credit for constructing better houses, improving their healthcare facilities, and exploring better business opportunities.
- It serves the under-financed section of the society – Majority of the microfinance loans provided by MFIs are offered to women. Unemployed people and those with disabilities are also beneficiaries of microfinance. These financing options help people take control of their lives through the betterment of their living conditions.
- It helps in the generation of employment opportunities – Microfinance institutions help create jobs in the impoverished communities.
- It inculcates the discipline of saving – When the basic needs of people are met, they are more inclined to start saving for the future. It is good for people living in backward areas to inculcate the habit of saving.
- It brings about significant economic gains – When people participate in microfinance activities, they are more likely to receive better levels of consumption and improved nutrition. This eventually leads to the growth of the community in terms of economic value.
- It results in better credit management practices – Microloans are mostly taken by women borrowers. Statistics prove that female borrowers are less likely to default on

loans. Apart from providing empowerment, microloans also have better repayment rates as women pose lesser risk to borrowers. This improves the credit management practices of the community.

- It results in better education – It has been noted that families benefiting from microloans are more likely to provide better and continued education for their children. Improvement in the family finances imply that children may not be pulled out of school for monetary reasons.

## MAIN GOAL OF FINANCIAL INCLUSION

Each type of microfinance institution is different from the other in many ways but they work towards the same goal- financial inclusion. Due to their operational frameworks, some models have been less successful than the others in attaining this objective. In addition to the above, microfinance institutions can also be categorised into large, medium and small scale. These institutions differ in terms of geographical reach, infrastructure, manpower skills availability, funding and lending processes, revenues and success in operations

## MICROFINANCE INSTITUTIONS ARE STRUGGLING FOR SURVIVAL

(MFIs) came into being in the 90s as banks' reluctance to lend to those without credit history provided an opportunity to those willing to take risk and organise rural communities. Though the gap still exists, the likes of Axis Bank, HDFC Bank or RBL Bank are developing their own ecosystem to reach out directly to the poor for higher returns. There are pockets of oversupply squeezing growth potential for the pure-play micro lenders. India has some 223 MFIs, including societies and NGO-run entities, and 168 of them are registered with Sa-Dhan, the association of community development finance institutions.

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